



January 31, 2020

House Committee on Revenue
900 Court St. NE
Salem, OR 97301

RE: Support for HB 4079 – Rural Telecommunications Investment Act

Dear Chair Nathanson and Members of the House Revenue Committee,

On behalf of Oregon's 241 cities, the League of Oregon Cities (LOC) is offering the following comments in support of HB 4079.

Currently, there is a very real and widening digital divide in Oregon. Communities, primarily in rural areas, are without broadband access. As technology rapidly progresses, they are at risk at being continually left behind. HB 4079 will help close that divide before it is too late. HB 4079 would expand the Oregon Universal Service Fund (OUSF) to include cell phone users in the fee pool, which will generate additional funds needed to establish a sustainably funded broadband grant program within the newly established Broadband Office. The OUSF was established in 1999 and has never included cell phone users. In 2020, cell phones far and away dominate the telecommunications service but unlike landlines, have not been required to share in the fiscal responsibility for infrastructure that ultimately benefits their industry.

Broadband is a vital component of rural economic development, education and health. The passage of HB 4079 will:

- Help communities leverage federal funds. Some federal programs require up to a 10% state match to access federal dollars. The Broadband Fund will be one potential source for that match. Additionally, some federal programs, like USDA Reconnect, require that a community have a broadband strategic plan in place to qualify for federal dollars. The Broadband Fund will provide grants for communities to develop broadband strategic plans.
- Prioritize schools and libraries that serve as anchor institutions and bring connectivity to a community. Once broadband has been brought to a place, it is easier to build upon the network.
- Allows school children growing up in smaller rural communities to have the same opportunity in school as those in larger urban areas.
- Create a critical piece of infrastructure for Oregon's small businesses who are becoming more dependent on technology to be competitive.
- Provide a critical healthcare link for people and families who are not close to health services.

LOC urges your support for HB 4079.

Sincerely,

Jenna Jones
Legislative Analyst, LOC

Broadband in Oregon

Over **50** Public Libraries
DO NOT Have Broadband



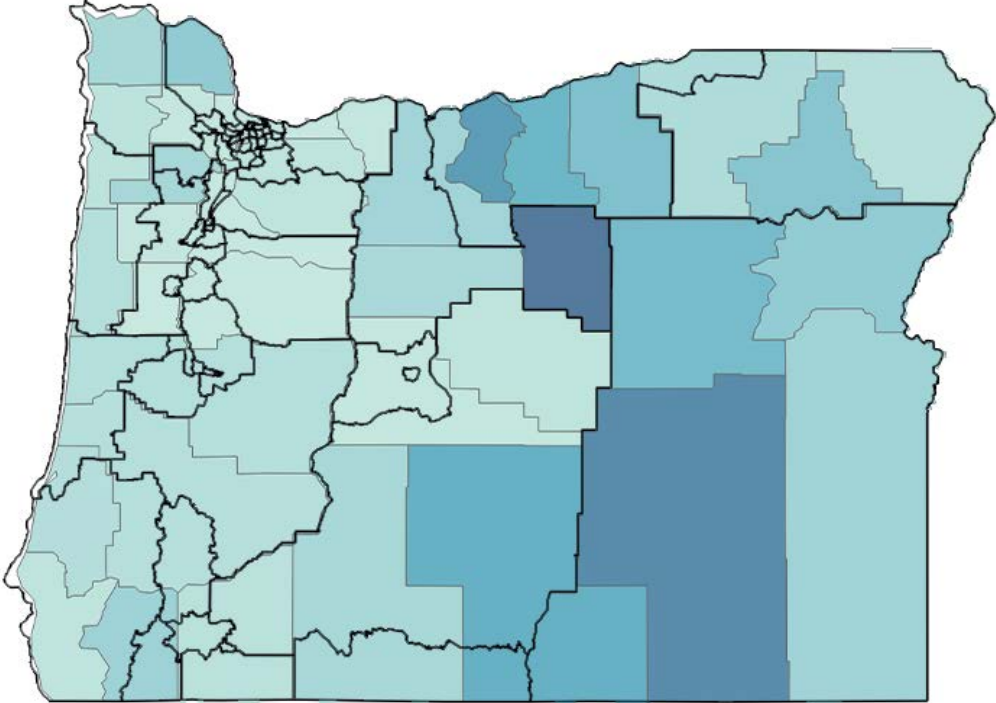
8%

of Oregonians do not have fixed broadband according to the FCC. That is approx. 320,000 people.

Percentage of Population Without Fixed Broadband By House Districts and Counties

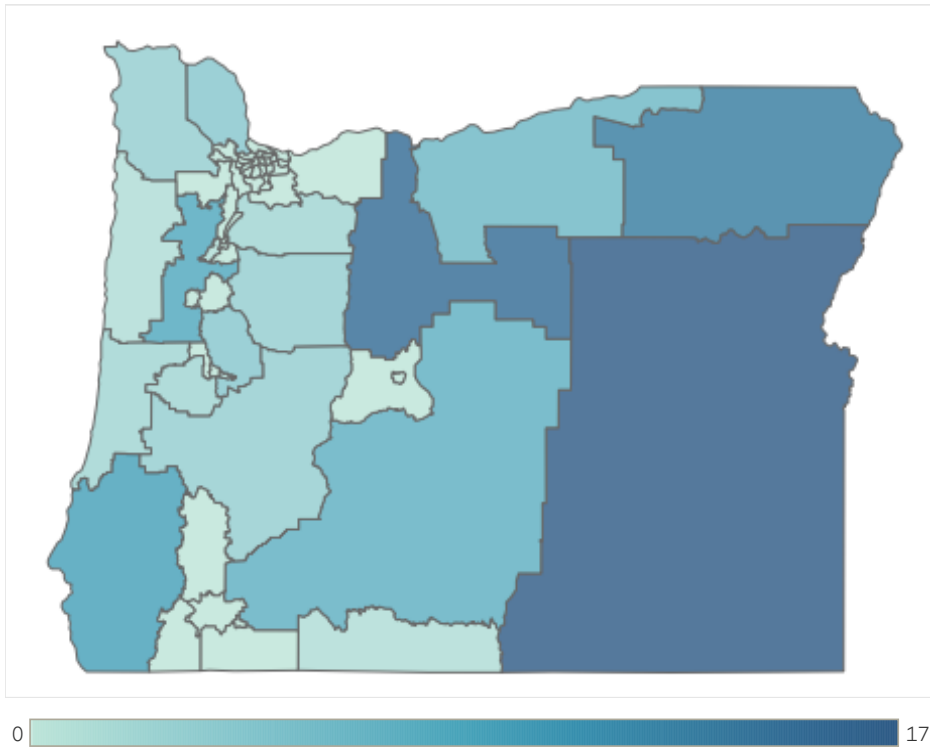
OVER
11,000

Students DO NOT Have
Broadband In Their Schools

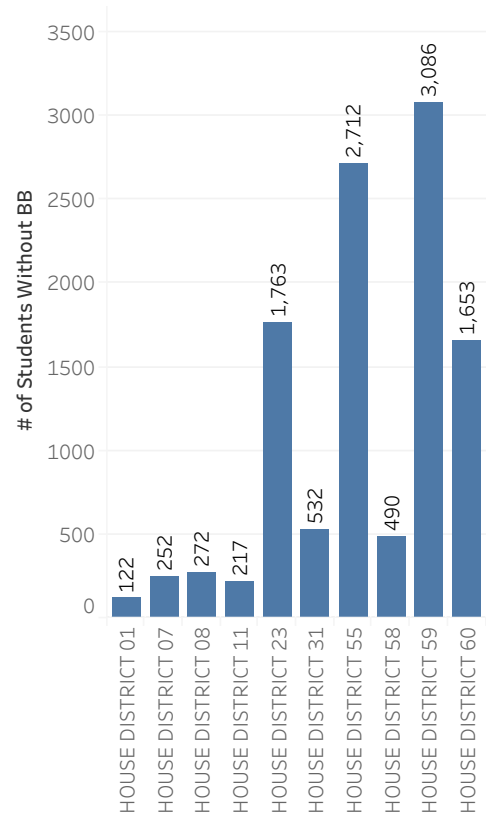


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Libraries & Schools Without Broadband (25/3)



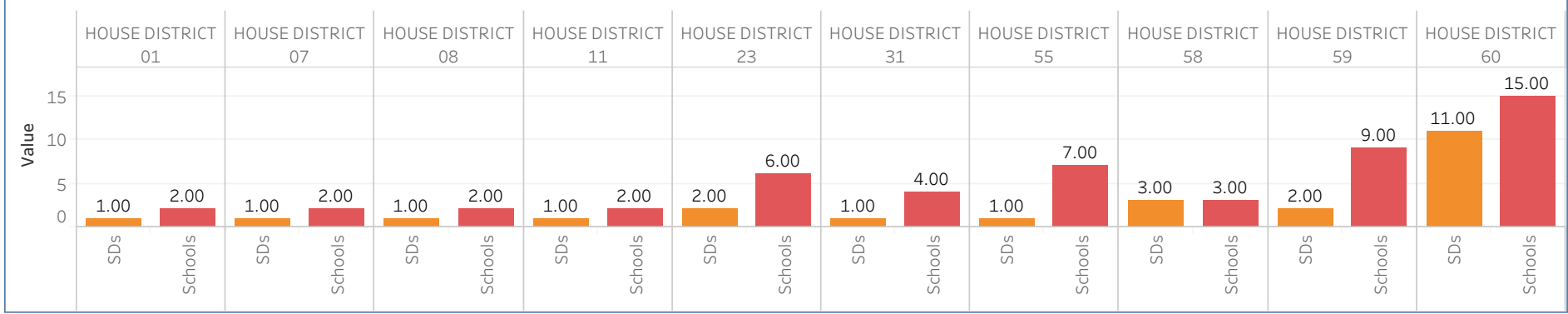
Students Without Broadband



Libraries Without Broadband by House District

| | |
|-------------------|----|
| HOUSE DISTRICT 58 | 10 |
| HOUSE DISTRICT 01 | 7 |
| HOUSE DISTRICT 57 | 6 |
| HOUSE DISTRICT 59 | 6 |
| HOUSE DISTRICT 17 | 3 |
| HOUSE DISTRICT 32 | 3 |
| HOUSE DISTRICT 09 | 2 |
| HOUSE DISTRICT 11 | 2 |
| HOUSE DISTRICT 18 | 2 |
| HOUSE DISTRICT 23 | 2 |
| HOUSE DISTRICT 60 | 2 |
| HOUSE DISTRICT 07 | 1 |
| HOUSE DISTRICT 10 | 1 |
| HOUSE DISTRICT 12 | 1 |
| HOUSE DISTRICT 20 | 1 |
| HOUSE DISTRICT 56 | 1 |
| HOUSE DISTRICT 02 | 0 |
| HOUSE DISTRICT 03 | 0 |

Schools & School Districts Without Broadband by House District



Note: Only House Districts with effected schools and libraries are broken out.

Sources:
Libraries without Broadband (Data from 2018) - <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/CommitteeMeetingDocument/184014>
Schools without Broadband (Data from 2018) - <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/CommitteeMeetingDocument/183989>