

## Approve Increased FTE Capacity in the Broadband Development Office

---

### Key Takeaways:

- Texas 2036 supports the Comptroller's Exceptional Item 2, which will increase the FTE cap for the Broadband Development Office (BDO) at no state cost.
- Increasing the FTE cap will allow the BDO to more efficiently allocate the recent influx of federal broadband funding, speeding implementation of the state's broadband plan.

### Background:

The Texas Broadband Development Office (BDO) was established by the 87<sup>th</sup> Legislature to help close the digital divide by expanding broadband services in the state. The 2022-2023 General Appropriations Act placed a limitation on the number of personnel within the Texas Broadband Development Office. The 5 FTE cap was established after the Comptroller of Public Accounts (CPA) conducted a bill analysis on HB 5 and SB 5 and determined the appropriate staffing level for the new office to be 5 FTEs.

However, the bill analyses the CPA performed that determined this initial FTE cap predated the infusion of \$500.5 million from the federal Capital Projects Fund (CPF) into the Broadband Development Office. The Texas Broadband Development program was also constructed legislatively prior to passage of the federal Infrastructure Investment and Jobs Act (IIJA),<sup>1</sup> which will at minimum provide Texas with an additional \$100 million for the deployment of high-speed internet across the state. The BDO will serve as the administering agent for these funds.

Current positions at the Broadband Development Office include a director, program manager, two program coordinators and a data analyst. Additional FTEs are necessary to properly administer incoming funds. If the FTE cap is lifted, new roles in the Broadband Development Office will include technical subject-matter experts who understand the operation of telecommunication networks, outreach coordinators to facilitate communication with local communities, digital equity specialists, and grant administrators.

### Proposed Action:

Incorporate Exceptional Item 2, which will lift the FTE cap from 5 to 23 FTEs, into the base budget. The additional FTE capacity will help expand the Broadband Development Office, which oversees the distribution of millions of dollars in grants for broadband expansion and infrastructure projects across the state of Texas.

### Budget Cost Estimate:

The Comptroller's exceptional item request does not include a request for additional funding because General Revenue funds from the existing \$5M budget will fund the request for increased FTE capacity.

### Public Policy Impact:

Approving the Comptroller's request to increase the FTE cap from 5 to 23 will expand personnel capacity within the Broadband Development Office. Additional FTEs will equip the Broadband Development Office with the necessary resources it needs to optimize federal and state funding to close the digital divide.

---

<sup>1</sup> The Capital Projects Fund is a federal funding program under the American Rescue Plan Act (ARPA). The IIJA is a federal infrastructure bill that was signed into law on November 15, 2021 and will serve as a source of funding for the Broad Equity, Access & Deployment (BEAD) program and Digital Equity Program.