



LC 39: Support the Rural Telecommunications Investment

Testimony for the Special Session Joint Committee – 6.22.2020

As COVID has made clear, broadband is essential for everything from schools to health care as well as for employers, employees, friendship and family.

Like electricity, communication services are a utility that should be available at reasonable cost to every home, school, medical facility, library and business. But while all Americans participated in the cost of rural electrification, today's cell and VoIP users are exempt from supporting the State's needs as our State's Universal Service Charge is levied only on land lines.

In 1999 when the legislature adopted the Universal Service Charge virtually everyone had a land line, began paying the Universal Service Charge and began supporting reasonable cost through communications services throughout the state. A land line in every home is no longer the case. It's now time to join other states and update our taxing mechanism for this essential service.

The new \$5 million Broadband Fund will provide for planning and building rural and remote infrastructure projects and perhaps most importantly provide matching funds for federal grants so Oregon communities don't continue to miss out. It will be important that Business Oregon give good guidance to communities so that they don't inadvertently disqualify themselves from the new federal \$2 billion dollar rural broadband program. But these Oregon funds will be essential for planning and meeting matching grant requirements of that and other federal grant programs.

We hope you will pass this bill. All Oregonians should share the responsibility to support essential telecommunications at moderate cost to all areas of our State. Cell phone and VoIP users should not remain exempt.

We read the bills and follow the money