



HB 3049
Joint Committee on Transportation
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Testimony in Opposition
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The Oregon Telecommunications Association (OTA) represents a variety of telecommunications service providers operating throughout Oregon. Our members serve Oregonians living throughout rural, remote and urban Oregon. The OTA does not represent wireless or cable providers.

The OTA is opposed to HB 3049. Our opposition is rooted in the belief that this legislation would disproportionately impact our providers operating in rural and remote Oregon. If passed, HB 3049 will result in each county assessing right-of-way (RoW) permit fees. Frequently, these fees are based on a per foot or per mile assessment. These fees will more quickly add up in rural and remote broadband deployment projects than in urban areas.

Further, OTA members have recently been awarded grants and loans which did not anticipate added permit fees. The Rural Digital Opportunity Fund (RDOF) grants require that all capital and operational expenditures be included in the application. HB 3049 will make it difficult to utilize these grants appropriately.

Given the events of the past 12 months, the deployment and continued maintenance of networks capable of delivering broadband service has never been more important to Oregonians. These networks are expensive to deploy and maintain anywhere but even more so in rural Oregon. Oftentimes, there is little or no economic incentive to deploy them in rural areas. The Legislature should concentrate all its efforts to make this process as streamlined and easy as possible. HB 3049 does the opposite.

Many OTA members have franchise agreements with cities. If a city also charges a permit fee then the law allows for that fee to be deducted from the franchise payment. Our members all pay county property taxes wherever they are assessed. If HB 3049 advances then it must be amended to allow for a similar deduction; permit fees will be deducted from county property tax payments. This will prevent the double-dipping of fees and property taxes.

OTA would also like to point out that there are no limits on any proposed RoW fee contemplated by HB 3049. If any county wanted to utilize a RoW fee in order to generate additional revenue not related to any work along county roads, this is the perfect vehicle to do so.

Finally, it appears as though section 2 may not apply equally to all providers of telecommunications service. In 2021 most providers of service are not regulated utilities.

In summary, the OTA asks the members of this Committee to oppose HB 3049. The bill is anti-rural in nature and would have the following results:

- Provide a disincentive to continued broadband deployment in rural Oregon
- Provide a mechanism for a county to realize a double-dip in tax/fee revenue
- Provide a means to generate large amounts of revenue not related to the RoW
- Potentially discriminatory and not competitively neutral

Thank you for the opportunity to provide this testimony in opposition to HB 3049.