

February 3, 2020

House Committee on Revenue
Oregon State Capitol
900 Court Se. NE
Salem, OR 97301

RE: Support for HB 4079 – Rural Telecommunications Investment Act

Dear Chair Nathanson and Members of the House Revenue Committee,

The City of Veneta strongly supports HB 4079 which would expand the Oregon Universal Service Fund (OUSF) to include cell phone users in the fee pool. This 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.

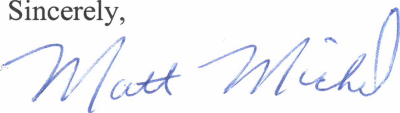
Currently, there is a very real and widening digital divide in Oregon. The City of Veneta sits along a broadband corridor between Eugene and the Coast, but as a smaller population rural community that broadband service does not serve our citizens. Additionally, there is a call center business in Veneta that could add jobs with a more reliable broadband system. With the assistance of local partners and Business Oregon, the City of Veneta has a “middle-mile” broadband system designed and ready to build between Eugene and Veneta, but the cost to build is still prohibitive.

Communities, primarily in rural areas, are without reliable broadband access. As technology rapidly progresses, they are at risk at being continually left behind. 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.

Broadband is a vital component for economic development, education and health. Please help close the digital divide and support HB 4079.

Sincerely,



Matt Michel
City Administrator