

An Act

ENROLLED HOUSE

BILL NO. 4018

By: McCall, Phillips, Strom and
Townley of the House

and

Leewright, Bergstrom and
Scott of the Senate

An Act relating to telecommunications; enacting the Oklahoma Rural Broadband Expansion Act; stating legislative intent with respect to broadband access and incentives; creating the Rural Broadband Expansion Council; providing for membership; requiring organizational meeting; providing for quorum requirement; making the Council subject to provisions of the Oklahoma Open Meeting Act and Oklahoma Open Records Act; imposing duties on Council; requiring study of rural broadband access; providing for analysis of geographic areas; requiring creation of mapping system; requiring study of state and local incentives related to expansion of broadband access; providing for information to be provided by Oklahoma Corporation Commission; providing for information to be provided by certain local government entities; providing exceptions; requiring use of geographic areas for certain purposes; requiring analysis of financial viability; requiring certain emphasis with respect to Oklahoma Universal Service Fund; requiring emphasis for prevention of duplication of facilities and investment; requiring objective standards; requiring certain information to be provided on webpage or website by Oklahoma Department of Commerce; requiring Oklahoma Department of Commerce to provide administrative support; providing for payment of expenses; requiring an annual report; amending Section 1, Chapter 441, O.S.L. 2019 (62 O.S. Supp. 2019, Section 36), which relates to the Digital Transformation Program Revolving Fund; modifying authorized expenditures; authorizing administrative expenses for Rural Broadband Expansion Council;

requiring monthly report; providing for codification; providing for noncodification; and declaring an emergency.

SUBJECT: Oklahoma Rural Broadband Expansion Act

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 139.201 of Title 17, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Rural Broadband Expansion Act".

SECTION 2. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

The Legislature finds that it is good public policy for the state to improve broadband availability and affordability where economically feasible and that future incentives for broadband access be well-reasoned and responsible. The Legislature finds that the creation of the Rural Broadband Expansion Council as provided by this act is in furtherance of such policies and that incentives for broadband access should closely follow the recommendations of the Rural Broadband Expansion Council.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 139.202 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Rural Broadband Expansion Council.

B. The Council shall consist of twelve (12) persons to be selected as follows:

1. Three members shall be appointed by the Governor, one of whom shall be a government official who has knowledge of and experience with the technology assets and operations of the Oklahoma Department of Transportation, OneNet and the Oklahoma Office of Management and Enterprise Services and who is not and has not been previously employed by OneNet, one of whom shall be a mayor of a municipality having a population of less than twenty-five thousand

(25,000) persons according to the latest Federal Decennial Census or most recent population estimate and which is not part of either the Oklahoma City or Tulsa Metropolitan Statistical Area, and one of whom shall be a representative of a wireless telecommunications provider with operations in Oklahoma and at least twenty-four other states;

2. Three members shall be appointed by the Speaker of the Oklahoma House of Representatives, one of whom shall represent the interests of rural Internet service providers, one of whom shall be a private-sector technology professional with expertise in broadband connectivity, access, price and related economic factors and one of whom shall represent the interests of rural health care;

3. Three members shall be appointed by the President Pro Tempore of the Oklahoma State Senate, one of whom shall be a professional having academic expertise in large-scale information technology infrastructure with emphasis on rural broadband access, one of whom shall represent the interests of rural business enterprises and one of whom shall be a citizen from a community of less than fifty thousand (50,000) persons which is not part of either the Oklahoma City or Tulsa Metropolitan Statistical Areas;

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

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

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

C. The Council shall hold an organizational meeting not later than sixty (60) days from the effective date of this act and shall select from its membership a chair and vice-chair or co-chairs. The chair of the Council shall be a person who is not a government employee or public official.

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

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

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

G. The Council shall incorporate the information as described in subsection F of this section into a mapping system that depicts resources, broadband coverage, connectivity speeds and such other features as the Council deems relevant.

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

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

J. The Council shall have the right to obtain information from counties, cities, towns, school districts, career technology districts, public trusts, or other entities or instrumentalities of local government, to the extent information requested is not

required to be kept confidential pursuant to some other requirement, regarding any of the matters as specified in this section relevant to the Council's duties.

K. The Council shall utilize the geographic areas it establishes pursuant to this act in order to develop its recommendations regarding the implementation of policies that are conducive to establishing or improving rural broadband access in the state.

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

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

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

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

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

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

SECTION 4. AMENDATORY Section 1, Chapter 441, O.S.L. 2019 (62 O.S. Supp. 2019, Section 36), is amended to read as follows:

Section 36. A. There is hereby created in the State Treasury a fund for the Office of Management and Enterprise Services to be designated the "Digital Transformation Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies designated to the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services for the ~~sole~~ purpose of implementing digital transformation initiatives, and upon request of the Oklahoma Department of Commerce, to pay for administrative support expenses for the Rural Broadband Expansion Council as provided by Section 3 of this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. Monthly the Director of the Office of Management and Enterprise Services shall submit reports to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma State Senate, the Chair of the Appropriations and Budget Committee of the Oklahoma House of Representatives and the Chair of the Appropriations Committee of the Oklahoma State Senate detailing:

1. Expenditures from the Digital Transformation Program Revolving Fund; and

2. Projects under consideration for future expenditures from the fund.

SECTION 5. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby

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

Passed the House of Representatives the 11th day of March, 2020.

Lammy Nest
Presiding Officer of the House
of Representatives

Passed the Senate the 12th day of May, 2020.

Amy Cantor
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 13th

day of May, 20 20, at 1:40 o'clock p. M.

By: Sumerlures

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 22nd

day of May, 20 20, at 1:12 o'clock P. M.

By: Amy Cantor

MESSAGE
FROM THE
HOUSE OF REPRESENTATIVES

5/22/2020

TO HONORABLE
SECRETARY OF STATE

By order of the House of Representatives of the State of Oklahoma, this
Message is sent:

Transmitting herewith enrolled HB 4018 together with the Governor's
veto message thereon, and advising that under the provisions of
Article V, Section 58, of the Constitution of the State of Oklahoma,
the House of Representatives has reconsidered and passed said
measure, over the Governor's veto, by a three-fourths vote of all
members elected to and constituting the House, said vote being as
follows:

House of Representatives:	Ayes:	90,	Nays:	6
Senate:	Ayes:	43,	Nays:	1

Respectfully,

EMILY GILES

Chief Clerk

f

13:00:00
HM37-11

RECEIVED

MAY 22 2020

OKLAHOMA SECRETARY
OF STATE

A. Canton @ 1:12pm



OFFICE OF

No. HB 4018

THE GOVERNOR
STATE OF OKLAHOMA

OKLAHOMA CITY, OKLA., May 19, 2020

TIME SIGNED: 4:31 pm

TO THE HONORABLE SPEAKER OF THE HOUSE
AND MEMBERS OF THE OKLAHOMA HOUSE OF REPRESENTATIVES
SECOND REGULAR SESSION OF THE
FIFTY SEVENTH OKLAHOMA LEGISLATURE

ENROLLED HOUSE BILL NO. 4018:

This is to advise you that on this date pursuant to the authority vested in me by Section 11 of Article VI of the Oklahoma Constitution to approve or object to legislation presented to me, I have vetoed House Bill 4018.

House Bill 4018 enacts the Oklahoma Rural Broadband Development Act and calls for the creation of a Rural Broadband Expansion Council to be funded through the Digital Transformation Revolving Fund, which was not funded for FY 21, and will have a zero balance.

Digital Transformation and bringing Oklahoma into the 21st century has been a top priority for my administration. Last year, The Secretary of Digital Transformation created a Broadband task force and brought together stakeholders to focus on improving broadband in our state. Since that time, our administration has moved from being ranked 47th to being ranked 26th in broadband, a 45% increase. It is important to bring together all key players to collaborate and continue to improve our state's outcomes in broadband. My office has included key stakeholders in these discussions and invited legislators to attend. Our current Broadband task force is yielding great results, and the need for another task force is unnecessary and redundant. This is a duplication of work, expertise and expense.

For the aforementioned reasons, I have vetoed House Bill 4018.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

By Callette H. Hauck
Date/Time 5/19/2020 4:42 pm

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MAY 19 2020

OKLAHOMA SECRETARY
OF STATE

A. Canton @ 4:49 pm