



Support SB 1603 – The Rural Telecom Investment Act

The COVID crisis has brought to light the importance of broadband access for work, education and for staying connected to friends and family. COVID-19 has clearly shown the digital divide that exists and the disparities in digital access facing many Oregonians.

Our members play a large role in providing broadband services to Oregonians throughout our state and have proactively responded to the COVID-19 emergency by offering low cost and no cost services for teachers and students, providing customer assistance and discounts and working with customers to avoid termination of internet when they are facing economic challenges. We have also provided free wi-fi hotspots across the state and successfully managed the expanded broadband demand resulting from Oregonians telecommuting to work and school. We support expanding broadband access and stabilizing support for the OUSF with the proposed sideboards established in SB 1603 and ask for your support.

It's clear our state has areas that need access to broadband. Oregon has some extremely rural areas and places that do not have adequate access to broadband. I want to highlight just a couple quick points as it relates to OCTA's support of this legislation:

- We worked hard to develop the compromise this Senate Bill represents during the 2019 session. It's important to note VoIP providers are not currently required to pay into the OUSF, although at least one VoIP provider voluntarily pays into the fund.
- In order to stabilize the OUSF, the PUC has proposed requiring VoIP providers to pay into the fund. Without specific statutory authority, this would create challenges, especially because there is no justification any longer for why cell phones would not be subject to the surcharge but VoIP providers should be.
- To support this legislation, we wanted to ensure we could lower the surcharge, cap the size of the OUSF fund and spread the costs across all providers so it is competitively neutral. SB 1603 meets all those requirements.
- Additionally, SB 1603 includes important guidelines for broadband investment. These are extremely important because they ensure limited state resources focus on unserved and underserved areas that don't have access to broadband. Limited funds should be invested where there is the most need and not in areas that would compete against existing providers. The guidelines in SB 1603 serve as instructive tools for the CARES Act money that was recently allocated by E-board for expanding broadband capacity and for any future Cares Act or broadband investment by the state.
- Finally, we think this legislation will help in our state's economic recovery by making investments in communities and businesses that need broadband access to be successful.

OCTA members are committed to expanding access to broadband for Oregonians through our own investments in the communities we serve and in partnership with the state. We urge your support of SB 1603.