



HB 4023

House Committee on Economic Development and Trade

February 7, 2018

Introduction:

Good morning Chair Gomberg and members of the House Committee on Economic Development and Trade. For the record my name is Jessica Nguyen-Ventura, Legislative Director for the Oregon Department of Education (ODE). I am here to discuss and support the establishment of the Connecting Oregon Schools Fund, House Bill (HB) 4023, and the accompanying amendment. Joining me is Carla Wade, Digital Innovations Lead at the Oregon Department of Education, who can provide additional information on the technical aspects of HB 4023 and the dash one amendment.

Background

Federal Communications Commission (FCC) created the Universal Service Program for School and Libraries, otherwise known as the E-Rate program. The FCC unveiled a new dedicated state match in its December 2014 E-Rate Modernization Order. Under these new rules, the FCC would provide eligible applicants with an up to 10% additional discount for special construction charges, matching state funding for the project on a dollar-to-dollar basis.

In order to take advantage of this opportunity, a state match fund would need to be established by the legislature to subsidize construction of scalable infrastructure and leverage additional matching funds from E-Rate. We have 35 districts that could take advantage of leveraging the state match funds for increasing broadband connectivity through fiber construction projects.

HB 4023 -1

The dash one amendment to HB 4023 establishes the Connecting Oregon Schools Fund in the State Treasury. This Fund would consist of any moneys deposited in the fund from whatever sources and may include moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly.

The moneys in the fund would be appropriated to the Department of Education for the purpose of providing matching funds for federal moneys received by school districts for the purpose of providing broadband access. In the next few years, there is an unprecedented opportunity to leverage additional federal funding to upgrade this infrastructure for Oregon schools that do not currently have it. Based on best available estimates, Oregon would need \$6-10 million in State Match funding cost to bring fiber to remaining schools.

Having the Connecting Oregon Schools Fund is the first step in being able to provide the 10% state match for construction under E-Rate. The ability to provide the state match would bring in an additional \$6 million in E-Rate funds to the state and allow districts to leverage funding to further improve infrastructure using funds that would otherwise not be available to cover the bill. It also would reduce money left on the table from districts that would otherwise not be able to afford the construction.

Digital equity is a topic of concern as inequities related to broadband access persist when some students, particularly rural and low-income, do not have the same level of broadband and device access as other students outside of school. Gone is an era when students are automatically given textbooks to support their learning. Equity of access includes ensuring access to devices and sufficient high-

speed broadband in school, at home, and everywhere else in the community to utilize digital instructional materials, complete homework assignments, and to connect with students, educators, and experts throughout the world anytime, anywhere.

Collaboration amongst local government agencies around fiber builds can extend into economic development within the community:

- Family and community engagement in local schools
- Students gaining access to local business and industry
- Increase opportunities to build better business connections within and across the community

Whether families have consistent, quality connections and the capabilities to make the most of being connected is becoming just as important. For lower-income and rural families with children in schools, being meaningfully connected is especially important to ensuring equal access to learning opportunities. The goal of HB 4023 and the dash one amendment is to provide every student the opportunity to get a quality education, no matter where you live in the State of Oregon. With this in mind, ODE ask the House Committee on Economic Development and Trade to adopt the dash one amendment and pass HB 4023.