

Analysis

Oregon Business Development Department

Oregon Broadband Office

Analyst: Steven Bender

Request: Acknowledge receipt of a report on the plan for the broadband program.

Analysis: Approve the request.

Legislative Fiscal Office Recommendation: Last year, the Legislature passed HB 2173, which established the Oregon Broadband Office in the Oregon Business Development Department (OBDD), to support the work of the Oregon Broadband Advisory Council. The Joint Committee on Ways and Means approved a budget note with that bill that directed the agency to report on its plan for the broadband program. The report submitted here is in response to that budget note directive:

Budget Note

The Oregon Business Development Department, in coordination with the Oregon Broadband Advisory Council, is directed to submit a plan for the broadband program to the Joint Committee on Ways and Means during the February 2020 legislative session. The plan should include:

- Detailed information on areas in Oregon lacking broadband infrastructure, including identified gaps, barriers, and solutions to broadband deployment in underserved and unserved areas;
- Best practices to promote and coordinate public-private partnerships;
- Identified federal and private broadband funding opportunities; and
- Criteria developed to prioritize and maximize the state's investment in broadband service infrastructure.

Companion legislation to establish an Oregon Broadband Office grant and loan program to support broadband infrastructure investments, to be funded by revenues collected through the Public Utility Commission's universal service fund, did not pass.

The report identifies active and proposed activities to expand broadband services in the state. OBDD is currently conducting a Statewide Broadband Assessment and Best Practices Study to catalog currently available services, and to identify the areas that are unserved and underserved. As part of this effort, the agency has created an online Oregon Broadband Map showing the services available in all areas of the state. This map is updated as service availability changes over time.

The report also proposes three new programs for implementation. These programs have not been implemented for lack of funding. The programs include a Rural Broadband Capacity Improvement Program to support broadband planning and infrastructure deployment projects in rural areas, a Digital Literacy, Security and Inclusion Program to support projects focused on expanding digital literacy, cybersecurity and inclusion for underserved populations, and a Broadband Outreach Program to coordinate business, education and government investments in broadband infrastructure. These proposals are scalable to the levels of funding provided, and the report does not include specific funding level requests to implement them.



January 17, 2020

The Honorable Senator Betsy Johnson, Co-Chair
The Honorable Senator Elizabeth Steiner Hayward, Co-Chair
The Honorable Representative Dan Rayfield, Co-Chair
Joint Interim Committee on Ways and Means
900 Court Street, NE
State Capitol
Salem, OR 97301

Dear Co-Chairpersons:

Nature of the Request

The Oregon Business Development Department (Department) was directed by virtue of budget note in the 2019-2021 Legislatively Adopted Budget (LAB) to present a plan for the Oregon Broadband Office to the Joint Committee on Ways and Means during the February 2020 legislative session.

Agency Action

On December 14, 2018, the Governor issued Executive Order 18-31 creating the Oregon Broadband Office within the Oregon Business Development Department. This office, supported by one Telecommunications Strategist position, are tasked with carrying out a variety of directives that support and further broadband connectivity in Oregon.

House Bill (HB) 2173, during the 2019 legislative session, created the Oregon Broadband Office within statute. To carry out the directives of both Executive Order 18-31 and HB 2173, the Oregon Broadband Office created a website to serve as a portal to the state's broadband activities, initiatives and resources. It is a key tool for promotion and information distribution. A new *Oregon Broadband Map* was also launched and accessible through the Broadband Office existing website.

The Department's 2019-2021 LAB includes a budget note requiring the Department, in coordination with the Oregon Broadband Advisory Council, to submit a plan for the broadband program to the Joint Committee on Ways and Means during the February 2020 legislative session.

This plan will detail programs established to support broadband planning, engineering, infrastructure, digital literacy, and outreach among other important topics. It will also include a Statewide Broadband Assessment and Best Practices Study to evaluate Oregon's current broadband infrastructure and service availability and how to most strategically move broadband forward in Oregon. If funding is made available by the legislature, the programs established will be deployed for the Broadband Office.

Administratively, in the 2019-2021 LAB the Department received four permanent positions, 3.25 Full Time Equivalent (FTE) for the Broadband Office created in HB 2173 (2019). Lottery Funds support the first six months of the Broadband Office costs, with Other Funds supporting costs for the remainder of the biennium and future biennia. Source of revenue for the Other Funds limitation planned to be HB 2184 (2019); however, that bill did not pass. The Department does not plan to fill these positions until there is sufficient funding to support them.

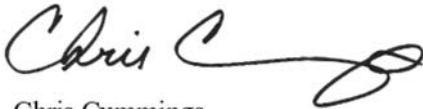
Action Requested

The Department requests the Joint Committee on Ways and Means accept receipt of the plan for the broadband program.

Legislation Affected

No legislation affected.

Sincerely,

A handwritten signature in dark ink, appearing to read "Chris Cummings", with a stylized flourish at the end.

Chris Cummings
Interim Director