

<DateSubmitted>

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB2040**

By: McCall of the House and Leewright of the Senate

Title: Revenue and taxation; sales tax exemption; broadband access; rebate; allocation formula;  
report; effective date; emergency.

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. That the Senate recede from its amendment; and
2. That the following Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**SENATE CONFEREES: GCCA (must be signed out at a Senate GCCA meeting)**

Brooks	_____	Matthews	_____
Dossett	_____	Montgomery	_____
Dugger	_____	Newhouse	_____
Floyd	_____	Pederson	_____
Hall	_____	Pemberton	_____
Haste	_____	Rader	_____
Howard	_____	Rosino	_____
Jech	_____	Simpson	_____
Kidd	_____	Weaver	_____
Kirt	_____	Thompson	_____

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

CONFERENCE COMMITTEE  
SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2040

By: McCall of the House

and

Leewright of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to telecommunications; amending 17 O.S. 2011, Section 139.102, as last amended by Section 3, Chapter 270, O.S.L. 2016 (17 O.S. Supp. 2020, Section 139.102), which relates to the Oklahoma Telecommunications Act of 1997; modifying definitions; defining terms; amending Section 3, Chapter 165, O.S.L. 2020, as last amended by Section 1 of Enrolled Senate Bill No. 802 of the 1st Session of the 58th Oklahoma Legislature, which relates to the Rural Broadband Expansion Council; allowing legislators to have chair or co-chair position; requiring Council to develop guidelines for broadband incentive awards by certain date; requiring submission of guidelines to certain members of the Oklahoma Legislature; stating content guidelines shall encompass; and declaring an emergency.

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

SECTION 1. AMENDATORY 17 O.S. 2011, Section 139.102, as last amended by Section 3, Chapter 270, O.S.L. 2016 (17 O.S. Supp. 2020, Section 139.102), is amended to read as follows:

1       Section 139.102 As used in the Oklahoma Telecommunications Act  
2 of 1997:

3       1. "Access line" means the facilities provided and maintained  
4 by a telecommunications service provider which permit access to or  
5 from the public switched network or its functional equivalent  
6 regardless of the technology or medium used;

7       2. "Administrative process" means an administrative application  
8 process which allows eligible local exchange telecommunications  
9 providers and eligible providers to request funding and an  
10 administrative submission process that allows Oklahoma Universal  
11 Service Fund Beneficiaries to submit a preapproval request directly  
12 with the Administrator. Both of the administrative processes shall  
13 not require an order from the Commission to determine eligibility  
14 for, allocate or disburse funds unless a request for reconsideration  
15 is filed;

16       3. "Administrator" means the Director of the Public Utility  
17 Division of the Corporation Commission;

18       4. "Broadband", as used in Section 139.202 of this title, means  
19 those services and underlying facilities that provide access to and  
20 from the Internet of continuous speeds of at least twenty-five (25)  
21 megabits per second (Mbps) downstream, from the provider to the  
22 customer, and continuous speeds of at least three (3) megabits per  
23 second (Mbps) upstream, from the customer to the provider, using  
24 fixed, terrestrial facilities, including, but not limited to,

1 wireless, copper wire, fiber optic cable, or coaxial cable, to  
2 provide such service. The minimum Internet speeds listed in this  
3 paragraph shall be subject to change or update when, or if, the  
4 Federal Communications Commission makes new rulings related to its  
5 definition of broadband;

6 5. "Commission" means the Corporation Commission of this state;

7 ~~5.~~ 6. "Competitive local exchange carrier" or "CLEC" means,  
8 with respect to an area or exchange, a telecommunications service  
9 provider that is certificated by the Commission to provide local  
10 exchange services in that area or exchange within the state after  
11 July 1, 1995;

12 ~~6.~~ 7. "Competitively neutral" means not advantaging or favoring  
13 one person or technology over another;

14 ~~7.~~ 8. "Consortium" means, as used in Section ~~6~~ 139.109.1 of  
15 this ~~act~~ title, two or more Oklahoma Universal Service Fund  
16 Beneficiaries that choose to request support under the Federal  
17 Universal Service Support Mechanism or successor program or programs  
18 as a single entity;

19 ~~8.~~ 9. "Contributing providers" means providers, including but  
20 not limited to providers of intrastate telecommunications, providers  
21 of intrastate telecommunications for a fee on a non-common-carrier  
22 basis, providers of wireless telephone service and providers of  
23 interconnected Voice over Internet Protocol (VoIP). Contributing  
24 providers shall contribute to the Oklahoma Universal Service Fund

1 and Oklahoma Lifeline Fund. VoIP providers shall be assessed only  
2 as provided for in the decision of the Federal Communications  
3 Commission, FCC 10-185, released November 5, 2010, or such other  
4 assessment methodology that is not inconsistent with federal law.  
5 Entities exempt from contributing to the Federal Universal Service  
6 Support Mechanisms are also exempt from contributing to the Oklahoma  
7 Universal Service Fund and Oklahoma Lifeline Fund consistent with 47  
8 C.F.R., Section 54.706(d). The term "contributing providers" may be  
9 modified to conform to the definition of contributors as defined by  
10 the FCC if adopted by the Commission, after notice and hearing;

11 ~~9.~~ 10. "Eligible entity" means any terrestrial Internet service  
12 provider willing to go into unserved or underserved areas, as  
13 determined by the Broadband Expansion Council mapping. The eligible  
14 entity shall provide at least the minimum broadband speeds pursuant  
15 to paragraph 4 of this section;

16 11. "Eligible ~~healthcare~~ health care entity" means a not-for-  
17 profit hospital, county health department, city-county health  
18 department, not-for-profit mental health and substance abuse  
19 facility or Federally Qualified Health Center in Oklahoma. Eligible  
20 ~~healthcare~~ health care entity shall also include telemedicine  
21 services provided by the Oklahoma Department of Corrections at  
22 facilities identified in Section 509 of Title 57 of the Oklahoma  
23 Statutes;

~~10.~~ 12. "Eligible local exchange telecommunications service provider" means ILEC, CLEC and commercial radio mobile service provider as those terms are used in the Oklahoma Telecommunications Act of 1997;

~~11.~~ 13. "Eligible provider" means, for purposes of Special Universal Services, providers of telecommunications services which hold a certificate of convenience and necessity and OneNet;

~~12.~~ 14. "End User Common Line Charge" means the flat-rate monthly interstate access charge required by the Federal Communications Commission that contributes to the cost of local service;

~~13.~~ 15. "Enhanced service" means a service that is delivered over communications transmission facilities and that uses computer processing applications to:

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

~~14.~~ 16. "Exchange" means a geographic area established by an incumbent local exchange telecommunications provider as filed with or approved by the Commission for the administration of local telecommunications service in a specified area which usually

embraces a city, town, or village and its environs and which may consist of one or more central offices together with associated plant used in furnishing telecommunications service in that area;

~~15.~~ 17. "Facilities" means all the plant and equipment of a telecommunications service provider, including all tangible and intangible real and personal property without limitation, and any and all means and instrumentalities in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by, or in connection with the business of any telecommunications service provider;

~~16.~~ 18. "Federally Qualified Health Center" or "(FQHC)" means an entity which:

- a. is receiving a grant under Section 330 of the Public Health Service (PHS) Act, 42 U.S.C., Section 254b, or is receiving funding from a grant under a contract with the recipient of such a grant and meets the requirements to receive a grant under Section 330 of the PHS Act,
- b. based on the recommendation of the Health Resources and Services Administration within the Public Health Service, is determined by the Secretary of the Department of Health and Human Services to meet the requirements for receiving a grant as described in subparagraph a of this paragraph,



1 c. was treated by the Secretary of the Department of  
2 Health and Human Services, for purposes of part B of  
3 Section 330 of the PHS Act, as a comprehensive  
4 federally funded health center as of January 1, 1990,  
5 or

6 d. is an outpatient health program or facility operated  
7 by a tribe or tribal organization under the Indian  
8 Self-Determination Act, 25 U.S.C., Section 450f et  
9 seq., or by an urban Indian organization receiving  
10 funds under Title V of the Indian Health Care  
11 Improvement Act, 25 U.S.C., Section 1651 et seq.;

12 ~~17.~~ 19. "Federal Universal Service Support Mechanism" is the  
13 support program established by the Telecommunications Act of 1996,  
14 47 U.S.C., Section 254(h). The program includes support for  
15 schools, libraries and ~~healthcare~~ health care providers;

16 ~~18.~~ 20. "Funding year" means, for purposes of administering the  
17 Oklahoma Universal Service Fund, the period of July 1 through June  
18 30;

19 ~~19.~~ 21. "High speed Internet access service" or "broadband  
20 service" means, as used in Section ~~139.110~~ 139.202 of this title,  
21 those services and underlying facilities that provide upstream, from  
22 customer to provider, or downstream, from provider to customer,  
23 transmission to or from the Internet in excess of ~~one hundred fifty~~  
24 ~~(150) kilobits per second~~ or at a constant download speed of twenty-

1 five (25) megabits per second (Mbps) and in excess of or at a  
2 constant upload speed of three (3) megabits per second (Mbps),  
3 regardless of the technology or medium used, including, but not  
4 limited to, wireless, copper wire, fiber optic cable, or coaxial  
5 cable, to provide such service;

6 ~~20.~~ 22. "Hospital" means a ~~healthcare~~ health care entity that  
7 has been granted a license as a hospital by the ~~Oklahoma~~ State  
8 Department of Health for that particular location;

9 ~~21.~~ 23. "Incumbent local exchange telecommunications service  
10 provider" or "ILEC" means, with respect to an area or exchanges, any  
11 telecommunications service provider furnishing local exchange  
12 service in such area or exchanges within this state on July 1, 1995,  
13 pursuant to a certificate of convenience and necessity or  
14 grandfathered authority;

15 ~~22.~~ 24. "Installation charge" means any charge for a  
16 nonrecurring service charged by an eligible provider necessary to  
17 initiate Special Universal Services. Installation charges may not  
18 exceed the cost which would be charged for installation, if the cost  
19 were not being paid for by the OUSF;

20 ~~23.~~ 25. "Interexchange telecommunications carrier" or "IXC"  
21 means any person, firm, partnership, corporation or other entity,  
22 except an incumbent local exchange telecommunications service  
23 provider, engaged in furnishing regulated interexchange  
24

1 telecommunications services under the jurisdiction of the  
2 Commission;

3 ~~24.~~ 26. "Internet" means the international research-oriented  
4 network comprised of business, government, academic and other  
5 networks;

6 ~~25.~~ 27. "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 ~~26.~~ 28. "Local exchange telecommunications service provider"  
16 means a company holding a certificate of convenience and necessity  
17 from the Commission to provide local exchange telecommunications  
18 service;

19 ~~27.~~ 29. "Not-for-profit hospital" means:

20 a. a hospital located in this state which has been  
21 licensed as a hospital at that location pursuant to  
22 Section 1-701 et seq. of Title 63 of the Oklahoma  
23 Statutes for the diagnosis, treatment, or care of  
24 patients in order to obtain medical care, surgical

1 care or obstetrical care and which is established as  
2 exempt from taxation pursuant to the provisions of the  
3 Internal Revenue Code, 26 U.S.C., Section 501(c)(3),  
4 or

- 5 b. a hospital located in this state which is licensed as  
6 a hospital at that location pursuant to Section 1-701  
7 et seq. of Title 63 of the Oklahoma Statutes and is  
8 owned by a municipality, county, the state or a public  
9 trust for the diagnosis, treatment, or care of  
10 patients in order to obtain medical care, surgical  
11 care, or obstetrical care;

12 ~~28.~~ 30. "Not-for-profit mental health and substance abuse  
13 facility" means a facility, not for the sole purpose of  
14 administration, which is operated by the Department of Mental Health  
15 and Substance Abuse Services or a facility certified by the  
16 Department of Mental Health and Substance Abuse Services as a  
17 Community Mental Health Care Center, a Community-Based Structured  
18 Crisis Center or a Community Comprehensive Addiction Recovery  
19 Center;

20 ~~29.~~ 31. "Oklahoma High Cost Fund" means the fund established by  
21 the Commission in Cause Nos. PUD 950000117 and 950000119;

22 ~~30.~~ 32. "Oklahoma Lifeline Fund" or "(OLF)" means the fund  
23 established and required to be implemented by the Commission  
24 pursuant to Section 139.105 of this title;

1       ~~31.~~ 33. "Oklahoma Universal Service Fund" or "(OUSF)" means the  
2 fund established and required to be implemented by the Commission  
3 pursuant to Section 139.106 of this title;

4       ~~32.~~ 34. "Oklahoma Universal Service Fund Beneficiary" means an  
5 entity eligible to receive Special Universal Services support as  
6 provided for in subsection A of Section ~~6~~ 139.109.1 of this ~~act~~  
7 title;

8       ~~33.~~ 35. "Prediscount amount" means the total cost of Special  
9 Universal Services, selected pursuant to the procedures set out in  
10 ~~subparagraph~~ paragraph 5 of subsection B of Section ~~6~~ 139.109.1 of  
11 this ~~act~~ title, before charges are reduced by federal or state  
12 funding support. The prediscount amount shall not include fees or  
13 taxes;

14       ~~34.~~ 36. "Person" means any individual, partnership,  
15 association, corporation, governmental entity, public or private  
16 organization of any character, or any other entity;

17       ~~35.~~ 37. "Primary universal service" means an access line and  
18 dial tone provided to the premises of residential or business  
19 customers which provides access to other lines for the transmission  
20 of two-way switched or dedicated communication in the local calling  
21 area without additional, usage-sensitive charges, including:

- 22           a. a primary directory listing,
- 23           b. dual-tone multifrequency signaling,
- 24           c. access to operator services,

- d. access to directory assistance services,
- e. access to telecommunications relay services for the deaf or hard-of-hearing,
- f. access to nine-one-one service where provided by a local governmental authority or multijurisdictional authority, and
- g. access to interexchange long distance services;

~~36.~~ 38. "Public library" means a library or library system that is freely open to all persons under identical conditions and which is supported in whole or in part by public funds. Public library shall not include libraries operated as part of any university, college, school museum, the Oklahoma Historical Society or county law libraries;

~~37.~~ 39. "Public school" means all free schools supported by public taxation, and shall include grades prekindergarten through twelve and technology center schools that provide vocational and technical instruction for high school students who attend the technology center school on a tuition-free basis. Public school shall not include private schools, home schools or virtual schools;

~~38.~~ 40. "Regulated telecommunications service" means the offering of telecommunications for a fee directly to the public where the rates for such service are regulated by the Commission. Regulated telecommunications service does not include the provision of nontelecommunications services, including, but not limited to,

1 the printing, distribution, or sale of advertising in telephone  
2 directories, maintenance of inside wire, customer premises  
3 equipment, and billing and collection service, nor does it include  
4 the provision of wireless telephone service, enhanced service, and  
5 other unregulated services, including services not under the  
6 jurisdiction of the Commission, and services determined by the  
7 Commission to be competitive;

8 41. "Served area" means an area or region with access to  
9 broadband at or above a defined transmission speed threshold as  
10 described in paragraph 4 of this section;

11 ~~39.~~ 42. "Special Universal Services" means the  
12 telecommunications services supported by the OUSF which are  
13 furnished to public schools, public libraries and eligible health  
14 care entities as provided for in Section ~~6~~ 139.109.1 of this ~~act~~  
15 title;

16 ~~40.~~ 43. "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 ~~41.~~ 44. "Telecommunications" means the transmission, between or  
22 among points specified by the user, of information of the user's  
23 choosing, without change in the form or content of the information  
24 as sent and received;

1       ~~42.~~ 45. "Telecommunications carrier" means a person that  
2 provides telecommunications service in this state;

3       ~~43.~~ 46. "Telecommunications service" means the offering of  
4 telecommunications for a fee;

5       ~~44.~~ 47. "Telemedicine service" means the practice of health  
6 care delivery, diagnosis, consultation and treatment, including but  
7 not limited to the transfer of medical data or exchange of medical  
8 education information by means of audio, video or data  
9 communications. Telemedicine service shall not mean a consultation  
10 provided by telephone or facsimile machine;

11       ~~45.~~ 48. "Underserved area" means an area or region that has  
12 Internet service at speeds higher than those that meet the  
13 definition of an unserved area, but lower than those service speeds  
14 of high-speed Internet;

15       49. "Universal service area" has the same meaning as the term  
16 "service area" as defined in 47 U.S.C., Section 214(e)(5);

17       ~~46.~~ 50. "Unserved area" means an area or region in which there  
18 is not at least one provider of terrestrial broadband service that  
19 is either:

- 20           a.   offering a connection to the Internet, or  
21           b.   required, under the terms of the Federal Universal  
22               Service Fund or other federal or state grant, to  
23               provide a connection to the Internet;  
24



1        51. "WAN" means a wide-area network that exists over a large-  
2 scale geographical area. A WAN connects different smaller networks,  
3 including local area networks and metro area networks, which ensures  
4 that computers and users in one location can communicate with  
5 computers and users in other locations;

6        ~~47.~~ 52. "Wire center" means a geographic area normally served  
7 by a central office; ~~and~~

8        ~~48.~~ 53. "Wireless Internet service provider" or "WISP", as used  
9 in Section 2 of this act, means a fixed wireless access provider  
10 that uses point-to-point microwave or millimeter-wave links between  
11 its towers for coverage extension and backhaul and point-to-  
12 multipoint links from the towers to the customer premises; and

13        54. "Wireless telephone service" means radio communication  
14 service carried on between mobile stations or receivers and land  
15 stations and by mobile stations communicating among themselves and  
16 which permits a user generally to receive a call that originates or  
17 terminates on the public switched network or its functional  
18 equivalent regardless of the radio frequencies used.

19        SECTION 2.        AMENDATORY        Section 3, Chapter 165, O.S.L.  
20 2020, as last amended by Section 1 of Enrolled Senate Bill No. 802  
21 of the 1st Session of the 58th Oklahoma Legislature, is amended to  
22 read as follows:

23        Section 139.202. A. There is hereby created the Rural  
24 Broadband Expansion Council.

1       B. The Council shall consist of sixteen (16) persons to be  
2 selected as follows:

3       1. Three members shall be appointed by the Governor, one of  
4 whom shall be a government official who has knowledge of and  
5 experience with the technology assets and operations of the Oklahoma  
6 Department of Transportation, OneNet and the Oklahoma Office of  
7 Management and Enterprise Services and who is not and has not been  
8 previously employed by OneNet, one of whom shall be a current or  
9 past mayor of a municipality having a population of less than  
10 thirty-five thousand (35,000) persons according to the latest  
11 Federal Decennial Census or most recent population estimate and  
12 which is not part of either the Oklahoma City or Tulsa Metropolitan  
13 Statistical Area, and one of whom shall be a representative of a  
14 wireless telecommunications provider with operations in Oklahoma and  
15 at least twenty-four other states;

16       2. Five members shall be appointed by the Speaker of the  
17 Oklahoma House of Representatives, one of whom shall represent the  
18 interests of rural Internet service providers, one of whom shall be  
19 a private sector technology professional with expertise in broadband  
20 connectivity, access, price and related economic factors, one of  
21 whom shall represent the interests of rural health care, one of whom  
22 shall be a representative of a wireless telecommunications provider  
23 not affiliated with an incumbent local exchange carrier in Oklahoma  
24

1 and one who shall be a resident of this state and a Wireless  
2 Internet Service Provider (WISP);

3 3. Five members shall be appointed by the President Pro Tempore  
4 of the Oklahoma State Senate, one of whom shall be a professional  
5 having academic expertise in large-scale information technology  
6 infrastructure with emphasis on rural broadband access, one of whom  
7 shall represent the interests of rural business enterprises, one of  
8 whom shall be a citizen from a community of less than fifty thousand  
9 (50,000) persons which is not part of either the Oklahoma City or  
10 Tulsa Metropolitan Statistical Areas, one of whom shall be a rural  
11 electric cooperative representative and one who shall be an Oklahoma  
12 resident and Tribal Leader of a tribe recognized in this state;

13 4. One nonvoting member of the Oklahoma House of  
14 Representatives to be appointed by the Speaker;

15 5. One nonvoting member of the Oklahoma State Senate to be  
16 appointed by the President Pro Tempore; and

17 6. One nonvoting member to be selected by the Oklahoma  
18 Corporation Commission who has expertise in administration of the  
19 Universal Service Fund, but who is not an elected member of the  
20 Commission.

21 C. The Council shall hold an organizational meeting not later  
22 than sixty (60) days from May 22, 2020, and shall select from its  
23 membership a chair and vice-chair or co-chairs. The chair or co-  
24 chair of the Council shall be a person who is not a government

1 employee or public official, unless the person or persons are  
2 legislators.

3 D. A quorum of the membership of the Council shall be necessary  
4 in order to take any final action pursuant to the provisions of this  
5 act.

6 E. The Council shall be subject to the Oklahoma Open Meeting  
7 Act and the Oklahoma Open Records Act.

8 F. The Rural Broadband Expansion Council shall conduct a study  
9 of rural broadband access in the state and shall divide the state  
10 into separate geographic areas based on the information it obtains  
11 regarding existing capability for persons and businesses to access  
12 broadband telecommunication services, the cost for obtaining the  
13 services from existing service providers, the estimated costs for  
14 improving rural broadband access, the likelihood of changes in rural  
15 broadband access in the near and intermediate future based on  
16 available information regarding private or public sector plans or  
17 programs to create or enhance broadband access in rural areas, the  
18 need for change in state or local law or policy that impacts the  
19 ability for persons or business entities in rural areas to access  
20 broadband services at a reasonable price and such other information  
21 as the Council may determine to be relevant in order to establish  
22 the geographic areas.

23 G. The Council shall incorporate the information as described  
24 in subsection F of this section into a mapping system that depicts

1 resources, broadband coverage, connectivity speeds and such other  
2 features as the Council deems relevant.

3 H. The Council shall undertake a study of incentives or  
4 programs that would have the effect of improving existing rural  
5 broadband access and establishing broadband access to areas which  
6 currently do not have such access. The incentives or programs may  
7 include federal funds, tribal funds or resources, donated funds or  
8 funding available from foundations, endowments or similar sources,  
9 state or local tax incentives, state or local financing incentives  
10 or options or federal, tribal, state or local regulatory policies  
11 that would be conducive to improving existing broadband access or  
12 establishing such access where it does not currently exist.

13 I. The Council shall have the right to obtain information from  
14 the Oklahoma Corporation Commission or other state agencies, to the  
15 extent information requested is not required to be kept confidential  
16 pursuant to some other requirement, regarding any of the matters as  
17 specified in this section relevant to the Council's duties.

18 J. The Council shall have the right to obtain information from  
19 counties, cities, towns, school districts, career technology  
20 districts, public trusts, or other entities or instrumentalities of  
21 local government, to the extent information requested is not  
22 required to be kept confidential pursuant to some other requirement,  
23 regarding any of the matters as specified in this section relevant  
24 to the Council's duties.

1 K. The Council shall utilize the geographic areas it  
2 establishes pursuant to the Oklahoma Rural Broadband Expansion Act  
3 in order to develop its recommendations regarding the implementation  
4 of policies that are conducive to establishing or improving rural  
5 broadband access in the state.

6 L. The Council shall focus on the financial viability of  
7 broadband service providers so that a broadband network is  
8 adequately supported in its operations, that needed repairs and  
9 upgrades can be undertaken on a timely basis and that the goal of  
10 having a quality long-term broadband service delivery system for  
11 rural areas is achieved and maintained.

12 M. The Council shall give emphasis to maintaining the viability  
13 of the Oklahoma Universal Service Fund and give consideration to  
14 whether similar universal funds should be implemented in order to  
15 facilitate broadband expansion and operational costs for underserved  
16 areas.

17 N. The Council shall give emphasis to the prevention of  
18 duplication of facilities and investment when it makes policy  
19 recommendations. The Council shall establish objective standards in  
20 order to determine whether the construction of rural broadband  
21 access constitutes duplication of facilities and investment and also  
22 the role of any recommended incentives that would benefit entities  
23 in the private sector so that public resources are effectively  
24 utilized and that duplication of efforts is avoided.

1 O. The Oklahoma Department of Commerce shall create a dedicated  
2 webpage or website in order to allow public access to the actions  
3 and recommendations of the Council. The webpage or website shall  
4 contain the mapping system required by subsection G of this section  
5 and its related information.

6 P. The Oklahoma Department of Commerce shall provide  
7 administrative support to the Council and shall utilize the Digital  
8 Transformation Program Revolving Fund for expenses related to such  
9 administrative support as provided by Section 36 of Title 62 of the  
10 Oklahoma Statutes.

11 Q. The Rural Broadband Expansion Council shall submit an annual  
12 report, not later than January 31, summarizing discussions,  
13 testimony, analysis, information or other actions and significant  
14 events during the preceding calendar year and containing the  
15 recommendations, if any, by the Council for legislation, action by  
16 executive branch agencies or other actions in furtherance of the  
17 mission and duties of the Council. The report shall be submitted to  
18 the Governor, the Speaker of the Oklahoma House of Representatives  
19 and the President Pro Tempore of the Oklahoma State Senate.

20 R. On or before October 31, 2021, the Council shall develop a  
21 set of broadband incentive award guidelines for recommendation to  
22 the State Legislature. The Council shall submit a copy of the  
23 guidelines to the Speaker of the Oklahoma House of Representatives,  
24 the President Pro Tempore of the Oklahoma State Senate, and to the

1 chairs of the appropriate legislative committees. The guidelines  
2 shall:

3 1. Consider a weighted approach for awarding incentives based  
4 upon the following:

- 5 a. the area's need for services, including, but not  
6 limited to, whether the area is underserved, unserved,  
7 rural or urban,
- 8 b. whether there are existing broadband assets in the  
9 area, based on the statewide map,
- 10 c. whether existing federal, state, local, tribal or  
11 private resources have been allocated to broadband  
12 services in the area,
- 13 d. a preference for federal, state, local, tribal or  
14 private partnerships, and
- 15 e. the capacity of the provider to maintain assets for an  
16 extended period of time; and

17 2. Recommend any necessary controls including, but not limited  
18 to, capping the dollar amount of awards, allowing for an auditing  
19 process, and a process that allows for award clawbacks. These  
20 controls shall be in place to ensure the maximum efficiency of the  
21 incentive award and to protect against waste, fraud or abuse.

22 SECTION 3. It being immediately necessary for the preservation  
23 of the public peace, health or safety, an emergency is hereby  
24



1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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4 58-1-8273 MAH 05/12/21

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