

HB 3201 B STAFF MEASURE SUMMARY**Carrier:** Sen. Woods**Senate Committee On Veterans, Emergency Management, Federal and World Affairs****Action Date:** 05/09/23**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 3-0-1-2**Yeas:** 3 - Manning Jr, President Wagner, Woods**Exc:** 1 - Gorsek**Abs:** 2 - Linthicum, Thatcher**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Regina Wilson, LPRO Analyst**Meeting Dates:** 5/2, 5/9**WHAT THE MEASURE DOES:**

Directs Oregon Business Development Department (OBDD) to establish financial assistance programs that support broadband access, affordability and adoption through grants or loans. Requires OBDD rulemaking for grant and loan programs to comply with state law. Establishes parameters for grant or loan applications and awards, public notice, evaluation, application amendments and process for challenging an application. Defines “unserved” and “underserved” location with regard to broadband access and requires OBDD to establish criteria to determine underserved and unserved locations and reporting requirements for grant recipients. Directs OBDD, in consultation with the Oregon Broadband Advisory Council (OBAC), to set broadband service speed goals consistent with federal requirements. Outlines broadband service infrastructure program definitions of “unserved” and “underserved” locations, eligibility requirements, and process guidelines for programs established by OBDD that utilize moneys from the federal Coronavirus Capitol Projects Fund. Sets definitions for “underserved” and “unserved” locations and eligibility requirements for programs established by OBDD utilizing moneys from the federal Broadband Equity, Access, and Deployment program. Clarifies OBDD’s utilization of Broadband Fund moneys to support the execution of the Oregon Broadband Office’s legal duties and fund components. Updates OBDD biennial report requirement to include certain program evaluation by the Oregon Broadband Advisory Council. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Addressing internet deficiencies in rural, unserved, and underserved areas
- Federal grant funds for broadband improvements
- Impact of broadband access on daily activities, from classwork to employment

EFFECT OF AMENDMENT:

Replaces certain references to underserved "area" with "location." Modifies process for challenging grant and loan program applications established by the Oregon Business Development Department (OBDD). Directs OBDD, in consultation with the Oregon Broadband Advisory Council (OBAC), to set goals for broadband service speeds in Oregon consistent with federal requirements. Outlines broadband service infrastructure program definitions of "unserved" and "underserved" locations, eligibility requirements, and process guidelines for programs established by the OBDD, if OBDD establishes a program utilizing moneys from the federal Coronavirus Capital Projects Fund. Sets definitions for "underserved" and "unserved" locations and eligibility requirements for broadband service infrastructure support programs established by OBDD, if OBDD establishes these grants or loans using moneys from the federal Broadband Equity, Access, and Deployment program.

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BACKGROUND:

During the First Special Session of 2020, the Legislative Assembly created the Oregon Broadband Fund in recognition of the need to address the digital divide between rural and urban areas, as well as in historically underserved and unserved areas in Oregon. During the pandemic, Congress passed the Infrastructure Investment and Jobs Act (IIJA), which included funding to address broadband access. The federal funds are intended to target unserved, underserved, and tribal communities and improve digital equity in historically marginalized communities across the state.

House Bill 3201 B requires the Oregon Business Development Department provide grants and loans for supporting broadband access, affordability, and adoption through grants or loans. The measure updates current provisions for and affirms the Fund and establishes program guidelines.