

February 3, 2020

House Committee on Revenue Oregon State Capitol 900 Court Se. NE Salem, OR 97301

RE: Support for HB 4079 – Rural Telecommunications Investment Act

Dear Chair Nathanson and Members of the House Revenue Committee,

The Sisters Country Economic Development Board strongly supports HB 4079 which would expand the Oregon Universal Service Fund (OUSF) to include cell phone users in the fee pool. This will generate additional funds needed to establish a sustainably funded broadband grant program within the newly established Broadband Office. The OUSF was established in 1999 and has never included cell phone users. In 2020, cell phones far and away dominate the telecommunications service but unlike landlines, have not been required to share in the fiscal responsibility for infrastructure that ultimately benefits their industry.

Currently, there is a very real and widening digital divide in Oregon. Communities, primarily in rural areas, are without broadband access. As technology rapidly progresses, they are at risk at being continually left behind. The passage of HB 4079 will:

- Help communities leverage federal funds. Some federal programs require up to a 10% state match to access federal dollars. The Broadband Fund will be one potential source for that match. Additionally, some federal programs, like USDA Reconnect, require that a community have a broadband strategic plan in place to qualify for federal dollars. The Broadband Fund will provide grants for communities to develop broadband strategic plans.
- Prioritize schools and libraries that serve as anchor institutions and bring connectivity to a community. Once broadband has been brought to a place, it is easier to build upon the network.
- Allows school children growing up in smaller rural communities to have the same opportunity in school as those in larger urban areas.
- Create a critical piece of infrastructure for Oregon's small businesses who are becoming more dependent on technology to be competitive.
- Provide a critical healthcare link for people and families who are not close to health services.

Sisters Country Economic Development 520 E Cascade Ave. Sisters, Oregon 97759

A resilient future for the Sisters area (including all of our surrounding communities such as Black Butte Ranch and Camp Sherman) depends on a secure and reliable fiber network. Fiber is a critical piece of infrastructure for Oregon's small businesses who are becoming more dependent on technology to be competitive. We require infrastructure that is not vulnerable and is available at competitive speeds to rural areas for security, public safety, education, our expanding businesses and remote worker and telecommuters and our growing population.

There continues to be substantial population growth in Sisters Country, population 2,985. The City grew 11% just in the last year, 47% in the last ten years and 112% in the ten years prior. Nearly 400 new dwelling units are planned for within the City in the next couple of years. We have attracted and expanded several global traded-sector companies (i.e Laird Superfood, Metabolic Maintenance, Sisters Coffee Company) who continue to invest in the area adding additional higher wage year-round jobs and significant capital investments. New employment opportunities have contributed to the population growth and increased enrollment in our school district, primarily at the elementary level. However, we have lost high-tech industry "projects" due to concerns about internet "vulnerability" in our current broadband infrastructure, lower speeds and unreliable service in areas surrounding downtown.

Broadband is a vital component for economic development, education and health. Please help close the digital divide and support HB 4079.

Sincerely,

The Sisters Country Economic Development Board

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Caprielle A Lewis Area Director, Sisters Country Economic Development for Central Oregon (EDCO)

