STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

HOUSE BILL 2293 By: Hilbert

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AS INTRODUCED

An Act relating to the Oklahoma Broadband Office; transferring certain powers, duties, and responsibilities from the Oklahoma Broadband Office to the Oklahoma Department of Commerce by certain date; requiring Department succeed any contractual rights or responsibilities; providing for the transfer of certain rules; requiring certain notice; transferring rulemaking authority; authorizing the transfer of personnel; providing details for personnel transfer; requiring certain coordination for transfer; amending Section 2, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9201), which relates to definitions; modifying definitions; amending Section 3, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9202), which relates to the broadband governing board; modifying overseeing entity of the Oklahoma Broadband Office; extending termination of the Office; deleting certain board and board requirements; authorizing certain duties of the Oklahoma Department of Commerce; amending 17 O.S. 2021, Section 139.202, as amended by Section 4, Chapter 229, O.S.L. 2022, and as renumbered by Section 13, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9203), which relates to the Broadband Expansion Council; removing certain council and council requirements; modifying responsible entity; amending Section 5, Chapter 229, O.S.L. 2022, as amended by Section 1, Chapter 336, O.S.L. 2023 (74 O.S. Supp. 2024, Section 9204), which relates to the Oklahoma Broadband Office; removing sunset provision for Office; making the Oklahoma Broadband Office a division of the Oklahoma Department of Commerce; setting termination date for Office; removing certain assistance to be provided for the Office; modifying title of director; modifying responsible entity;

removing certain hiring authority; amending Section 6, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9205), which relates to duties and authority of the Oklahoma Broadband Office; modifying responsible entity; removing defunct language; amending Section 10, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9209), which relates to the State Broadband Grant Program Revolving Fund; modifying responsible entity; amending 17 O.S. 2021, Section 139.203, as amended by Section 11, Chapter 229, O.S.L. 2022, and as renumbered by Section 14, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9210), which relates to private providers network area coverage map data; modifying statutory reference; repealing 74 O.S. 2021, Section 9207, which relates to transfer of program; providing for codification; and providing an effective date.

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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 9211 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The applicable powers, duties, and responsibilities exercised by the Oklahoma Broadband Office shall be fully transferred to the Oklahoma Department of Commerce on December 31, 2030. The Office shall exist as a division of the Department. All records, property, equipment, assets, monies, financial interests, liabilities, matters pending, and funds of the Office shall be transferred to the Department.

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B. The Department shall succeed to any contractual rights or responsibilities incurred by the Office.

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- C. The administrative rules previously promulgated by the Office shall be transferred to and become a part of the administrative rules of Department upon the effective date of this act. The Office of Administrative Rules in the Office of the Secretary of State shall provide adequate notice in "The Oklahoma Register" of the transferred rules and shall place the transferred rules under the Administrative Code section of the Department. On the effective date of this act, any amendment, repeal, or addition to the transferred rules shall be under the rulemaking authority of the Department.
- D. The Department and the Office may enter into an agreement for the transfer of personnel from the Office to the Department. No employee shall be transferred to the Department except on the freely given written consent of the employee. Any employees who are transferred to the Department shall not be required to accept a lesser grade or salary than presently received. All employees shall retain leave, sick, and annual time earned, and any retirement and longevity benefits which have accrued during their tenure with the Department. The transfer of any personnel between the state agencies shall be coordinated with the Office of Management and Enterprise Services.

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E. The Office of Management and Enterprise Services shall coordinate the transfer of records, property, equipment, assets, funds, allotments, purchase orders, liabilities, outstanding financial obligations, or encumbrances provided for in this subsection.
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- SECTION 2. AMENDATORY Section 2, Chapter 229, O.S.L. 7 2022 (74 O.S. Supp. 2024, Section 9201), is amended to read as 8 follows:
- 9 Section 9201. As used in this act:

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- 1. "Board" means the Broadband Governing Board;
- 2. "Council" means the Broadband Expansion Council;
- 3. "Director" means the Executive Director of the Oklahoma
 Broadband Office;
- 14 4. 2. "FCC" means the Federal Communications Commission;
 - 5. 3. "Joint Committee" means the Legislature's Joint Committee on Pandemic Relief Funding, created by the Legislature to give legislative oversight to the disbursing of the American Rescue Plan Act's State and Local Fiscal Recovery Fund, Capital Projects Fund, and any future federal recovery funds as identified by the Legislature;
- 21 6. 4. "Map" means the statewide map showing broadband access,
 22 adoption, speed capabilities, and all other information the Office
 23 deems necessary;
 - 7. 5. "Office" means the Oklahoma Broadband Office;

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8. 6. "Plan" means the Statewide Broadband Plan;
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- 9. 7. "Program" means the State Broadband Grant Program; and
- 3 10. 8. "Revolving fund" means the State Broadband Grant Program
 4 Revolving Fund.
- 5 | SECTION 3. AMENDATORY Section 3, Chapter 229, O.S.L.
- 6 2022 (74 O.S. Supp. 2024, Section 9202), is amended to read as
- 7 follows:

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- 8 Section 9202. A. 1. There is hereby created until June 30,
- 9 2028, the Broadband Coverning Board. The Board Beginning December
- 10 | 31, 2030, the Oklahoma Department of Commerce shall oversee the
- 11 Oklahoma Broadband Office. Effective June 30, 2028, the Board shall
- 12 | terminate. The Board shall utilize the year prior to the
- 13 termination date for the purpose of ceasing the Board's affairs.
- 14 2. The Board Chief Executive Officer of the Oklahoma Department
- 15 of Commerce shall receive regular reports from the Office's
- 16 Executive Director and the Executive Director's staff on the status
- of the Statewide Broadband Plan, the State Broadband Grant Program,
- 18 other developed grant programs, and other projects the Office is
- 19 undertaking, during regularly scheduled meetings.
- B. The Board shall consist of nine (9) members. Two members
- 21 | shall be appointed by the Speaker of the Oklahoma House of
- 22 Representatives, two members shall be appointed by the President Pro
- 23 Tempore of the Oklahoma State Senate, three members shall be
- 24 appointed by the Governor, one member shall be the Lieutenant

Governor, and one member shall be the State Treasurer. Except as provided in subsection C of this section, appointees shall serve until June 30, 2028. No individual with an official affiliation, paid or unpaid, with any potential recipient of a grant administered under the provisions of this act, shall be appointed to or serve on the Board.

C. Each appointee shall serve at the pleasure of his or her appointing authority and may be removed or replaced without cause.

D. 1. The Board shall hold an organizational meeting not later than thirty (30) days from the effective date of this act. At such meeting, the Board shall adopt qualifications and a salary range for an Executive Director for the Oklahoma Broadband Office based on the recommendations of the Human Capital Management Division of the Office of Management and Enterprise Services, and provide for the process of filling the position in a reasonable time in accordance with the laws of this state.

2. The Board shall hold meetings as necessary at a place and time to be fixed by the Board. The Board shall elect, at its first meeting, one of its members to serve as chair and another of its members to serve as vice-chair. At the first meeting in each calendar year thereafter, the chair and vice-chair for the ensuing year shall be elected. Special meetings may be called by the chair or by five members of the Board by delivery of written notice to

each member of the Board. A majority of members serving on the Board shall constitute a quorum of the Board.

- E. If a Board member is unable to fulfill his or her term for any reason, the appointing authority of such member may appoint a replacement to complete the remainder of the term.
- F. The Board shall be subject to the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.
- G. The Board Department shall employ, evaluate, and maintain an Executive a Director of the Office who shall serve at the pleasure of the Board Department and may be removed or replaced without cause.
- H. C. The Board Department shall promulgate rules as necessary to implement the provisions of the Oklahoma Broadband Expansion Act and for the governance and operation of the Oklahoma Broadband Office.
- I. D. The Board Department shall approve or disapprove all grant and incentive programs created by the Office under the provisions of this act or under law.
- J. E. The Board Department shall oversee the annual budget for the Office, which shall be funded from the allowed administrative expenses of applicable federal programs and funds available for expenditure from the State Broadband Grant Program Revolving Fund created pursuant to Section 10 of this act 9209 of this title.

 $\overline{\text{K. F.}}$ The $\overline{\text{Board}}$ $\underline{\text{Department}}$ shall approve the Statewide Broadband Plan and updates to the Plan as necessary.

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SECTION 4. AMENDATORY 17 O.S. 2021, Section 139.202, as amended by Section 4, Chapter 229, O.S.L. 2022, and as renumbered by Section 13, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9203), is amended to read as follows:

Section 9203. A. There is hereby created, until June 30, 2028, the Broadband Expansion Council. Effective June 30, 2028, the Council shall terminate. The Council shall utilize the year prior to the termination date for the purpose of ceasing the Council's affairs.

B. The Council shall consist of fourteen (14) persons to be selected as follows:

1. Three members shall be appointed by the Governor, one of whom shall be the individual serving as the Executive Director of the Oklahoma Broadband Office, one of whom shall be a current or past mayor of a municipality having a population of less than thirty-five thousand (35,000) 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 Areas, and one of whom shall be a resident of this state and a wireless Internet service provider (WISP);

2. Five 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, one of whom shall represent the interests of rural health care, one of whom shall be a representative of a wireless telecommunications provider not affiliated with an incumbent local exchange carrier in Oklahoma and one who shall be a representative of a wireless telecommunications provider telecommunications provider with operations in Oklahoma and at least twenty-four other states;

3. Five 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, 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, one of whom shall be a rural electric cooperative representative and one who shall be an Oklahoma resident and Tribal Leader of a tribe recognized in this state; and

4. 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. 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.

- D. The Council shall be subject to the Oklahoma Open Meeting
 Act and the Oklahoma Open Records Act.
- E. The Council shall serve as the advisory board to the Oklahoma Broadband Office.

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- F. The Council Oklahoma Department of Commerce shall advise the Oklahoma Broadband Office in developing and continually monitoring the Office's Plan related to:
- 1. Identifying geographic areas to be utilized in developing the Office's policies for establishing or improving broadband access in the state pursuant to the Oklahoma Broadband Expansion Act;
- 2. Assessing 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 across the state is achieved and maintained;
- 3. 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; and

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4. Preventing duplication of facilities and investment when the
Office makes grant recommendations. With the input of the Council
Department, the Oklahoma Broadband Office shall establish objective
standards in order to determine whether the construction of
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.
    G. The Council shall receive administrative support from the
Oklahoma Broadband Office.
    SECTION 5.
                  AMENDATORY
                              Section 5, Chapter 229, O.S.L.
2022, as amended by Section 1, Chapter 336, O.S.L. 2023 (74 O.S.
Supp. 2024, Section 9204), is amended to read as follows:
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15 Section 9204. A. There is hereby created until June 30, 2028, 16 the The Oklahoma Broadband Office, a division of the Oklahoma 17 Department of Commerce, to shall serve as the state's sole 18 administrator of the functions, powers, and duties assigned to the 19 Office in the Oklahoma Broadband Expansion Act or under law. 20 Effective June 30, 2028, the Office shall terminate and all 21 personnel positions shall be abolished. The Office shall utilize 22 the year prior to the termination date for the purpose of ceasing 23 the Office's affairs.

B. The Office shall receive administrative assistance from the Office of Management and Enterprise Services (OMES), which shall provide, through existing OMES resources, administrative assistance upon request in writing or electronic correspondence from the Office's Executive Director. OMES shall provide assistance in the manner requested within thirty (30) days of determination by the Agency that the request is able to be fulfilled. If for any reason the request cannot be fulfilled within thirty (30) days, the Office and OMES shall enter into a written agreement expressing an agreed upon timeline for fulfilling the needs of the Office. In the event that the request cannot be fulfilled, OMES shall respond in writing within ten (10) days of the request providing the reasoning for denial. If the request cannot be fulfilled utilizing existing resources, OMES may charge the Office for the actual cost to fulfill the request.

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- C. The Office shall be governed by the Broadband Governing Board, created pursuant to Section 9202 of this title.
- D. The Office shall be advised by the Broadband Expansion Council, created pursuant to Section 9203 of this title.
- $\overline{\text{E.}}$ The Office shall have an Executive $\underline{\text{a}}$ Director who shall oversee the operations of the Office including, but not limited to:
- 1. Overseeing the creation, maintenance, and completion of the Statewide Broadband Plan;

2. Communicating the state's progress in achieving the goals and implementation of the Statewide Broadband Plan;

- 3. The creation, housing, and updating of a statewide broadband services map;
- 4. Overseeing of grant applications and awards for connectivity and affordability projects;
- 5. Making recommendations to the Board Oklahoma Department of Commerce regarding procedural and administrative rules for the Office; and
- 6. Employment and management of Office staff subject to the limitations and requirements of the Oklahoma Broadband Expansion Act and subject to the limitations and requirements of the Broadband Governing Board Oklahoma Department of Commerce.
- F. C. The Executive Director shall regularly report to the Council and the Board and shall Chief Executive Officer of the Department and submit an annual report to the Office of the Speaker of the Oklahoma House of Representatives and the Office of the President Pro Tempore of the Oklahoma Senate.
- G. The Office may hire legal counsel as it is deemed necessary by the hiring entity. The Office shall be subject to the provisions of Section 20i of this title.
- 22 SECTION 6. AMENDATORY Section 6, Chapter 229, O.S.L.
 23 2022 (74 O.S. Supp. 2024, Section 9205), is amended to read as
 24 follows:

Section 9205. A. The Oklahoma Broadband Office shall:

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1. Conduct a study of and continually monitor broadband access in the state to assess:

- existing capabilities to access broadband telecommunication services,
- the costs of obtaining broadband services from existing providers,
- c. the estimated cost to improve broadband access, and
- d. the likelihood of changes in broadband access in the near and intermediate future based on available information regarding public and private programs to enhance access and adoption; and
- 2. Maintain, update, and execute the Statewide Broadband Plan as necessary.
- B. The Office shall incorporate the information as described in subsection A of this section into a mapping system that depicts resources, broadband coverage, connectivity speeds, and other such features as the Office deems relevant. The Office may also purchase data sets it deems necessary to complete such mapping system.
- C. The Office shall establish policies and regulations as may be necessary to implement the provisions of this act.
- D. The Office shall establish policy as needed to implement a process whereby impacted parties may challenge or protest data and

1 information published on the Office's mapping system. The process
2 shall include, but not be limited to, features that:

1. Are heard and ruled on at the Office level;

- 2. Provide for a ruling by the Office within sixty (60) days of the submitted challenge or protest; and
- 3. Upon successful protest action, result in a timely correction of the map.
- E. The Office shall perform and maintain a study of existing grants, incentives, and programs that may improve physical access to broadband along with adoption of broadband technologies. The grants, incentives, and programs may include federal funds, state funds or resources, tribal funds or resources, donated funds, or funding available from foundations, endowments or similar resources, 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 access where it does not currently exist. The Office shall regularly report on the currently available grants, incentives, and programs and how best to utilize each.
- F. The Office shall create, and update no less than biannually, a Statewide Broadband Plan. The Plan shall detail what areas are served, underserved, or unserved according to the prevailing definitions of the FCC, and how best to improve the infrastructure and connectivity in underserved and unserved areas. The Plan shall

include, but shall not be limited to, detailing a pathway for ninety-five percent (95%) of the state's population to be adequately served by June 30, 2028.

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- G. The Office shall create the Capital Projects Fund Grant Report or provide the necessary information to the state entity drafting the Report. The Report shall be submitted to the Department of the Treasury no later than September 24, 2022. The Office shall maintain the Report and submit any and all additional information as required. The Office shall work with the Joint Committee to ensure all approved broadband projects utilizing funds from the Capital Projects Fund follow the correct reporting requirements based on Department of Treasury guidance.
- H. Additionally, the Office is authorized to seek, apply for, and administer funding through grant opportunities. The Office is also authorized to administer grant funding awards to recipients and subrecipients.
- of the Council, shall develop a set of broadband grants or incentive awards guidelines to be approved by the Board. The grants and incentive awards shall be for unserved and underserved areas. The Office shall submit a copy of the guidelines to the Office of the Speaker of the Oklahoma House of Representatives, the Office of the President Pro Tempore of the Oklahoma State Senate, and to the

1	offices of the chairs of the appropriate legislative committees.
2	The guidelines shall:
3	1. Consider a weighted approach for awards based upon the
4	following:
5	a. the area's need for services, including, but not
6	limited to, whether the area is underserved or
7	unserved,
8	b. whether there are existing broadband assets in the
9	area, based on the statewide map,
LO	c. whether existing federal, state, local, tribal, or
L1	private resources have been allocated to broadband
L2	services in the area,
L3	d. a preference for federal, state, local, tribal, or
L 4	private partnerships, and
L5	e. the capacity of the provider to maintain assets for an
L 6	extended period of time;
L7	2. Recommend any necessary controls including, but not limited
L8	to, capping the dollar amount of awards, allowing for an auditing
L 9	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; and
22	3. Include annual reporting requirements of award recipients to
23	assess effectiveness of such incentives which shall include, but not

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be limited to, changes in coverage resulting from implementing
awarded grants and incentives.
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- 3 SECTION 7. AMENDATORY Section 10, Chapter 229, O.S.L.
- 4 | 2022 (74 O.S. Supp. 2024, Section 9209), is amended to read as
- 5 follows:
- 6 Section 9209. A. The Office, with the participation and advice
- 7 of the Broadband Expansion Council and approval from the Board
- 8 | Oklahoma Department of Commerce, shall establish the State Broadband
- 9 Grant Program. The Program shall include development of competitive
- 10 grants to be awarded to applicants seeking to expand access to
- 11 | broadband Internet services in this state, focusing on areas
- 12 | considered unserved and underserved by the FCC. The Office,
- 13 | Council, and Board shall examine best practices in other states to
- 14 | facilitate the framework of the Program. The Office shall
- 15 administer the Program.
- B. No grants shall be developed or awarded under the provisions
- 17 of this program that would duplicate existing broadband Internet
- 18 | services in this state.
- 19 C. In the administration of the grant program authorized by
- 20 this section, the Office shall secure service testing data to ensure
- 21 | grant recipients provide the service or services proposed by such
- 22 recipients when applying for such grants.
- D. All grant awards authorized pursuant to the provisions of
- 24 this section shall include a clawback provision. For purposes of

this subsection, a "clawback provision" shall mean a condition

precedent to participate in the program whereby a grant recipient

formally agrees to reimburse the program all or part of a grant

award upon the failure of the recipient to fulfill contract terms

included in the grant award.

- E. There is hereby created in the State Treasury a revolving fund for the Office to be designated the "State Broadband Grant Program Revolving Fund". The revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies designated for deposit to said fund. All monies accruing to the credit of said revolving fund are hereby appropriated and may be budgeted and expended by the Office for purposes of awarding grants by and through the Office pursuant to subsection A of this section and for the operating expenses of the Office.
- SECTION 8. AMENDATORY 17 O.S. 2021, Section 139.203, as amended by Section 11, Chapter 229, O.S.L. 2022, and as renumbered by Section 14, Chapter 229, O.S.L. 2022 (74 O.S. Supp. 2024, Section 9210), is amended to read as follows:
- Section 9210. A. On or before October 31, 2022, and annually thereafter, in accordance with the FCC Data Collection and Methodology, private broadband service providers operating in this state and satellite-based broadband private providers that have been designated as an eligible telecommunications carrier pursuant to 47 U.S.C., Section 214(e)(6) for any portion of Oklahoma, hereinafter

referred to as "private providers", shall submit to the Oklahoma Broadband Office the broadband network area coverage map data the private providers are required to submit to the FCC pursuant to the federal Broadband Deployment Accuracy and Technological Availability Act, 47 U.S.C., Section 641 et seq. The map data shall be updated annually through a supplemental submission by the private providers that reflects changes in area coverage from the preceding year, including updates that are the result of incentives and grants created, administered, or awarded by the Office. The Office is authorized to promulgate rules for the collection of the broadband network area coverage map reports from the private providers.

- B. On or before October 31 of each year, OneNet, the Office of Management and Enterprise Services, the Oklahoma Corporation

 Commission, and the Oklahoma Department of Transportation,

 hereinafter referred to as "public entities", shall submit to the

 Office and the Broadband Expansion Council Oklahoma Department of

 Commerce broadband network area coverage map data of all assets and network coverage in the format requested by the Office.
- C. Private providers and public entities shall disclose to the Office the properties they serve and the maximum advertised download and upload speeds at which they provide any Internet services to those properties.
- D. The reports and information required to be disclosed pursuant to this section by private providers shall remain

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    confidential pursuant to Section 24A.10 of Title 51 of the Oklahoma
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               The Office shall determine the required submission format
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    of the data submitted under the provisions of this act.
        E. On or before December 1 of each year, the Office shall
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    update the statewide broadband services map required by subsection E
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    of Section 5 of this act 9204 of this Title title using the data
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    collected under the provisions of this act in a manner that
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    identifies the assets and service areas of the public entities while
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    displaying anonymized information, without reference to any specific
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    private provider, of the assets and service areas of private
    providers.
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                                    74 O.S. 2021, Section 9207, is
        SECTION 9.
                       REPEALER
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    hereby repealed.
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        SECTION 10. This act shall become effective December 31, 2030.
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