

February 18, 2019

Representative John Lively, Chair  
House Committee on Economic Development  
900 Court St. NE  
Salem, OR 97301

**RE: Association of Oregon Counties Support for HB 2173 & HB 2184**

Dear Chair Lively,

Thank you for the opportunity to provide testimony on HB 2173 and HB 2184 on behalf of the Association of Oregon Counties. AOC represents all 36 counties in Oregon and works to ensure that the fiscal health of counties and the state is maintained while working to ensure that vital public services are not damaged beyond repair and that all Oregon communities can grow and thrive.

One of AOC's biggest priorities over the past decade has been the extension of robust and reliable high-speed internet to the many parts of rural Oregon that currently lack such access. It is beyond debate at this point that fast, reliable internet service is of high importance in local economic development, particularly the ability to start and grow new businesses, and stimulate job creation.

**HB 2173** provides the necessary statutory framework to establish the Oregon Broadband Office, which will provide a more cohesive approach and centralized focus for the development of broadband deployment across all of Oregon. The bill will create a dedicated office within Business Oregon, with a position that will serve as a coordinator and help invest funds responsibly in rural Oregon.

**HB 2184** expands the Oregon Universal Service Fund (OUSF) to cell phone users in the user fee pool, which will generate additional funds needed to establish a consistently funded broadband

grant program for the first time. Cell phones far and away dominate the telecommunications service but unlike landlines, are not required to share in the fiscal responsibility for infrastructure that ultimately benefits their industry. As stated earlier, broadband is a vital component of rural economic development and health, and rural areas unable to cross the digital divide will slip farther behind other areas of the state and continue struggling to retain existing citizens and local businesses.

Thank you for the opportunity to submit testimony. AOC urges support for both HB 2173 and HB 2184.