

Submitted By: Joe Spendolini Chairman, Klamath County Chamber of Commerce Government Affairs Committee
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Testimony in support of: House Bill 3061: Relating to the transfer of a political subdivision's real property

Submitted to: The House Committee On Economic Development

Dear Chairman, Lively and Members of the Committee,

I support HB3061 because it amends ORS 271 to allow municipalities to transfer property acquired from government entities to private corporations if used to provide broadband internet services to the citizens.

In many small communities throughout Oregon, small rural cable television providers have abandoned their facilities, closed-up shop and moved away. They left behind infrastructure attached to utility poles that were used to deliver cable television services. This infrastructure can be converted to allow modern high speed, broadband internet services through fiber optic cable strung in place of the old abandoned coaxial cables that use to deliver cable television signals.

The series of photos below are images of what the cable plant in Merrill, OR looked like from years of neglect after being abandoned for nearly ten years.

I offer you the real case of Merrill, OR here in our community, where Klamath County transferred assets of a cable company (Premier Cable) they acquired through foreclosure to the city so the city could allow a private Internet Service Provider to utilize this infrastructure to string fiber optic cable and bring 1 Gigabit Fiber To The Home services to the businesses and residents of their city. Using authority granted to the county in ORS 271, the transfer to the city of Merrill was completed in October of 2018. But the current language within the statute does not allow the city of Merrill to transfer the property for twenty years. HB3061 would remedy that situation. This modern infrastructure is an enormous public benefit that will allow the small city of Merrill, OR to compete in the arena of economic development as they reach out in their attempts to attract businesses into Merrill, Klamath County, and the state of Oregon.

In researching to find other communities in Oregon that have been impacted by the string of cable companies that have come and gone over the years, eventually abandoning the cable television infrastructure in some cases. I discovered here in Klamath County alone this infrastructure has been transferred from Blackstone Cable, to Premier Cable, to Almega Cable (may not be in the right order of transference) and eventually abandoned altogether in Merrill, Malin, Bonanza, and Chiloquin. These small communities currently do not have any cable television services and this infrastructure is still in place deteriorating just like in the photos below.

Allowing municipalities to transfer this infrastructure to private companies for the defined purpose of providing high speed, broadband internet access will help bring down the cost of building this modern infrastructure from scratch, passing these savings on to the citizens. The pole attachment hardware and the steel cable the fiber optic will be attached to will generate significant savings for the provider and ultimately their customers.

It is for the reasons above that I respectfully ask all of you to join me in supporting HB3061.

Respectfully,

Joe Spendolini

Abandoned cable plant in Merrill, Oregon has been in a steady state of decline after being neglected and unmaintained for about a decade.

