

## **Telecommunications and Internet Access Services Fund for E-12 Education and Public Libraries**

### **Purpose of proposed legislation:**

to connect Minnesota E-12 education and public libraries to the Internet, to one another and to online learning and video resources worldwide  
to connect Minnesota E-12 education and public libraries with required state and federal reporting and accountability systems  
to preserve the efficiencies gained through the application of telecommunications technologies  
to insure statewide equity of education telecommunications access  
to reduce telecommunication infrastructure cost through collaboration  
to increase technology literacy  
to maximize federal E-rate discounts on telecommunications services  
to stabilize telecommunications infrastructure funding

1. An Education Telecommunications Fund will be established as an account in the state treasury. Earnings arising from fund assets will be credited to the account. Money in the account is carried forward between fiscal years and biennial budget cycles.
2. Funding source:
  - a. A surcharge of 25 cents per month will be added to end-user bills by communications providers for each customer access line or equivalent for voice, data, or video telecommunications service, including trunk equivalents as designated for access charge purposes and defined in Minnesota Statutes, Chapter 403 , Section .02, Subd. 20 and 21.
  - b. The Commissioner of Revenue shall deposit the revenues, including interest and penalties, into the Education Telecommunications Fund.
3. Starting in FY2004, the account shall fund the E-12 education and public library telecommunications and Internet access infrastructure portions of the Learning Network of Minnesota formerly funded through the Telecommunications Access Revenue Program (TARP) and the Regional Library Telecommunications Aid Program (RTLTA), covering network infrastructure between sites and the Internet for data and video connectivity.
4. The Minnesota Education Telecommunications Council (METC) has oversight responsibility for the operation of the Learning Network of Minnesota, and will
  - a. Develop a funding plan consistent with the regional distribution method recommended in the February 2002 Permanent Funding for K-12 Schools and Public Library Telecommunications Access report.
  - b. Establish infrastructure capacity and interoperability standards.
  - c. Report annually to the Legislature on the condition of the network.
5. The appropriate state agency operates as fiscal agent for METC, but without management authority or operational responsibility for this program. Not more than \$200,000 each fiscal year may be expended from the account for paying the expenses of such agency in administering this section.
6. Participating E-12 and public library entities are required to apply for federal E-Rate discounts. Entities denied E-rate discounts will be funded through the Education Telecommunication Fund, but are required to appeal for restoration of discounts. Any discounts resulting from successful appeals will be deposited to the fund.