

March 9, 2023

Chair Janelle Bynum House Committee on Economic Development and Small Business Oregon State Legislature 900 Court Street NE Salem, Oregon 97301

Re: Written Testimony in Support of HB 3201 with the -1 and -2 amendments (revised)

Dear Chair Bynum and Members of the Committee,

I am writing to support House Bill 3201, introduced with the chief sponsorship of Representatives Marsh, Owens, and Neron and Senators Woods and Campos, along with the -1 and -2 amendments and to oppose the -3 amendment.

I serve as the executive director of Link Oregon, a non-profit organization established by the four largest research universities in Oregon and the State of Oregon's Enterprise Information Services unit. Link Oregon's principal mission is to operate a statewide, facilities-based, middle-mile network to serve both the public and the non-profit sectors across Oregon. A modern, sustainable broadband ecosystem across the state is critical for our founding members to connect effectively with as many Oregonians as possible for remote learning, telehealth, innovation, and digital government, among other essential purposes.

At this generational moment, unprecedented levels of federal funding are in the pipeline to address broadband infrastructure gaps. However, due to current statutory limits on the Broadband Fund, Oregon is at risk of losing some of or all the programmatic allocations that may approach \$700 million in aggregate. The existing statute also will limit Oregon's ability to spend the federal funding that the state does receive effectively and efficiently.

HB 3201 aims to bring Oregon's statute into alignment with federal rules, guidance, and best practices by eliminating unnecessary restrictions on the Broadband Fund. These restrictions conflict with the federal digital equity goals that include improving access to devices, removing language barriers, and ensuring that the infrastructure is in place to support the availability of affordable, reliable high-speed connectivity services.

HB 3201 is the product of a broadband workgroup led last year by Rep. Marsh. A broad range of stakeholders, including representatives from the Oregon Broadband Office, front-line community leaders, and public and private sector representatives participated in this inclusive process through a series of regular meetings.

HB 3201 will:

- Ensure that Broadband Fund speed requirements reflect current and evolving technology needs and requirements of funding sources.
- Continue a preference for unserved and underserved areas in Oregon.
- Provide a process for public notice and an opportunity for comment on applications that are already underway, ensuring that any conflicts are identified and addressed early in the proposal development process.
- Address the need for a robust, fair challenge process for grant awards through an independent Judicial Review Process as outlined in the Oregon Administrative Procedures Act (APA).

We support the adoption of this approach so that Oregon will be better prepared and equipped to receive all federal funding coming to the state and better aligned to distribute it efficiently and equitably to all Oregon communities — particularly those historically unserved and underserved —to work toward closing the digital divide.

We are concerned about the inevitable further delays associated with the additional wideranging study program that the -3 amendment would require the Broadband Office to complete. The three primary federal broadband funding opportunities that this small office will manage – Treasury Capital Projects Fund and NTIA BEAD and Digital Equity Act – all are time bounded. In addition, the federal government has its own detailed planning requirements that the Broadband Office must complete to access the individual funding channels.

Finally, we note that this initiative will not be a two-year sprint as the last period of federal broadband stimulus (2009-10) was. The funding process, active deployment, and essential digital equity efforts will represent a marathon of five to eight years in duration. As a state, we still have much work ahead of us in this race – defining long-term broadband mapping and effective grant match strategies, promoting workforce development with union participation, and ensuring sustainability and accountability. HB 3201 will position us at the starting line in a good position.

Thank you for this opportunity to provide input and for your continuing leadership to advance the level and reach of broadband service for all Oregonians.

Link Oregon endorses HB 3201 with the -1 and -2 amendments and opposes the -3 amendment.

Sincerely,

Qal. M.

Steven Corbató Executive Director