



TESTIMONY

HOUSE ECONOMIC DEVELOPMENT COMMITTEE

February 11, 2019

Oregon Farm Bureau Support for HB 2184 & HB 2173

Oregon Farm Bureau supports both HB 2184 & HB 2173. As a reference, the Oregon Farm Bureau Federation (OFB) is the state's most comprehensive general agricultural association, representing over 6,700 farm and ranch families in Oregon who make up a significant part of our rural communities.

Access to broadband internet has become a critical tool across cultures, social economics, and geographical locations. Unfortunately, rural Oregonians have lagged in realizing the benefits of broadband internet. The—internet has connected economies, communities, health care, and tools of education. Investing in broadband infrastructure has the ability to be as consequential as electrifying rural communities in the 1930s. Connectivity to broadband internet is a mechanism for both recruitment and retention of talent in our rural communities. Oregonians who live, work, and raise families in parts of the state where telecommunication companies have not deemed it profitable to serve should not be left underserved.

HB 2184 - Expands definition of "retail telecommunications service" for purposes of universal service surcharge

HB 2184 provides the necessary resources and tools to begin serving our communities. The Oregon Universal Service Fund (OUSF) was created by the legislature in 1999 to invest in telecommunications services in rural Oregon. The OUSF funds do not go to support development in urban areas. As cellular service was relatively new in 1999, that industry sought and was granted an exemption from contributing to the OUSF. Twenty years later, cell phones have become the primary method of communication in much of rural Oregon. Expanding the OUSF to include cell phone users in the user fee pool helps build the technological infrastructure that both landlines and cellular devices utilize.

The additional funds generated by the expansion could stabilize the existing OUSF and to establish a continuously funded broadband grant program. This program is designed to expand broadband internet to underserved rural Oregon communities. The OUSF was intended to help invest in rural Oregon where private interests wouldn't, and OFB supports HB 2184 with the -1 amendment to maintain the original intent of the program.

HB 2173 - Creates Oregon Broadband Office within the Oregon Business Development Department

HB 2173 establishes a dedicated office within the Oregon Business Development Department. The position will serve as a coordinator of investments and will leverage federal dollars to invest in Oregon. This office has the ability to responsibly invest monies in rural Oregon by working collaboratively with communities to build investments together. OFB supports HB 2173 with -1 amendment that ensures a service provider headquartered in rural Oregon serves on the Oregon Broadband Advisory Council. OFB is supportive of investments that are technology neutral and provide the optimal resources for each unique community.

OFB recognizes the opportunities that broadband internet on the farm provides. With modern technology and both market and regulatory demands to push efficiencies and optimization, the modern farm needs stable broadband internet. Innovations on the farm, market access, connectivity to the global enterprise, and the utilization of digital tools all require connectivity that is fast, assessable, easy to use, and ubiquitous.

We ask for your support for both HB 2184 and HB 2173 today. Thank you for your time and consideration. For more information, please contact Jonathan Sandau at sandau@oregonfb.org.