



City of Portland

# Office for Community Technology

▲ Broadband & Communications Policy

▲ Cable Regulation & Consumer Protection

▲ Utility Franchises, Licenses & Wireless

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May 14, 2019

Senator Mark Hass, Chair  
Senate Committee on Finance and Revenue  
900 Court Street NE, HR A  
Salem, OR 97301

**RE: HB 2684-A**

Dear Chair Hass and Members of the Committee:

Thank you for the opportunity to comment on HB 2684-A. The City of Portland urges your support of this bill to repeal the central assessment “gigabit” exemption created in the 2015 Oregon Legislature by SB 611.

SB 611 attempted to incentive the build out of high-speed, affordable internet access. But SB 611’s promise has not been realized. In the City’s experience, wireless companies are increasingly relying on small cell technology rather than laying cables and fiber to each residence. At the time of SB 611’s passage in 2015, Google was planning to build a high-speed fiber system in Portland. Not only did Google not build the system, it cited installation problems in its February 7, 2019 announcement that it would pull its fiber system out of Louisville, Kentucky.<sup>1</sup>

It has also become clear that existing companies pursuing the tax exemption do not meet the intent of the original bill. For example, Comcast previously argued that it met the gigabit exemption by offering a service that costs as much as \$4,600 in the first year.<sup>2</sup> Such an exemption does not meet the intent of SB 611 to incentive fast and affordable internet access. HB 2684-A will appropriately phase out the repeal the gigabit property tax exemption.

Thank you for your consideration.

Sincerely,

Elisabeth Perez, Acting Director  
Office for Community Technology

<sup>1</sup> “Saying Goodbye to Louisville,” Google Fiber Blog (February 7, 2019) [https://fiber.googleblog.com/2019/02/louisville\\_7.html](https://fiber.googleblog.com/2019/02/louisville_7.html) (Site visited May 13, 2019).

<sup>2</sup> M Rogoway, “Comcast fights \$170 million Oregon tax bill, extending seven-year dispute”, *The Oregonian* (November 28, 2016) [https://www.oregonlive.com/silicon-forest/2016/11/comcast\\_fights\\_170\\_million\\_ore.html](https://www.oregonlive.com/silicon-forest/2016/11/comcast_fights_170_million_ore.html) (Site visited May 13, 2019). Comcast has since settled the lawsuit.

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