

1 ENGROSSED HOUSE  
2 BILL NO. 1536

By: Thomsen and Lockhart of the  
House

3 and

4 Justice of the Senate

5  
6  
7 [ telecommunications - Oklahoma E911 Emergency  
8 Service Fund -

9 emergency ]

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

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SECTION 1. AMENDATORY 17 O.S. 2011, Section 139.109, as

15

last amended by Section 2, Chapter 182, O.S.L. 2014 (17 O.S. Supp.

16

2014, Section 139.109), is amended to read as follows:

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Section 139.109 A. There is hereby created within the

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Corporation Commission the "Oklahoma E911 Emergency Service Fund".

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Beginning September 1, 1997, each local exchange telecommunications

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service provider shall annually contribute fifty cents (\$0.50) per

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retail local exchange access line to the Oklahoma E911 Emergency

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Service Fund until the total amount contributed by all providers to

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the Fund equals Five Million Dollars (\$5,000,000.00). The

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contribution amount for each service provider shall be based upon

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

22 B. There is hereby created within the Oklahoma Department of  
23 Career and Technology Education the "Oklahoma Telecommunications  
24 Technology Training Fund". Beginning September 1, 1997, each local

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

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

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

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

21 3. Each public school building wherein classrooms are contained  
22 and each public library in the state shall, upon written request,  
23 receive one incoming, toll-free phone number and up to a total of  
24 five access lines, free of charge, to allow incoming, toll-free

1 calls from any location within the geographic area served by the  
2 school or the public library;

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

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

18 D. 1. As part of the request process, the Corporation  
19 Commission shall require competitive bidding of services in which  
20 the schools and libraries shall select the most cost-effective bid.  
21 The price of the eligible products and services shall be the primary  
22 factor in the evaluation. Other relevant evaluation factors may  
23 include:

24 a. quality of service,

- 1           b. quality of technical support,
- 2           c. equipment cost,
- 3           d. installation cost,
- 4           e. human resource cost to school district,
- 5           f. interruption of network functionality,
- 6           g. qualifications of service provider, and
- 7           h. prior experience with service provider including past
- 8           performance.

9           2. Except in instances where the applicant is exempt from  
10 competitive bidding, as part of the request process for telemedicine  
11 funding by each not-for-profit hospital, county health department,  
12 city-county health department, not-for-profit mental health and  
13 substance abuse facility as defined in Section 139.102 of this title  
14 and federally qualified health center in this state, the Corporation  
15 Commission shall require competitive bidding of services in which  
16 applicants providing telemedicine select the most cost-effective  
17 service provider. For purposes of this section, the "most cost-  
18 effective service provider" shall mean the method that costs the  
19 least after consideration of the features, quality of transmission,  
20 reliability and other factors relevant to choosing a method of  
21 providing the required services. Applicants shall develop a  
22 weighted evaluation that demonstrates how the applicant will choose  
23 the bid that is most cost-effective prior to initiating competitive  
24 bidding. Price shall be a primary factor, but shall not be the only

1 primary factor. A non-price factor may receive an equal weight to  
2 price, but may not receive a greater weight than price. Other  
3 factors considered in the bid evaluation may include:

- 4 a. quality of transmission,
- 5 b. reliability,
- 6 c. technical support,
- 7 d. previous experience with service provider,
- 8 e. rapid response for problems,
- 9 f. service provider to provide a single point of contact,  
10 and
- 11 g. any other factors deemed necessary by the not-for-  
12 profit hospital, county health department, city-county  
13 health department, not-for-profit mental health and  
14 substance abuse facility as defined in Section 139.102  
15 of this title and federally qualified health center in  
16 the state in order to provide telemedicine, clinical  
17 and health consultation services.

18 3. Applicants for telemedicine reimbursement pursuant to this  
19 section shall be exempt from competitive bidding requirements in  
20 applying for Oklahoma Universal Service Funds only as follows:

- 21 a. an applicant that seeks support for Ten Thousand  
22 Dollars (\$10,000.00) or less of total undiscounted  
23 eligible expenses for a single year if the term of the  
24 contract is one (1) year or less,

1        b. an applicant that is located in a geographic area in  
2        which there is only one telecommunications carrier  
3        available to bid,

4        c. an applicant that seeks support for services and  
5        equipment purchased from a Master Service Agreement  
6        (MSA) negotiated by federal, state, tribal or local  
7        government entities on behalf of such health care  
8        providers and others,

9        d. an applicant purchases services under an evergreen  
10       contract. For purposes of this subparagraph, a  
11       "consortium of health care providers" is two or more  
12       health care providers that choose to request support  
13       as a single entity through available federal funds. A  
14       contract entered into by a health care provider or  
15       consortium of health care providers, as a result of  
16       competitive bidding, may be deemed evergreen if it  
17       meets all of the following requirements:

18       (1) is signed by the health care provider or  
19       consortium lead entity,

20       (2) specifies the service type, bandwidth and  
21       quantity,

22       (3) specifies the term of the contract,

23       (4) specifies the cost of services to be provided,

24       and



- 1                   (5) includes the physical location or other  
2                   identifying information of the health care  
3                   provider sites purchasing from the contract, or  
4       e. an eligible health care provider and consortium  
5                   exercising voluntary options to extend an evergreen  
6                   contract beyond its initial contract term if:  
7                   (1) the voluntary extension or extensions are  
8                   memorialized in the evergreen contract,  
9                   (2) the decision to extend the contract occurs before  
10                   the participant files its funding request for the  
11                   funding year when the contract would otherwise  
12                   expire, and  
13                   (3) the voluntary extension or extensions do not  
14                   exceed five (5) years in the aggregate.

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

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

9       For purposes of the administration of the Special Universal  
10 Services, the determination of public interest considered by the  
11 Corporation Commission shall mean the consideration of the public  
12 interest in the provision of telecommunication services as detailed  
13 in Section 101 et seq. of this title for the following entities:

- 14       1. Public school;
- 15       2. Public library;
- 16       3. County seat;
- 17       4. Not-for-profit hospital, for telemedicine funding;
- 18       5. County health department, for telemedicine funding;
- 19       6. City-county health department, for telemedicine funding;
- 20       7. Not-for-profit mental health and substance abuse facility as  
21 defined in Section 139.102 of this title, for telemedicine funding;
- 22       and
- 23       8. Federally qualified health center in this state, for  
24 telemedicine funding.

