

B-Engrossed
House Bill 2173

Ordered by the House June 19
Including House Amendments dated March 1 and June 19

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Economic Development and Trade)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Creates Oregon Broadband Office within Oregon Business Development Department.
Repeals sunset on Oregon Broadband Advisory Council.
Changes composition of council. Broadens duties of council to include recommending public policy and solutions to address state's broadband needs and goals. Directs council to champion statewide access to broadband services.

Modifies uses of Connecting Oregon Schools Fund.

Declares emergency, effective July 1, 2019.

A BILL FOR AN ACT

1
2 Relating to broadband; creating new provisions; amending ORS 403.450 and sections 1, 3 and 4,
3 chapter 782, Oregon Laws 2009, and section 3, chapter 51, Oregon Laws 2018; repealing section
4 5, chapter 782, Oregon Laws 2009; and declaring an emergency.

5 Whereas the Legislative Assembly has declared that it is the goal of the State of Oregon to
6 promote access to broadband services for all Oregonians in order to improve the economy in
7 Oregon; and

8 Whereas the Legislative Assembly has declared that it is the policy of the State of Oregon to
9 promote, facilitate and encourage activities, projects and businesses that improve Oregon's Internet
10 Protocol network infrastructure, performance and connectivity to the Internet backbone network
11 and World Wide Web for the benefit of Oregon's commercial, educational, governmental and indi-
12 vidual users; and

13 Whereas the Internet and Internet Protocol networks serve as infrastructure necessary for the
14 conduct of commerce and communication, important for economic and community resilience, and
15 necessary to establish and maintain Oregon's global competitiveness; now, therefore,

16 **Be It Enacted by the People of the State of Oregon:**

17 **SECTION 1. (1) The Oregon Broadband Office is created within the Oregon Business**
18 **Development Department.**

19 **(2) The Oregon Broadband Office shall:**

20 **(a) Advocate for the adoption of public policies that close the continuing digital divide by**
21 **removing barriers to and supporting broadband infrastructure deployment;**

22 **(b) Develop broadband investment and deployment strategies for unserved and under-**
23 **served areas;**

24 **(c) Promote private sector, public sector and cooperative broadband solutions;**

25 **(d) Support and promote local and regional broadband planning;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (e) Promote technology and service provider neutrality by focusing on desired outcomes
2 rather than specific technological solutions;

3 (f) Pursue and leverage federal sources of broadband funding to achieve state goals re-
4 lated to broadband;

5 (g) Manage and award funds allocated to the Oregon Business Development Department
6 for use by the office for broadband projects;

7 (h) Engage with a stakeholders representing a wide variety of interests, including but not
8 limited to elected officials, government officials, healthcare providers, educators, business
9 and agricultural community leaders and other community leaders and broadband service
10 providers, to facilitate communications and collect information necessary to help make a
11 business case for broadband investments;

12 (i) Promote digital literacy, equity and inclusion;

13 (j) Generate public awareness of the value of broadband technologies and applications;

14 (k) Promote adoption and utilization of broadband technologies and applications;

15 (L) Develop, maintain and provide public access to:

16 (A) A statewide broadband map as a platform for data collection to track the availability
17 of broadband services and to measure progress; and

18 (B) Other information relating to broadband;

19 (m) Convene relevant state and federal agencies and advise the Governor, state agency
20 leadership and the Oregon Congressional Delegation on actions to leverage state government
21 activities to pursue state goals related to broadband; and

22 (n) Support and coordinate efforts with the Oregon Broadband Advisory Council.

23 **SECTION 2.** Section 5, chapter 782, Oregon Laws 2009, as amended by section 5, chapter
24 87, Oregon Laws 2014, section 1, chapter 483, Oregon Laws 2015, and section 36, chapter 807,
25 Oregon Laws 2015, is repealed.

26 **SECTION 3.** Section 1, chapter 782, Oregon Laws 2009, as amended by section 9, chapter 272,
27 Oregon Laws 2011, section 3, chapter 545, Oregon Laws 2011, and section 33, chapter 807, Oregon
28 Laws 2015, is amended to read:

29 **Sec. 1.** (1) The Oregon Broadband Advisory Council is established within the Oregon Business
30 Development Department. The council consists of [14] 16 members, of whom:

31 (a) The Governor shall appoint [12] 14 members as follows:

32 (A) One member to represent the counties of this state.

33 (B) One member to represent the cities of this state.

34 (C) Three members to represent telecommunications service providers and Internet service pro-
35 viders in this state. [At least one member must represent rural telecommunications consortia.] **At least**
36 **one member must represent a service provider headquartered in rural Oregon.**

37 (D) One member to represent Oregon tribes.

38 (E) One member to represent education.

39 (F) One member to represent economic development.

40 (G) One member to represent public safety.

41 (H) One member to represent health.

42 (I) One member to represent the State Chief Information Officer.

43 (J) One member from the Public Utility Commission.

44 **(K) One member to represent the Department of Transportation.**

45 **(L) One member to represent consumers and the public at large.**

1 (b) The Speaker of the House of Representatives shall appoint one nonvoting member who is a
2 member of the House of Representatives.

3 (c) The President of the Senate shall appoint one nonvoting member who is a member of the
4 Senate.

5 (2) The term of office of each voting member is four years, but a voting member serves at the
6 pleasure of the Governor. Before the term of a voting member expires, the Governor shall appoint
7 a successor whose term begins on January 1 next following. A voting member is eligible for reap-
8 pointment. If there is a vacancy for any cause, the Governor shall make an appointment that be-
9 comes immediately effective for the unexpired term.

10 (3) The nonvoting legislative members shall serve two-year terms and are eligible for reap-
11 pointment.

12 (4) Members of the council who are not members of the Legislative Assembly are not entitled
13 to compensation, but voting members may be paid expenses if funding is available from contributions
14 the Oregon Business Development Department accepts under section 3 (2), chapter 782, Oregon
15 Laws 2009.

16 (5) Members of the council who are members of the Legislative Assembly are entitled to com-
17 pensation and expense reimbursement as provided in ORS 171.072.

18 (6) The council shall select one of the council's voting members as chairperson and another
19 voting member as vice chairperson, for such terms and with duties and powers necessary for per-
20 forming the functions of the offices as the council determines.

21 (7) A majority of the voting members of the council constitutes a quorum for transacting busi-
22 ness.

23 (8) The council shall meet at least once every three months at a place, day and hour determined
24 by the council. The council may also meet at other times and places specified by the call of the
25 chairperson or of a majority of the members of the council.

26 (9) A majority of the voting members of the council must approve official action by the council.
27 The council may recommend legislation, *[which must be prepared in time for pre-session filing by*
28 *December 15 of the year preceding an odd-numbered year regular session of the Legislative Assembly]*
29 **public policy and solutions to address the state's broadband needs and goals.**

30 (10) **The council shall champion statewide access to broadband services and shall en-**
31 **courage:**

32 (a) **Coordination between existing organizations and sectors that can leverage broadband**
33 **to their advantage;**

34 (b) **State agencies to encourage and facilitate broadband deployment;**

35 (c) **The development and support of digital inclusion and education programs to encour-**
36 **age broadband adoption and provide citizens with institutions to teach digital skills necessary**
37 **for success in the workplace;**

38 (d) **Efforts to provide cost-effective quality workforce development training using tele-**
39 **communications infrastructure and facilities to access distance learning opportunities;**

40 (e) **Schools, education service districts and local education agencies in unserved areas to**
41 **promote broadband access for the surrounding community;**

42 (f) **Public and private entities to seek opportunities for partnership with educational in-**
43 **stitutions that will stimulate the use of broadband technologies through community projects**
44 **and public education;**

45 (g) **The use of broadband communications technologies for telehealth and telemedicine;**

1 **and**

2 **(h) Public and private organizations to work together in partnership to promote the use**
3 **of telecommunications infrastructure and new technology.**

4 [(10)] (11) The Oregon Business Development Department shall provide staff or facilities to the
5 council.

6 [(11)] (12) The State Chief Information Officer, the Public Utility Commission and the Depart-
7 ment of Education may provide staff or facilities to the council.

8 [(12)] (13) All agencies of state government, as defined in ORS 174.111, shall assist the council
9 in the performance of the council's duties and, to the extent permitted by laws relating to
10 confidentiality, to furnish such information and advice as the members of the council consider nec-
11 essary to perform the members' duties.

12 **SECTION 4.** Section 3, chapter 782, Oregon Laws 2009, is amended to read:

13 **Sec. 3.** (1) The Oregon Broadband Advisory Council Fund is established, separate and distinct
14 from the General Fund. Interest earned by the Oregon Broadband Advisory Council Fund shall be
15 credited to the fund. Moneys in the Oregon Broadband Advisory Council Fund are continuously
16 appropriated to the Oregon Business Development Department for the purposes of carrying out the
17 duties of the Oregon Broadband Advisory Council.

18 (2) The department, on behalf of the council, may accept contributions of funds and assistance
19 from the United States Government or agencies of the United States Government or from any other
20 source, public or private, and agree to conditions not inconsistent with the purposes of the council.
21 All such funds are to aid in financing the functions of the council and must be deposited in the
22 Oregon Broadband Advisory Council Fund to the credit of separate accounts for the council to dis-
23 burse for the purposes for which the funds were contributed.

24 [(3) *The council shall encourage:*]

25 [(a) *Coordination between existing organizations and sectors that can leverage broadband to their*
26 *advantage;*]

27 [(b) *State agencies to utilize broadband telecommunications;*]

28 [(c) *The development and support of digital inclusion and education programs to encourage*
29 *broadband adoption and provide citizens with institutions to teach digital skills necessary for success*
30 *in the workplace;*]

31 [(d) *Efforts to provide cost-effective quality workforce development training using telecommuni-*
32 *cations infrastructure and facilities to access distance learning opportunities;*]

33 [(e) *Schools, education service districts and local education agencies in unserved areas to promote*
34 *broadband access for the surrounding community;*]

35 [(f) *Public and private entities to seek opportunities for partnership with educational institutions*
36 *that will stimulate the use of broadband technologies through community projects and public*
37 *education;*]

38 [(g) *The use of broadband communications technologies for telehealth and telemedicine; and*]

39 [(h) *Public and private organizations to work together in partnership to promote the use of tele-*
40 *communications infrastructure and new technology.*]

41 **SECTION 5.** Section 4, chapter 782, Oregon Laws 2009, as amended by section 35, chapter 807,
42 Oregon Laws 2015, and section 1, chapter 124, Oregon Laws 2017, is amended to read:

43 **Sec. 4.** The Oregon Broadband Advisory Council shall submit a report by November 1 of each
44 even-numbered year to the Joint Legislative Committee on Information Management and Technology
45 on the following subjects:

1 (1) The affordability and accessibility of broadband technology in all areas of this state;

2 (2) The extent of broadband technology use in this state in [*the telehealth industry*] **business,**
3 **health care,** energy management, education and government; and

4 (3) The role of broadband technology in local, state and regional economies and economic de-
5 velopment.

6 **SECTION 6.** ORS 403.450, as amended by section 4, chapter 87, Oregon Laws 2014, and section
7 48, chapter 807, Oregon Laws 2015, is amended to read:

8 403.450. (1) The State Interoperability Executive Council is created under the State Chief In-
9 formation Officer to be the statewide interoperability governing body serving as the primary steer-
10 ing group for the Oregon Statewide Communication Interoperability Plan. The membership of the
11 council consists of:

12 (a) Two members from the Legislative Assembly, as follows:

13 (A) The President of the Senate shall appoint one member from the Senate with an interest in
14 public safety communications infrastructure; and

15 (B) The Speaker of the House of Representatives shall appoint one member from the House of
16 Representatives with an interest in public safety and emergency communications infrastructure.

17 (b) The following members appointed by the Governor:

18 (A) One member from the Department of State Police;

19 (B) One member from the Office of Emergency Management;

20 (C) One member from the State Forestry Department;

21 (D) One member from the Department of Corrections;

22 (E) One member from the Department of Transportation;

23 (F) One member from the office of the State Chief Information Officer;

24 (G) One member from the Oregon Health Authority;

25 (H) One member from the Oregon Military Department;

26 (I) One member from the Department of Public Safety Standards and Training;

27 **(J) One member from the Oregon Broadband Advisory Council;**

28 ~~[(J)]~~ **(K)** One member of an Indian tribe as defined in ORS 97.740 or a designee of an Indian
29 tribe; and

30 ~~[(K)]~~ **(L)** One member of the public.

31 (c) The following members appointed by the Governor with the concurrence of the President of
32 the Senate and the Speaker of the House of Representatives:

33 (A) One member from the Oregon Fire Chiefs Association;

34 (B) One member from the Oregon Association Chiefs of Police;

35 (C) One member from the Oregon State Sheriffs' Association;

36 (D) One member from the Association of Oregon Counties;

37 (E) One member from the League of Oregon Cities;

38 (F) One member from the Special Districts Association of Oregon;

39 (G) One member who is an information technology officer of an Oregon city;

40 (H) One member who is an information technology officer of an Oregon county;

41 (I) One member who represents a nonprofit professional organization interested in the enhance-
42 ment of public safety communications systems; and

43 (J) One member of the public who works or resides in Federal Communications Commission
44 Region 35.

45 (2) Each agency or organization identified in subsection (1)(b)(A) to ~~[(I)]~~ **(J)** and (1)(c)(A) to (H)

1 of this section shall recommend an individual from the agency or organization for membership on
2 the council.

3 (3) Members of the council are not entitled to compensation, but in the discretion of the State
4 Chief Information Officer may be reimbursed from funds available to the office of the State Chief
5 Information Officer for actual and necessary travel and other expenses the members incur in per-
6 forming the members' official duties in the manner and amount provided in ORS 292.495.

7 (4) Members of the Legislative Assembly appointed to the council are nonvoting members and
8 may act in an advisory capacity only.

9 **SECTION 7.** Section 3, chapter 51, Oregon Laws 2018, is amended to read:

10 **Sec. 3.** (1) The Connecting Oregon Schools Fund is established in the State Treasury, separate
11 and distinct from the General Fund. Interest earned by the Connecting Oregon Schools Fund shall
12 be credited to the fund.

13 (2) The Connecting Oregon Schools Fund consists of any moneys deposited in the fund from
14 whatever source and may include moneys appropriated, allocated, deposited or transferred to the
15 fund by the Legislative Assembly or otherwise and interest earned on moneys in the fund.

16 (3) The moneys in the fund are continuously appropriated to the Department of Education for
17 the purpose of providing matching funds for federal moneys received by school districts, **education**
18 **service districts, public charter schools or a consortium that is any combination of school**
19 **districts, education service districts and public charter schools** for the purpose of providing
20 broadband access to eligible *[schools]* **education facilities** in this state.

21 (4) *[A school]* **An education facility** is eligible to receive matching funds under this section if
22 the *[school]* **education facility**:

23 *[(a) Is a kindergarten through grade 12 public school in this state;]*

24 *[(b)]* (a) Receives federal moneys for the purpose of providing broadband access to *[the school]*
25 **the education facility**;

26 *[(c)]* (b) Takes steps to determine whether existing broadband infrastructure, including fiber-
27 based broadband, may be integrated into the proposed broadband access project; and

28 *[(d)]* (c) Meets any other eligibility requirements established by the State Board of Education
29 by rule.

30 (5)(a) Before the department may distribute any state moneys under this section, the board shall
31 adopt rules to implement the provisions of this section, including rules setting criteria that govern
32 the distribution of the moneys to eligible *[schools]* **education facilities**.

33 (b) Rules adopted under this section must take into consideration any eligibility requirements
34 established by the federal program awarding federal moneys.

35 **(6) As used in this section:**

36 (a) **"Education facility" means:**

37 (A) **A public school that offers education to students in kindergarten or grades 1 through**
38 **12, or any combination of those grade levels;**

39 (B) **A building owned by a school district, education service district or public charter**
40 **school; or**

41 (C) **A public charter school building leased from a school district or education service**
42 **district.**

43 (b) **"Public charter school" has the meaning given that term in ORS 338.005.**

44 **SECTION 8.** (1) **Notwithstanding any other law limiting expenditures, the amount of**
45 **\$178,180 is established for the biennium beginning July 1, 2019, as the maximum limit for**

1 **payment of expenses from lottery funds allocated from the Administrative Services Eco-**
2 **nomic Development Fund to the Oregon Business Development Department for the Oregon**
3 **Broadband Office.**

4 **(2) Notwithstanding any other law limiting expenditures, the amount of \$764,939 is es-**
5 **tablished for the biennium beginning July 1, 2019, as the maximum limit for payment of ex-**
6 **penses for the Oregon Broadband Office from fees, moneys or other revenues, including**
7 **Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received**
8 **by the Oregon Business Development Department.**

9 **SECTION 9. This 2019 Act being necessary for the immediate preservation of the public**
10 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
11 **July 1, 2019.**

12