

March 3, 2017

Senator Mark Haas
Senate Revenue Committee
c/o lro.exhibits@oregonlegislature.gov

Re SB 202 SB 840

Dear Senator Haas and the members of the Revenue Committee:

My name is Milo Mecham, I am an employee of the Lane Council of Governments, and serve as the principle staff for the Regional Fiber Consortium. Both LCOG and the Regional Fiber Consortium are ORS 190 organizations composed of local governments. I am sending you this letter as a private individual. Nothing I say is the opinion of LCOG or the Regional Fiber Consortium. I learned of the hearing on SB 202 and SB 840 too recently to be able to do more than inform LCOG and the members of the Consortium that I was communicating my own concerns about these measures.

Although I am appearing as a citizen, I think it is important to relate to you some of my experiences. I have worked in the telecommunications area for twenty years, working with local governments and with private companies in a shared effort to improve broadband opportunities around the state. I was privileged to serve as the original staff person to the legislatively created Oregon Telecommunications Coordinating Council, the predecessor to the Broadband Advisory Council. I have been privileged to be recognized by the Oregon Connections Conference twice; in 2010 as an Outstanding Telecommunications Advocate for Oregon, and in 2015 with the Edwin Parker Enduring Achievement Award for my “efforts, accomplishments and contributions to telecommunications in Oregon.”

Thanks to the local government members of the Regional Fiber Consortium and their ability to exercise their constitutional home rule authority to regulate telecommunications providers in their jurisdictions, LCOG was able to leverage \$8.3 million in federal ARRA funds to establish or significantly improve broadband service across three counties to twenty two (22) schools; sixteen (16) medical facilities (hospitals and rural clinics); twenty four (24) public safety facilities (police and fire); seven (7) libraries; two universities, one local community college campus, two facilities of the Klamath Tribes; three state facilities and one federal facility. Because of the requirements of the federal grant, LCOG concentrated on critical anchor institutions, but since those connections were established, businesses have been able to use the same facilities to bring new jobs to some of the rural cities served by this project. The private providers using the facilities put in place by LCOG have been able to establish residential broadband service in several small cities in the three county area. The opportunity for rural areas

continues to expand: Just last week a private provider established 100 megabit wireless service in Westfir, bringing that city into the twentieth century.

When I was working with the provider to access LCOG facilities in Westfir, we were standing in the street in Westfir, in front of an open vault to plan the connection. An eleven year old resident came by and asked what we were doing. When told that we were working to bring faster internet services to Westfir, the girl said: "I am sorry, I don't know what that means." I have mentioned some of the rewards that I have gathered in my career; when I was told by Emerald Broadband last week that Westfir was up and they were starting to provide services there, I thought of how that girl's life would now be full of so many more opportunities, and that felt as good as anything else I have had the privilege to be able to contribute to.

All of these accomplishments, and other, similar accomplishments across the state are put directly at risk by SB 202 and SB 840. The facilities that LCOG was able to access and use were, in turn, made possible by the ability of the members of the Regional Fiber Consortium to negotiate terms for the use of their rights of way that did not depend on a narrow limitation related to proven cost of service. These agreements must be renewed, or the assets that make up the Consortium's network, that LCOG was able to leverage, will be lost. To be clear, the original agreements were freely negotiated, and I know, because I was told by them, that the utilities that negotiated these agreements felt that they got excellent value for their contribution to rural broadband.

My work at LCOG and with the Regional Fiber Consortium have given me the opportunity to observe, monitor and assist local governments and competitive local access providers around the state as they work towards the shared goal of improved broadband for all of Oregon. I am very aware that the accomplishments that I have spoken of here, made possible because of the ability of local governments to exercise their home rule authority over their rights of way, are not unique. Local governments are playing an important role in bringing broadband to the state of Oregon. Please do not thwart that opportunity for Oregon and risk moving Oregon back in its efforts to be competitive in the twenty-first century. Please do not give further consideration to, or advance SB 202 and SB 840.

Thank you for the opportunity to address the Committee,

Milo Mecham