

A-Engrossed
Senate Bill 16

Ordered by the Senate April 12
Including Senate Amendments dated April 12

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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.

[Requires that Public Utility Commission administer laws relating to telecommunications in manner that is consistent with goal of promoting access to broadband services.]

Appropriates certain moneys from School Technology Account to Department of Education and requires department to annually transfer appropriated amounts to Oregon Public Education Network for purpose of increasing school district access to broadband services.

A BILL FOR AN ACT

1
2 Relating to broadband services; amending ORS 759.445; and appropriating money.

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

4 **SECTION 1.** ORS 759.445 is amended to read:

5 759.445. (1) There is established in the State Treasury, separate and distinct from the General
6 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-
7 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications
8 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant
9 to a performance assurance plan implemented by a telecommunications carrier in connection with
10 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the
11 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to
12 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-
13 nology in elementary schools and high schools, colleges and universities, community colleges, public
14 television corporations, rural health care providers, public libraries and other eligible persons.

15 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities
16 Fund for purposes of supporting education and public access to advanced telecommunications ser-
17 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in
18 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-
19 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys
20 available in the fund shall be appropriated to the Public Access Account established under sub-
21 section (4) of this section.

22 (3) There is established the School Technology Account within the Connecting Oregon Commu-
23 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-
24 communications services for students attending public school in kindergarten through grade 12.

25 **Except as provided in subsection (8) of this section,** moneys in the account shall be expended

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 as provided in section 34, chapter 1093, Oregon Laws 1999.

2 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-
3 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-
4 nications services for community colleges, universities, public libraries and rural health care
5 providers.

6 (b) If funding has not been provided from other sources, the first \$3 million available in the
7 Public Access Account shall be transferred to the Department of Higher Education for the purpose
8 of funding the Oregon Wide Area Network project to provide and expand Internet access for the
9 Oregon University System. The Department of Higher Education shall complete an audit of band-
10 width utilization and report to the Joint Legislative Committee on Information Management and
11 Technology during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

12 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1
13 million available in the Public Access Account shall be transferred to the Department of Higher
14 Education for Oregon State University for the purpose of providing virtual access to persons with
15 disabilities.

16 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the
17 next \$2 million available in the Public Access Account shall be transferred to the Department of
18 Community Colleges and Workforce Development for distribution to community colleges for the
19 purpose of developing connectivity and distance education programs.

20 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next
21 \$4 million available in the Public Access Account shall be transferred to the Department of Higher
22 Education for video transport and network management services for the Oregon University System.

23 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next
24 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public
25 Broadcasting Corporation for the purpose of digitizing the state television network, using the
26 Oregon Enterprise Network when possible.

27 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next
28 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public
29 Television Corporation for the purpose of digitizing the state television network, using the Oregon
30 Enterprise Network when possible.

31 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a state
32 institution of higher education, including the Oregon Health and Science University, may apply for
33 one-time matching funds up to \$1 million from the Public Access Account to endow a telecommuni-
34 cations chair for the purpose of increasing research and development of advanced telecommuni-
35 cations services applications. Only one chair may be endowed under this paragraph.

36 (5)(a) The Oregon Economic and Community Development Commission shall approve expenditure
37 of any remaining moneys in the Public Access Account consistent with this section and ORS 759.430.

38 (b) Community colleges, state institutions of higher education, public libraries, public television
39 corporations and rural health care providers may apply to the Oregon Economic and Community
40 Development Commission for funding from the Public Access Account under this subsection.

41 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-
42 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be
43 given to collaborative projects that improve access to advanced telecommunications services.

44 (d) Funds available in the Public Access Account under this subsection are continuously ap-
45 propriated to the Economic and Community Development Department for the purposes described in

1 this subsection.

2 (6) Public libraries and rural health care providers must apply for federal universal service
3 support in order to be eligible for a grant from the Public Access Account.

4 (7) The video transport and network management services purchased with funds made available
5 under this section shall be purchased through the Oregon Department of Administrative Services.

6 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of
7 this section pursuant to a performance assurance plan implemented by a telecommunications carrier
8 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be
9 placed in the School Technology Account, **but shall not [to] be expended as provided in section 34,**
10 **chapter 1093, Oregon Laws 1999. Moneys placed in the School Technology Account under this**
11 **subsection are continuously appropriated to the Department of Education. Once each year,**
12 **the Department of Education shall transfer amounts appropriated to the department under**
13 **this subsection to the Oregon Public Education Network for the purpose of infrastructure**
14 **development needed to increase access to broadband services by school districts. Transfers**
15 **to the Oregon Public Education Network under this subsection must be made before March**
16 **1 of each calendar year.**

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