

05/14/2013 02:00:07 PM

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB2194

By: Schwartz of the House and Marlatt of the Senate

Title: Corporation Commission; relating to the Telecommunications Act of 1997; making not-for-profit mental health and substance abuse facilities eligible to receive certain Special Universal Services; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

- 1) Conferees are unable to agree.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

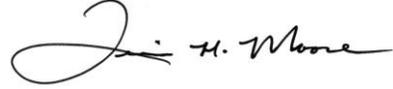
HB2194 CCR (A)
HOUSE CONFEREES

Christian, Mike

McBride, Mark



Moore, Lewis H.



Pruett, R. C.



Reynolds, Mike

Schwartz, Colby



Scott, Seneca

Watson, Weldon



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.194 CCR A

SENATE CONFEREES

Marlatt

A. Bayo Marlatt

Branan

G.B. Branan

Simpson

A. Simpson

Barrington

Paddack

Paddack

Wyrick

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 2194

By: Schwartz of the House

and

Treat of the Senate

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4
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6
7 An Act relating to the Corporation Commission;
8 amending 17 O.S. 2011, Sections 139.102 and 139.109,
9 as amended by Section 1, Chapter 141, O.S.L. 2012 (17
10 O.S. Supp. 2012, Section 139.109), which relate to
11 the Oklahoma Telecommunications Act of 1997; adding a
12 definition; making not-for-profit mental health and
13 substance abuse facilities eligible to receive
14 certain Special Universal Services; and providing an
15 effective date.

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19
20 AUTHOR: Remove Treat as Senate Author, replace with Marlatt

21 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
22 entire bill and insert

23 "[Telecommunications - Oklahoma Telecommunications
24 Act of 1997 - Special Universal Services - effective
date]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 17 O.S. 2011, Section 137.3, is
amended to read as follows:

Section 137.3. The Corporation Commission may, after notice and
hearing, assess a universal service fee upon all contributing

1 providers of telecommunications services, as defined by the rules of
2 the Corporation Commission, and upon cellular and other radio
3 carriers, as defined in section 139.102 of this title, to support
4 state and federal universal service objectives.

5 SECTION 2. AMENDATORY 17 O.S. 2011, Section 139.102, is
6 amended to read as follows:

7 Section 139.102. As used in the Oklahoma Telecommunications Act
8 of 1997:

9 1. "Access line" means the ~~facility~~ facilities provided and
10 maintained by a ~~telecommunications service provider~~ an ILEC which
11 permits intrastate access to or from the public switched network or
12 its functional equivalent, regardless of the technology or medium
13 used, including but not limited to a network using Internet Protocol
14 technology or infrastructure;

15 2. "Commission" means the Corporation Commission of this state;

16 3. "Competitive local exchange carrier" or "CLEC" means, with
17 respect to an area or exchange, a telecommunications service
18 provider that is certificated by the Commission to provide local
19 exchange services in that area or exchange within the state after
20 July 1, 1995;

21 4. "Contributing providers", for purposes of Sections 137 and
22 139 of this title, means all providers of intrastate
23 telecommunications services provided to the public, regardless of
24 technology or medium used, or to such classes of users as to be

1 effectively available to the public, for a fee, including providers
2 of Wireless Telephone Service, and certain other providers of
3 intrastate telecommunications, such as payphone providers, that are
4 aggregators; providers of VoIP as provided in and in accordance with
5 the Federal Communications Commission's decision in FCC 10-185
6 (released November 5, 2010). If after November 1, 2013, the FCC
7 expands the contributors to the federal universal service funds the
8 term contributing providers will be modified to conform to the FCC's
9 defined contributors if adopted by the Corporation Commission, after
10 notice and hearing;

11 5. "Competitively neutral" means not advantaging or favoring
12 one person over another;

13 ~~5.~~ 6. "End User Common Line Charge" means the flat-rate monthly
14 interstate access charge required by the Federal Communications
15 Commission that contributes to the cost of local service;

16 ~~6.~~ 7. "Enhanced service" means a service that is delivered over
17 communications transmission facilities and that uses computer
18 processing applications to:

- 19 a. change the content, format, code, or protocol of
- 20 transmitted information,
- 21 b. provide the customer new or restructured information,
- 22 or
- 23 c. involve end-user interaction with information stored
- 24 in a computer;

1 ~~7.~~ 8. "Exchange" means a geographic area established by an
2 incumbent local exchange telecommunications provider as filed with
3 or approved by the Commission for the administration of local
4 telecommunications service in a specified area which usually
5 embraces a city, town, or village and its environs and which may
6 consist of one or more central offices together with associated
7 plant used in furnishing telecommunications service in that area;

8 ~~8.~~ 9. "Facilities" means all the plant and equipment of a
9 ~~telecommunications service provider~~ an ILEC, including all tangible
10 and intangible real and personal property without limitation, and
11 any and all means and instrumentalities in any manner owned,
12 operated, leased, licensed, used, controlled, furnished, or supplied
13 for, by, or in connection with the ~~regulated business~~ provisioning
14 of Primary Universal Service of any ~~telecommunications service~~
15 ~~provider~~ ILEC;

16 ~~9.~~ 10. "High speed Internet access service" or "broadband
17 service" means, as used in Section 3 of this act, those services and
18 underlying facilities that provide upstream, from customer to
19 provider, or downstream, from provider to customer, transmission to
20 or from the Internet in excess of one hundred fifty (150) kilobits
21 per second, regardless of the technology or medium used including,
22 but not limited to, wireless, copper wire, fiber optic cable, or
23 coaxial cable, to provide such service;

24

1 ~~10.~~ 11. "Incumbent local exchange telecommunications service
2 provider" or "ILEC" means, with respect to an area or exchanges, any
3 telecommunications service provider furnishing local exchange
4 service in such area or exchanges within this state on July 1, 1995,
5 pursuant to a certificate of convenience and necessity or
6 grandfathered authority;

7 ~~11.~~ 12. "Interexchange telecommunications carrier" or "IXC"
8 means any person, firm, partnership, corporation or other entity,
9 except an incumbent local exchange telecommunications service
10 provider, engaged in furnishing regulated interexchange
11 telecommunications services under the jurisdiction of the
12 Commission;

13 ~~12.~~ 13. "Internet" means the international research-oriented
14 network comprised of business, government, academic and other
15 networks;

16 ~~13.~~ 14. "Internet Protocol enabled service" or "IP enabled
17 service" means any service, capability, functionality, or
18 application using existing Internet Protocol, or any successor
19 Internet Protocol, that enables an end user to send or receive a
20 communication from or at their location in existing Internet
21 Protocol format, or any successor Internet Protocol format through a
22 broadband connection, regardless of whether the communication is
23 voice, data, or video.

1 15. "Local exchange telecommunications service" means a
2 regulated switched or dedicated telecommunications service which
3 originates and terminates within an exchange or an exchange service
4 territory. Local exchange telecommunications service may be
5 terminated by a telecommunications service provider other than the
6 telecommunications service provider on whose network the call
7 originated. The local exchange service territory defined in the
8 originating provider's tariff shall determine whether the call is
9 local exchange service;

10 ~~14.~~ 16. "Local exchange telecommunications service provider"
11 means a company holding a certificate of convenience and necessity
12 from the Commission to provide local exchange telecommunications
13 service;

14 ~~15.~~ 17. "Not-for-profit hospital" means:

15 a. a hospital established as exempt from taxation
16 pursuant to the provisions of the Internal Revenue
17 Code, 26 U.S.C., Section 501(c)(3), or

18 b. a not-for-profit hospital owned by a municipality,
19 county, or the state,

20 that is primarily funded by county, state, or federal support,
21 located in this state, and devoted primarily to the maintenance and
22 operation of facilities for the diagnosis, treatment, or care of
23 patients admitted overnight or longer in order to obtain medical
24 care, surgical care, or obstetrical care;

1 ~~16.~~ 18. "Not-for-profit mental health and substance abuse
2 facility" means a facility operated by the Department of Mental
3 Health and Substance Abuse Services or a facility certified by the
4 Department of Mental Health and Substance Abuse Services as a
5 Community Health Care Center, a Community-Based Structured Crisis
6 Center or Community Comprehensive Addiction Recovery Center;

7 19. "Oklahoma High Cost Fund" means the fund established by the
8 Commission in Cause Nos. PUD 950000117 and 950000119;

9 ~~17.~~ 20. "Oklahoma Lifeline Fund" means the fund established and
10 required to be implemented by the Commission pursuant to Section
11 139.105 of this title;

12 ~~18.~~ 21. "Oklahoma Universal Service Fund" means the fund
13 established and required to be implemented by the Commission
14 pursuant to Section 139.106 of this title;

15 ~~19.~~ 22. "Person" means any individual, partnership,
16 association, corporation, governmental entity, public or private
17 organization of any character, or any other entity;

18 ~~20.~~ 23. "Primary universal service" means the provision of the
19 intrastate component of the federally supported universal service
20 definition, including an access line and dial tone provided to the
21 premises of residential or business customers which provides access
22 to other lines for the transmission of two-way switched or dedicated
23 communication in the local calling area without additional, usage-
24 sensitive charges, including:

- 1 ~~a. a primary directory listing,~~
2 ~~b. dual-tone multifrequency signaling,~~
3 ~~c. access to operator services,~~
4 ~~d. access to directory assistance services,~~
5 ~~e. access to telecommunications relay services for the~~
6 ~~deaf or hard-of-hearing,~~
7 ~~f. access to nine-one-one service where provided by a~~
8 ~~local governmental authority or multijurisdictional~~
9 ~~authority, and~~
10 ~~g. access to interexchange long distance services as~~
11 ~~defined in this section; provided, if, after November~~
12 ~~1, 2013, the FCC redefines the services supported by~~
13 ~~the federal universal service funds, this definition~~
14 ~~will be modified to conform to the FCC's redefinition~~
15 ~~if adopted by the Corporation Commission, after notice~~
16 ~~and hearing;~~

17 ~~21.~~ 24. "Public library" means a library or library system that
18 is freely open to all persons under identical conditions and which
19 is supported in whole or in part by public funds. Public library
20 shall not include libraries operated as part of any university,
21 college, school museum, the Oklahoma Historical Society or county
22 law libraries;

1 ~~22.~~ 25. "Public school" means all free schools supported by
2 public taxation, and shall include grades kindergarten through
3 twelve;

4 ~~23.~~ 26. "Regulated telecommunications service" means the
5 offering of telecommunications for a fee directly to the public
6 where the rates for such service are regulated by the Commission.
7 Regulated telecommunications service does not include the provision
8 of nontelecommunications services, including, but not limited to,
9 the printing, distribution, or sale of advertising in telephone
10 directories, maintenance of inside wire, customer premises
11 equipment, and billing and collection service, nor does it include
12 the provision of wireless telephone service, enhanced service, and
13 other unregulated services, including services not under the
14 jurisdiction of the Commission, and services determined by the
15 Commission to be competitive;

16 ~~24.~~ 27. "Special Universal Services" means the
17 telecommunications services supported by the OUSF which are
18 furnished to public schools, public libraries, not-for-profit
19 hospitals and county seats as provided for in Section 139.109 of
20 this title;

21 ~~25.~~ 28. "Tariff" means all or any part of the body of rates,
22 tolls, charges, classifications, and terms and conditions of service
23 relating to regulated services offered, the conditions under which
24

1 offered, and the charges therefor, which have been filed with the
2 Commission and have become effective;

3 ~~26.~~ 29. "Telecommunications" means the transmission, between or
4 among points specified by the user, of voice or data information of
5 the user's choosing, without change in the form or content of the
6 information as sent and received;

7 ~~27.~~ 30. "Telecommunications carrier" means a person that
8 provides telecommunications service in this state;

9 ~~28.~~ 31. "Telecommunications service" means the offering of
10 telecommunications for a fee;

11 ~~29.~~ 32. "Universal service area" has the same meaning as the
12 term "service area" as defined in 47 U.S.C., Section 214(e) (5); ~~and~~

13 ~~30.~~ 33. "Voice over Internet Protocol service" or "VoIP" means
14 a service that:

- 15 a. uses Internet Protocol or a successor protocol to
16 enable a real-time, two-way voice communication that
17 originates from or terminates to the user's location
18 in Internet Protocol or a successor protocol,
19 b. utilizes a broadband connection from the user's
20 location, and
21 c. permits a user generally to receive a call that
22 originates on the public switched telephone network or
23 its equivalent and to terminate a call to the public
24 switched telephone network or its functional

1 equivalent, including but not limited to a network
2 using Internet Protocol technology or infrastructure;

3 34. "Wire center" means a geographic area normally served by a
4 central office; and

5 35. "Wireless Telephone Service" means radio communication
6 service carried on between mobile stations or receivers and land
7 stations, and by mobile stations communicating among themselves and
8 which permits a user generally to receive a call that originates
9 and/or terminates on the public switched network or its functional
10 equivalent, regardless of the radio frequencies used.

11 SECTION 3. AMENDATORY 17 O.S. 2011, Section 139.106, is
12 amended to read as follows:

13 Section 139.106. A. There is hereby created within the
14 Corporation Commission the "Oklahoma Universal Service Fund" (OUSF).
15 Not later than January 31, 1998, the Corporation Commission shall
16 promulgate rules implementing the OUSF so that, consistent with the
17 provisions of this section, funds can be made available to eligible
18 local exchange telecommunications service providers.

19 B. The fund shall be funded and administered to promote and
20 ensure the availability of primary universal services, at rates that
21 are reasonable and affordable and special universal services, and to
22 provide for reasonably comparable services at affordable rates in
23 rural areas as in urban areas. The OUSF shall provide funding to
24

1 local exchange telecommunications service providers that meet the
2 eligibility criteria established in this section.

3 C. The OUSF shall be funded by a charge paid by all
4 ~~telecommunications carriers as provided for in Section 7 of this~~
5 ~~act, at a level sufficient to maintain universal service~~
6 contributing providers.

7 D. Within ninety (90) days after receipt of a request for funds
8 from an eligible provider, the Administrator designated pursuant to
9 Section 7 of this act shall review and determine the accuracy of the
10 request and advise the provider requesting the funds of the
11 determination of eligibility made by the Administrator. Any
12 affected party shall have fifteen (15) days to request
13 reconsideration by the Commission of the determination made by the
14 Administrator. If the Commission does not issue an order within
15 thirty (30) days from the request for reconsideration, the request
16 shall be deemed approved, on an interim basis, subject to refund
17 with interest. Any refund shall include interest at a rate of not
18 more than the interest rate established by the Commission on
19 customer deposits and shall accrue for a period not to exceed ninety
20 (90) days from the date the funds were received by the requesting
21 eligible provider.

22 E. Telecommunications carriers may, at their option, recover
23 from their retail customers the OUSF charges paid by the
24

1 telecommunications carrier. The OUSF charges shall not be subject
2 to state or local taxes or franchise fees.

3 F. The Commission shall not, prior to implementation and the
4 availability of funds from the OUSF, require local exchange
5 telecommunications service providers to reduce rates for intrastate
6 access services.

7 G. Any eligible local exchange telecommunications service
8 provider may request funding from the OUSF as necessary to maintain
9 rates for primary universal services that are reasonable and
10 affordable. OUSF funding shall be provided to eligible local
11 exchange telecommunications service providers for the following:

12 1. To reimburse eligible local exchange telecommunications
13 service providers for the reasonable investments and expenses not
14 recovered from the federal universal service fund or any other state
15 or federal government fund incurred in providing universal services,
16 including such intrastate regulated costs, net of associated
17 intrastate regulated revenues, as are necessary to ensure fair and
18 reasonable rates as a result of a federal decision that:

19 a. requires the eligible local exchange
20 telecommunications service provider to deploy
21 broadband within its service area, and/or

22 b. allocates broadband access costs to the intrastate
23 jurisdiction;
24

1 2. Infrastructure expenditures or costs incurred in response to
2 facility or service requirements established by a legislative,
3 regulatory, or judicial authority or other governmental entity
4 mandate;

5 3. For reimbursement of the Lifeline Service Program credits as
6 set forth in Section 5 of this act;

7 4. To reimburse eligible local exchange telecommunications
8 service providers for providing the Special Universal Services as
9 set forth in subsection C of Section 9 of this act;

10 5. To defray the costs of administering the OUSF, including the
11 costs of an annual independent audit, if not performed by the
12 Commission staff; and

13 6. For other purposes deemed necessary by the Commission to
14 preserve and advance universal service.

15 H. In identifying and measuring the costs of providing primary
16 universal services, exclusively for the purpose of determining OUSF
17 funding levels under this section, the eligible local exchange
18 telecommunications service provider serving less than seventy-five
19 thousand access lines shall, at its option:

20 1. Calculate such costs by including all embedded investments
21 and expenses incurred by the eligible local exchange
22 telecommunications service provider in the provision of primary
23 universal service, and may identify high-cost areas within the local
24 exchange area it serves and perform a fully distributed allocation

1 of embedded costs and identification of associated primary universal
2 service revenue. Such calculation may be made using fully
3 distributed Federal Communications Commission parts 32, 36 and 64
4 costs, if such parts are applicable. The high-cost area shall be no
5 smaller than a single exchange, wire center, or census block group,
6 chosen at the option of the eligible local exchange
7 telecommunications service provider; ~~or~~

8 2. Adopt the cost studies approved by the Commission for a
9 local exchange telecommunications service provider that serves
10 seventy-five thousand or more access lines; or

11 3. Adopt such other costing or measurement methodology as may
12 be established for such purpose by the Federal Communications
13 Commission pursuant to Section 254 of the federal Telecommunications
14 Act of 1996.

15 I. In identifying and measuring the cost of providing primary
16 universal services, and exclusively for the purpose of determining
17 OUSF funding levels pursuant to this section, each ILEC which serves
18 seventy-five thousand or more access lines and each CLEC shall
19 identify high-cost areas within the local exchange and perform a
20 cost study using a Commission-approved methodology from those
21 identified in subsection H of this section. The high-cost area
22 shall be no smaller than a single exchange, wire center or census
23 block group chosen at the option of the eligible ILEC or CLEC. If
24 the Commission fails to approve the selected methodology within one

1 hundred twenty (120) days of the filing of the selection, the
2 selected methodology shall be deemed approved.

3 J. The Commission may by rule expand primary universal services
4 to be supported by the OUSF, after notice and hearing. The
5 Administrator, upon approval of the Commission, shall determine the
6 level of additional OUSF funding to be made available to an eligible
7 local exchange telecommunications service provider which is required
8 to recover the cost of any expansion of universal services.

9 K. 1. Each request for OUSF funding by an eligible ILEC
10 serving less than seventy-five thousand access lines shall be
11 premised upon the occurrence of one or more of the following:

12 a. in the event of a Federal Communications Commission
13 order, rule or policy, the effect of which is to
14 decrease the federal universal service fund revenues
15 of an eligible local exchange telecommunications
16 service provider, the eligible local exchange
17 telecommunications service provider shall recover the
18 decreases in revenues from the OUSF,

19 b. if, as a result of changes required by existing or
20 future federal or state regulatory rules, orders, or
21 policies or by federal or state law, an eligible local
22 exchange telecommunications service provider
23 experiences a reduction in revenues or an increase in
24 costs, it shall recover the revenue reductions or cost

1 increases from the OUSF, the recovered amounts being
2 limited to the net reduction in revenues or cost
3 increases, or

4 c. if, as a result of changes made as required by
5 existing or future federal or state regulatory rules,
6 orders, or policies or by federal or state law, an
7 eligible local exchange telecommunications service
8 provider experiences a reduction in costs, upon
9 approval by the Commission, the provider shall reduce
10 the level of OUSF funding it receives to a level
11 sufficient to account for the reduction in costs.

12 2. The receipt of OUSF funds for any of the changes referred to
13 in this subsection shall not be conditioned upon any rate case or
14 earnings investigation by the Commission. The Commission shall,
15 pursuant to subsection D of this section, approve the request for
16 payment or adjustment of payment from the OUSF based on a comparison
17 of the total annual revenues received from the sources affected by
18 the changes described in paragraph 1 of this subsection by the
19 requesting eligible local exchange telecommunications service
20 provider during the most recent twelve (12) months preceding the
21 request, and the reasonable calculation of total annual revenues or
22 cost increases which will be experienced after the changes are
23 implemented by the requesting eligible local exchange
24 telecommunications service provider.

1 L. Upon request for OUSF funding by an ILEC serving seventy-
2 five thousand or more access lines or a CLEC, the Commission shall
3 after notice and hearing make a determination of the level of OUSF
4 funds, if any, that the provider is eligible to receive for the
5 purposes contained in subsection K of this section. If the
6 Commission fails to make a determination within one hundred twenty
7 (120) days of the filing of the request, the request for funding
8 shall be deemed approved. Providers who are not prohibited from
9 applying for OUSF funds as set forth in Section 9 of this act shall
10 receive funding for any special universal services provided and
11 contributions made to the Oklahoma E911 Emergency Service Fund and
12 the Oklahoma Telecommunications Technology Training Fund from the
13 OUSF without a hearing.

14 M. The incumbent local exchange telecommunications service
15 provider, its successors and assigns, which owned, maintained and
16 provided facilities for universal service within a local exchange
17 area on January 1, 1996, shall be the local exchange
18 telecommunications service provider eligible for OUSF funding within
19 the local exchange area, except as otherwise provided for in this
20 act.

21 N. 1. Where the incumbent local exchange telecommunications
22 service provider receives or is eligible to receive monies from the
23 OUSF, except as otherwise provided in this section, the Commission,
24 after notice and hearing, may designate other local exchange

1 telecommunications service providers to be eligible for the funding,
2 provided:

3 a. the other local exchange telecommunications service
4 provider is certificated by the Commission to provide
5 and offers the primary universal services supported by
6 the OUSF to all customers in the universal service
7 area designated by the Commission, using its own
8 facilities, or a combination of its own facilities and
9 the resale of the services or facilities of another.
10 Universal service support under this subsection shall
11 not begin until the other local exchange
12 telecommunications service provider has facilities in
13 place,

14 b. the other local exchange telecommunications service
15 provider may only receive funding for the portion of
16 the facilities that it owns, maintains, and uses for
17 regulated services,

18 c. the other local exchange telecommunications service
19 provider shall not receive OUSF funding at a level
20 higher than the level of funding the incumbent local
21 exchange telecommunications service provider is
22 eligible to receive for the same area if the incumbent
23 local exchange telecommunications service provider is
24 also providing service in the same area; provided, the

1 cost of any cost studies required to be performed
2 shall be borne by the party requesting such studies,
3 unless the party performing the study utilizes the
4 study for its own benefit,

5 d. the other local exchange telecommunications service
6 provider advertises the availability and charges for
7 services it provides through a medium of general
8 distribution, and

9 e. it is determined by the Commission that the
10 designation is in the public interest and the other
11 local exchange telecommunications service provider is
12 in compliance with all Commission rules for which a
13 waiver has not been granted.

14 2. Notwithstanding the criteria set forth in this section for
15 designation as an eligible local exchange telecommunications service
16 provider, a commercial mobile radio service provider may, after
17 notice and hearing, seek reimbursement from the OUSF for the
18 provision of services supported by the OUSF, and any
19 telecommunications carrier may seek reimbursement from the OUSF for
20 the provision of Lifeline Service consistent with Section 5 of this
21 act and for the provision of Special Universal Services consistent
22 with Section 9 of this act.

23 0. In exchanges or wire centers where the Commission has
24 designated more than one local exchange telecommunications service

1 provider as eligible for OUSF funding, the Commission shall permit
2 one or more of the local exchange telecommunications service
3 providers in the area to relinquish the designation as a local
4 exchange telecommunications service provider eligible for OUSF
5 funding in a manner consistent with Section 214(e) (4) of the federal
6 Telecommunications Act of 1996, upon a finding that at least one
7 eligible local exchange telecommunications service provider shall
8 continue to assume the carrier-of-last-resort obligations throughout
9 the area.

10 P. For any area served by an incumbent local exchange
11 telecommunications service provider which serves less than seventy-
12 five thousand access lines within the state, only the incumbent
13 local exchange telecommunications service provider shall be eligible
14 for OUSF funding except:

15 1. Other eligible telecommunications carriers which provide
16 Special Universal Services or Lifeline Service shall be eligible to
17 request and receive OUSF funds in the same manner as the incumbent
18 local exchange telecommunications service provider in the same area
19 pursuant to this act;

20 2. The incumbent local exchange telecommunications service
21 provider may elect to waive the right to be the only eligible local
22 exchange telecommunications service provider within the local
23 exchange area by filing notice with the Commission; or
24

1 3. When the Commission, after notice and hearing, makes a
2 determination that it is in the public interest that another local
3 exchange telecommunications service provider should also be deemed a
4 carrier of last resort and be eligible to receive OUSF funding in
5 addition to the incumbent local exchange telecommunications service
6 provider. It shall not be in the public interest to designate
7 another local exchange telecommunications service provider as being
8 a carrier of last resort and eligible to receive OUSF funding if
9 such designation would cause a significant adverse economic impact
10 on users of telecommunications services generally or if the other
11 carrier refuses to seek and accept carrier-of-last-resort
12 obligations throughout the universal service area as designated by
13 the Commission. The other local exchange telecommunications service
14 provider shall not receive OUSF funding at a level higher than the
15 level of funding the incumbent local exchange telecommunications
16 service provider is eligible to receive for the same area if the
17 incumbent local exchange telecommunications service provider is also
18 providing service in the same area and the other local exchange
19 telecommunications service provider meets the requirements of
20 subparagraphs a, b, d and e of paragraph 1 of subsection N of this
21 section.

22 SECTION 4. AMENDATORY 17 O.S. 2011, Section 139.107, is
23 amended to read as follows:

24

1 Section 139.107. A. The Oklahoma Lifeline Fund and the
2 Oklahoma Universal Service Fund shall be funded in a competitively
3 neutral manner consistent with federal law by all ~~telecommunications~~
4 ~~carriers~~ contributing providers. The funding from each ~~carrier~~
5 contributing provider shall be based on ~~the~~ its total retail-billed
6 Oklahoma intrastate telecommunications ~~revenues~~ services revenues,
7 including prepaid retail revenues for intrastate telecommunications
8 services for which bills are not rendered, from both regulated and
9 unregulated voice services, ~~of the telecommunications carrier,~~
10 hereinafter "assessed revenues" as a percentage of all
11 ~~telecommunications carriers' total retail-billed intrastate~~
12 ~~telecommunications~~ contributing providers' assessed revenues, from
13 both regulated and unregulated services or such other assessment
14 methodology as may be required under federal law. VoIP services
15 shall be assessed only as provided in the Federal Communications
16 Commission's decision in FCC 10-185 (released November 5, 2010), or
17 such other assessment methodology as required under federal law.
18 The Commission may, after notice and hearing, modify the above
19 contribution methodology, provided the new methodology is not
20 inconsistent with federal law.

21 B. The Corporation Commission shall establish the Oklahoma
22 Lifeline Fund charges and the Oklahoma Universal Service Fund
23 charges at a level sufficient to recover costs of administration.
24 The Commission shall provide for administration of the two funds by

1 Commission employees or by contracting for such services with a
2 party having no conflicting interest in the provision of
3 telecommunications services. The administrative function shall be
4 headed by an Administrator.

5 C. If the Commission determines after notice and hearing that a
6 ~~telecommunications carrier~~ contributing provider has acted in
7 violation of this section, in addition to the other enforcement
8 powers of the Commission, including its contempt powers and
9 authority to revoke a provider's certificate of convenience and
10 necessity, the Commission may bring an action on behalf of the
11 Oklahoma Lifeline Fund or the Oklahoma Universal Service Fund, in
12 the district court that the Commission deems appropriate, to recover
13 any unpaid fees and charges the Commission has determined are due
14 and payable, including interest, administrative and adjudicative
15 costs, and attorney fees. Upon collection of the charges and costs,
16 the Administrator shall pay the costs of the actions and deposit the
17 remaining funds in the Oklahoma Lifeline Fund or the Oklahoma
18 Universal Service Fund as appropriate.

19 D. The monies deposited in the Oklahoma Lifeline Fund, the
20 Oklahoma Universal Service Fund and the Oklahoma High Cost Fund
21 shall at no time become monies of the state and shall not become
22 part of the general budget of the ~~Corporation~~ Commission or any
23 other state agency. Except as otherwise authorized by this act, no
24 monies from the Oklahoma Lifeline Fund, the Oklahoma Universal

1 Service Fund, or the Oklahoma High Cost Fund shall be transferred
2 for any purpose to any other state agency or any account of the
3 ~~Corporation~~ Commission or be used for the purpose of contracting
4 with any other state agency or reimbursing any other state agency
5 for any expense. Payments from the Oklahoma Lifeline Fund, the
6 Oklahoma Universal Service Fund, and the Oklahoma High Cost Fund
7 shall not become or be construed to be an obligation of this state.
8 No claims for reimbursement from the Oklahoma Lifeline Fund, the
9 Oklahoma Universal Service Fund or the Oklahoma High Cost Fund shall
10 be paid with state monies.

11 E. Pursuant to the authority vested in the Legislature by
12 Section 35 of Article IX of the Oklahoma Constitution, the
13 Legislature hereby expressly declares that the forgoing is an
14 amendment to, and alternation of, Section 18, 28 and 34 inclusive of
15 Article IX of the Oklahoma Constitution.

16 SECTION 5. AMENDATORY 17 O.S. 2011, Section 139.109, as
17 amended by Section 1, Chapter 141, O.S.L. 2012 (17 O.S. Supp. 2012,
18 Section 139.109), is amended to read as follows:

19 Section 139.109. A. There is hereby created within the
20 Corporation Commission the "Oklahoma E911 Emergency Service Fund".
21 Beginning September 1, 1997, each local exchange telecommunications
22 service provider shall annually contribute fifty cents (\$0.50) per
23 retail local exchange access line to the Oklahoma E911 Emergency
24 Service Fund until the total amount contributed by all providers to

1 the Fund equals Five Million Dollars (\$5,000,000.00). The
2 contribution amount for each service provider shall be based upon
3 the number of retail local exchange access lines of that service
4 provider in service on July 1 of each applicable year. The Oklahoma
5 E911 Emergency Service Fund shall be administered by the Corporation
6 Commission and used to defray the cost of purchasing and installing
7 equipment for enhanced 911 emergency systems across the state.
8 Preference for funding shall be given first to those systems
9 established in areas of the state which do not have access to 911
10 emergency service before July 1, 1997, and second to areas of the
11 state which do not have access to enhanced 911 emergency services.
12 Funding from the E911 Emergency Service Fund shall not be used for
13 ongoing operating costs of any emergency telephone service system.
14 To qualify for funding, the emergency telephone service system shall
15 have been or be in the process of being approved as provided for in
16 the Nine-One-One Emergency Number Act. Local exchange
17 telecommunications service providers serving fifteen percent (15%)
18 or more of the access lines in the state may not apply for recovery
19 of the contributions made to the E911 Emergency Service Fund from
20 the Oklahoma Universal Service Fund created in Section 139.106 of
21 this title. All monies in the Oklahoma E911 Emergency Service Fund
22 shall be expended only for the purposes set forth in this
23 subsection.

24

1 B. There is hereby created within the Oklahoma Department of
2 Career and Technology Education the "Oklahoma Telecommunications
3 Technology Training Fund". Beginning September 1, 1997, each local
4 exchange telecommunications service provider shall annually
5 contribute seventy-five cents (\$0.75) per retail local exchange
6 access line to the Oklahoma Telecommunications Technology Training
7 Fund until the total amount contributed by all providers to the Fund
8 equals Seven Million Dollars (\$7,000,000.00). The contribution
9 amount for each service provider shall be based upon the number of
10 retail local exchange access lines of that service provider in
11 service on July 1 of each applicable year. The Oklahoma
12 Telecommunications Technology Training Fund shall be administered by
13 the Oklahoma Department of Career and Technology Education working
14 in conjunction with OneNet, and shall be used to provide statewide
15 training of teachers and school administrators in the most effective
16 use of telecommunications and distance learning technology for the
17 enhancement of education throughout the state. Local exchange
18 telecommunications service providers serving fifteen percent (15%)
19 or more of the access lines in the state may not apply for recovery
20 of the contributions made to the Oklahoma Telecommunications
21 Technology Training Fund from the Oklahoma Universal Service Fund
22 created in Section 139.106 of this title. All monies in the
23 Oklahoma Telecommunications Technology Training Fund shall be
24 expended only for the purposes set forth in this subsection.

1 C. The following services are hereby declared to be Special
2 Universal Services and such services shall be provided only after
3 funding for the Oklahoma Universal Service Fund is implemented as
4 set forth in Section 139.101 et seq. of this title:

5 1. Each not-for-profit hospital in the state shall, upon
6 written request, receive one incoming, toll-free phone number and up
7 to a total of five access lines, free of charge, to allow incoming,
8 toll-free calls from any location within the geographic area served
9 by the hospital;

10 2. Each not-for-profit hospital, county health department,
11 city-county health department, not-for-profit mental health and
12 substance abuse facility as defined in Section 139.102 of this title
13 and federally qualified health center in this state shall, upon
14 written request, receive, free of charge, one telecommunications
15 line or wireless connection sufficient for providing such
16 telemedicine, clinical and health consultation services as the
17 entity's telemedicine equipment and service applications require.
18 The telecommunications carrier shall be entitled to reimbursement
19 from the Oklahoma Universal Service Fund for providing the line or
20 connection. In no case, however, shall reimbursement from the fund
21 be made for an Internet subscriber fee or charges incurred as a
22 result of services accessed via the Internet;

23 3. Each public school building wherein classrooms are contained
24 and each public library in the state shall, upon written request,

1 receive one incoming, toll-free phone number and up to a total of
2 five access lines, free of charge, to allow incoming, toll-free
3 calls from any location within the geographic area served by the
4 school or the public library;

5 4. Each public school building wherein classrooms are contained
6 and each public library in the state shall, upon written request,
7 receive one access line, free of charge, with the ability to connect
8 to an Internet service provider at 1.5Mbps, in the most economically
9 efficient manner for the carrier, or an equivalent dollar credit to
10 be applied by the public school or public library toward similar
11 services provided by the same carrier, for the purpose of accessing
12 the Internet. In no case shall the Oklahoma Universal Service Fund
13 reimburse an entity for an Internet subscriber fee or charges
14 incurred as a result of services accessed via the Internet; and

15 5. Each county seat in the state shall, upon written request of
16 the board of county commissioners, receive one incoming, toll-free
17 phone number and up to a total of five access lines, free of charge,
18 to allow incoming, toll-free calls from any location within the
19 geographic area served by the county seat.

20 D. To the extent Special Universal Services are purchased from
21 a telecommunications service provider by another carrier, the
22 Special Universal Services are for the exclusive use of the not-for-
23 profit hospital, county health department, city-county health
24 department, federally qualified health center, public school, public

1 library or county government. Under no circumstances shall the not-
2 for-profit hospital, county health department, city-county health
3 department, federally qualified health center, public school, public
4 library or county government sell, repackage or share Special
5 Universal Services with any other entity.

6 E. The Corporation Commission shall have authority to
7 investigate and modify or reject in whole or part a Special
8 Universal Services request under subsection C of this section if the
9 request does not meet the specified criteria, if the Corporation
10 Commission's investigation determines that the entity has not
11 provided sufficient justification for the requested services, or if
12 the Corporation Commission determines that granting the request is
13 not in the public interest.

14 SECTION 6. AMENDATORY 17 O.S. 2011, Section 139.110, is
15 amended to read as follows:

16 Section 139.110. A. The Oklahoma Corporation Commission shall
17 not, by entering any order, adopting any rule, or otherwise taking
18 any agency action, impose any regulation upon a provider of Internet
19 Protocol enabled services, a provider of Voice over Internet
20 Protocol service, a provider of high speed Internet access service
21 or broadband service in its provision of such service, regardless of
22 technology or medium used to provide such service.

23 B. The Corporation Commission shall not, by entering any order,
24 adopting any rule, or otherwise taking any agency action, impose any

1 regulation upon any provider of any service identified as
2 unregulated in paragraph 26 of Section 139.102 of this title.

3 C. Notwithstanding the prohibitions in subsections A and B of
4 this section, primary universal services, as defined in Section
5 139.102 of this title, provisioned by an incumbent local exchange
6 telecommunications service provider serving fewer than seventy-five
7 thousand access lines on January 1, 2013, will continue to be
8 regulated by the Commission and be eligible for OUSF.

9 D. An incumbent local exchange telecommunications service
10 provider (ILEC) subject to the provisions of 47 U.S.C., Section
11 251(c) shall be required to provide unbundled access to network
12 elements, including but not limited to loops, subloops, and
13 collocation space within the facilities of the ILEC, to the extent
14 specifically required under 47 C.F.R., Section 51.319 or any
15 successor regulations issued by the Federal Communications
16 Commission.

17 ~~C.~~ E. Nothing in this section shall effect the assessment of
18 any company under Article X of the Oklahoma Constitution or Section
19 2801 et seq. of Title 68 of the Oklahoma Statutes.

20 SECTION 7. This act shall become effective November 1, 2013."

21 and when the title is restored, amend the title to
22 conform

23
24

1 Passed the Senate the 23rd day of April, 2013.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2013.

7
8 _____
9 Presiding Officer of the House
10 of Representatives

1 ENGROSSED HOUSE
2 BILL NO. 2194

By: Schwartz of the House

3 and

4 Treat of the Senate
5
6

7 An Act relating to the Corporation Commission;
8 amending 17 O.S. 2011, Sections 139.102 and 139.109,
9 as amended by Section 1, Chapter 141, O.S.L. 2012 (17
10 O.S. Supp. 2012, Section 139.109), which relate to
11 the Oklahoma Telecommunications Act of 1997; adding a
12 definition; making not-for-profit mental health and
13 substance abuse facilities eligible to receive
14 certain Special Universal Services; and providing an
15 effective date.

16 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17 SECTION 8. AMENDATORY 17 O.S. 2011, Section 139.102, is
18 amended to read as follows:

19 Section 139.102 As used in the Oklahoma Telecommunications Act
20 of 1997:

21 1. "Access line" means the facility provided and maintained by
22 a telecommunications service provider which permits access to or
23 from the public switched network;

24 2. "Commission" means the Corporation Commission of this state;

3. "Competitive local exchange carrier" or "CLEC" means, with
respect to an area or exchange, a telecommunications service

1 provider that is certificated by the Commission to provide local
2 exchange services in that area or exchange within the state after
3 July 1, 1995;

4 4. "Competitively neutral" means not advantaging or favoring
5 one person over another;

6 5. "End User Common Line Charge" means the flat-rate monthly
7 interstate access charge required by the Federal Communications
8 Commission that contributes to the cost of local service;

9 6. "Enhanced service" means a service that is delivered over
10 communications transmission facilities and that uses computer
11 processing applications to:

- 12 a. change the content, format, code, or protocol of
- 13 transmitted information,
- 14 b. provide the customer new or restructured information,
- 15 or
- 16 c. involve end-user interaction with information stored
- 17 in a computer;

18 7. "Exchange" means a geographic area established by an
19 incumbent local exchange telecommunications provider as filed with
20 or approved by the Commission for the administration of local
21 telecommunications service in a specified area which usually
22 embraces a city, town, or village and its environs and which may
23 consist of one or more central offices together with associated
24 plant used in furnishing telecommunications service in that area;

1 8. "Facilities" means all the plant and equipment of a
2 telecommunications service provider, including all tangible and
3 intangible real and personal property without limitation, and any
4 and all means and instrumentalities in any manner owned, operated,
5 leased, licensed, used, controlled, furnished, or supplied for, by,
6 or in connection with the regulated business of any
7 telecommunications service provider;

8 9. "High speed Internet access service" or "broadband service"
9 means, as used in Section ~~3~~ 139.110 of this ~~act~~ title, those
10 services and underlying facilities that provide upstream, from
11 customer to provider, or downstream, from provider to customer,
12 transmission to or from the Internet in excess of one hundred fifty
13 (150) kilobits per second, regardless of the technology or medium
14 used including, but not limited to, wireless, copper wire, fiber
15 optic cable, or coaxial cable, to provide such service;

16 10. "Incumbent local exchange telecommunications service
17 provider" or "ILEC" means, with respect to an area or exchanges, any
18 telecommunications service provider furnishing local exchange
19 service in such area or exchanges within this state on July 1, 1995,
20 pursuant to a certificate of convenience and necessity or
21 grandfathered authority;

22 11. "Interexchange telecommunications carrier" or "IXC" means
23 any person, firm, partnership, corporation or other entity, except
24 an incumbent local exchange telecommunications service provider,

1 engaged in furnishing regulated interexchange telecommunications
2 services under the jurisdiction of the Commission;

3 12. "Internet" means the international research-oriented
4 network comprised of business, government, academic and other
5 networks;

6 13. "Local exchange telecommunications service" means a
7 regulated switched or dedicated telecommunications service which
8 originates and terminates within an exchange or an exchange service
9 territory. Local exchange telecommunications service may be
10 terminated by a telecommunications service provider other than the
11 telecommunications service provider on whose network the call
12 originated. The local exchange service territory defined in the
13 originating provider's tariff shall determine whether the call is
14 local exchange service;

15 14. "Local exchange telecommunications service provider" means
16 a company holding a certificate of convenience and necessity from
17 the Commission to provide local exchange telecommunications service;

18 15. "Not-for-profit hospital" means:

- 19 a. a hospital established as exempt from taxation
20 pursuant to the provisions of the Internal Revenue
21 Code, 26 U.S.C., Section 501(c)(3), or
22 b. a not-for-profit hospital owned by a municipality,
23 county, or the state,

24

1 that is primarily funded by county, state, or federal support,
2 located in this state, and devoted primarily to the maintenance and
3 operation of facilities for the diagnosis, treatment, or care of
4 patients admitted overnight or longer in order to obtain medical
5 care, surgical care, or obstetrical care;

6 16. "Not-for-profit mental health and substance abuse facility"
7 means a facility operated by the Department of Mental Health and
8 Substance Abuse Services or a facility certified by the Department
9 of Mental Health and Substance Abuse Services as a Community Mental
10 Health Care Center, a Community-Based Structured Crisis Center or a
11 Community Comprehensive Addiction Recovery Center;

12 17. "Oklahoma High Cost Fund" means the fund established by the
13 Commission in Cause Nos. PUD 950000117 and 950000119;

14 ~~17.~~ 18. "Oklahoma Lifeline Fund" means the fund established and
15 required to be implemented by the Commission pursuant to Section
16 139.105 of this title;

17 ~~18.~~ 19. "Oklahoma Universal Service Fund" means the fund
18 established and required to be implemented by the Commission
19 pursuant to Section 139.106 of this title;

20 ~~19.~~ 20. "Person" means any individual, partnership,
21 association, corporation, governmental entity, public or private
22 organization of any character, or any other entity;

23 ~~20.~~ 21. "Primary universal service" means an access line and
24 dial tone provided to the premises of residential or business

1 customers which provides access to other lines for the transmission
2 of two-way switched or dedicated communication in the local calling
3 area without additional, usage-sensitive charges, including:

- 4 a. a primary directory listing,
- 5 b. dual-tone multifrequency signaling,
- 6 c. access to operator services,
- 7 d. access to directory assistance services,
- 8 e. access to telecommunications relay services for the
9 deaf or hard-of-hearing,
- 10 f. access to nine-one-one service where provided by a
11 local governmental authority or multijurisdictional
12 authority, and
- 13 g. access to interexchange long distance services;

14 ~~21.~~ 22. "Public library" means a library or library system that
15 is freely open to all persons under identical conditions and which
16 is supported in whole or in part by public funds. Public library
17 shall not include libraries operated as part of any university,
18 college, school museum, the Oklahoma Historical Society or county
19 law libraries;

20 ~~22.~~ 23. "Public school" means all free schools supported by
21 public taxation, and shall include grades kindergarten through
22 twelve;

23 ~~23.~~ 24. "Regulated telecommunications service" means the
24 offering of telecommunications for a fee directly to the public

1 where the rates for such service are regulated by the Commission.
2 Regulated telecommunications service does not include the provision
3 of nontelecommunications services, including, but not limited to,
4 the printing, distribution, or sale of advertising in telephone
5 directories, maintenance of inside wire, customer premises
6 equipment, and billing and collection service, nor does it include
7 the provision of wireless telephone service, enhanced service, and
8 other unregulated services, including services not under the
9 jurisdiction of the Commission, and services determined by the
10 Commission to be competitive;

11 ~~24.~~ 25. "Special Universal Services" means the
12 telecommunications services supported by the OUSF which are
13 furnished to public schools, public libraries, not-for-profit
14 hospitals and county seats as provided for in Section 139.109 of
15 this title;

16 ~~25.~~ 26. "Tariff" means all or any part of the body of rates,
17 tolls, charges, classifications, and terms and conditions of service
18 relating to regulated services offered, the conditions under which
19 offered, and the charges therefor, which have been filed with the
20 Commission and have become effective;

21 ~~26.~~ 27. "Telecommunications" means the transmission, between or
22 among points specified by the user, of voice or data information of
23 the user's choosing, without change in the form or content of the
24 information as sent and received;

1 ~~27.~~ 28. "Telecommunications carrier" means a person that
2 provides telecommunications service in this state;

3 ~~28.~~ 29. "Telecommunications service" means the offering of
4 telecommunications for a fee;

5 ~~29.~~ 30. "Universal service area" has the same meaning as the
6 term "service area" as defined in 47 U.S.C., Section 214(e)(5); and

7 ~~30.~~ 31. "Wire center" means a geographic area normally served
8 by a central office.

9 SECTION 9. AMENDATORY 17 O.S. 2011, Section 139.109, as
10 amended by Section 1, Chapter 141, O.S.L. 2012 (17 O.S. Supp. 2012,
11 Section 139.109), is amended to read as follows:

12 Section 139.109 A. There is hereby created within the
13 Corporation Commission the "Oklahoma E911 Emergency Service Fund".
14 Beginning September 1, 1997, each local exchange telecommunications
15 service provider shall annually contribute fifty cents (\$0.50) per
16 retail local exchange access line to the Oklahoma E911 Emergency
17 Service Fund until the total amount contributed by all providers to
18 the Fund equals Five Million Dollars (\$5,000,000.00). The
19 contribution amount for each service provider shall be based upon
20 the number of retail local exchange access lines of that service
21 provider in service on July 1 of each applicable year. The Oklahoma
22 E911 Emergency Service Fund shall be administered by the Corporation
23 Commission and used to defray the cost of purchasing and installing
24 equipment for enhanced 911 emergency systems across the state.

1 Preference for funding shall be given first to those systems
2 established in areas of the state which do not have access to 911
3 emergency service before July 1, 1997, and second to areas of the
4 state which do not have access to enhanced 911 emergency services.
5 Funding from the E911 Emergency Service Fund shall not be used for
6 ongoing operating costs of any emergency telephone service system.
7 To qualify for funding, the emergency telephone service system shall
8 have been or be in the process of being approved as provided for in
9 the Nine-One-One Emergency Number Act. Local exchange
10 telecommunications service providers serving fifteen percent (15%)
11 or more of the access lines in the state may not apply for recovery
12 of the contributions made to the E911 Emergency Service Fund from
13 the Oklahoma Universal Service Fund created in Section 139.106 of
14 this title. All monies in the Oklahoma E911 Emergency Service Fund
15 shall be expended only for the purposes set forth in this
16 subsection.

17 B. There is hereby created within the Oklahoma Department of
18 Career and Technology Education the "Oklahoma Telecommunications
19 Technology Training Fund". Beginning September 1, 1997, each local
20 exchange telecommunications service provider shall annually
21 contribute seventy-five cents (\$0.75) per retail local exchange
22 access line to the Oklahoma Telecommunications Technology Training
23 Fund until the total amount contributed by all providers to the Fund
24 equals Seven Million Dollars (\$7,000,000.00). The contribution

1 amount for each service provider shall be based upon the number of
2 retail local exchange access lines of that service provider in
3 service on July 1 of each applicable year. The Oklahoma
4 Telecommunications Technology Training Fund shall be administered by
5 the Oklahoma Department of Career and Technology Education working
6 in conjunction with OneNet, and shall be used to provide statewide
7 training of teachers and school administrators in the most effective
8 use of telecommunications and distance learning technology for the
9 enhancement of education throughout the state. Local exchange
10 telecommunications service providers serving fifteen percent (15%)
11 or more of the access lines in the state may not apply for recovery
12 of the contributions made to the Oklahoma Telecommunications
13 Technology Training Fund from the Oklahoma Universal Service Fund
14 created in Section 139.106 of this title. All monies in the
15 Oklahoma Telecommunications Technology Training Fund shall be
16 expended only for the purposes set forth in this subsection.

17 C. The following services are hereby declared to be Special
18 Universal Services and such services shall be provided only after
19 funding for the Oklahoma Universal Service Fund is implemented as
20 set forth in Section 139.101 et seq. of this title:

21 1. Each not-for-profit hospital in the state shall, upon
22 written request, receive one incoming, toll-free phone number and up
23 to a total of five access lines, free of charge, to allow incoming,
24

1 toll-free calls from any location within the geographic area served
2 by the hospital;

3 2. Each not-for-profit hospital, county health department,
4 city-county health department, not-for-profit mental health and
5 substance abuse facility as defined in Section 139.102 of this title
6 and federally qualified health center in this state shall, upon
7 written request, receive, free of charge, one telecommunications
8 line or wireless connection sufficient for providing such
9 telemedicine, clinical and health consultation services as the
10 entity's telemedicine equipment and service applications require.
11 The telecommunications carrier shall be entitled to reimbursement
12 from the Oklahoma Universal Service Fund for providing the line or
13 connection. In no case, however, shall reimbursement from the fund
14 be made for an Internet subscriber fee or charges incurred as a
15 result of services accessed via the Internet;

16 3. Each public school building wherein classrooms are contained
17 and each public library in the state shall, upon written request,
18 receive one incoming, toll-free phone number and up to a total of
19 five access lines, free of charge, to allow incoming, toll-free
20 calls from any location within the geographic area served by the
21 school or the public library;

22 4. Each public school building wherein classrooms are contained
23 and each public library in the state shall, upon written request,
24 receive one access line, free of charge, with the ability to connect

1 to an Internet service provider at 1.5Mbps, in the most economically
2 efficient manner for the carrier, or an equivalent dollar credit to
3 be applied by the public school or public library toward similar
4 services provided by the same carrier, for the purpose of accessing
5 the Internet. In no case shall the Oklahoma Universal Service Fund
6 reimburse an entity for an Internet subscriber fee or charges
7 incurred as a result of services accessed via the Internet; and

8 5. Each county seat in the state shall, upon written request of
9 the board of county commissioners, receive one incoming, toll-free
10 phone number and up to a total of five access lines, free of charge,
11 to allow incoming, toll-free calls from any location within the
12 geographic area served by the county seat.

13 D. To the extent Special Universal Services are purchased from
14 a telecommunications service provider by another carrier, the
15 Special Universal Services are for the exclusive use of the not-for-
16 profit hospital, county health department, city-county health
17 department, federally qualified health center, public school, public
18 library or county government. Under no circumstances shall the not-
19 for-profit hospital, county health department, city-county health
20 department, federally qualified health center, public school, public
21 library or county government sell, repackage or share Special
22 Universal Services with any other entity.

23 E. The Corporation Commission shall have authority to
24 investigate and modify or reject in whole or part a Special

1 Universal Services request under subsection C of this section if the
2 request does not meet the specified criteria, if the Corporation
3 Commission's investigation determines that the entity has not
4 provided sufficient justification for the requested services, or if
5 the Corporation Commission determines that granting the request is
6 not in the public interest.

7 SECTION 10. This act shall become effective November 1, 2013.

8 Passed the House of Representatives the 12th day of March, 2013.

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Presiding Officer of the House
of Representatives

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12 Passed the Senate the ___ day of _____, 2013.

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Presiding Officer of the Senate

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