



**BEACON
BROADBAND**

Powered by Coos-Curry Electric Cooperative



www.beaconbroadband.com

9 March 2023

Before the House Economic Development and Small Business
Committee

Chair Bynum, Vice-Chair Nguyen, Vice-Chair Morgan and members of the committee, thank you for this opportunity to speak in support of House Bill 3201.

For the record, my name is Paul Recanzone. I have worked as a networking professional for more than 30 years – the last 20 of which I have spent helping communities establish and execute broadband plans. I am now the General Manager of Beacon Broadband.

We find the work Representative Marsh has done developing House Bill 3201 is critical to broadband development in rural Oregon. In particular, the bill corrects certain provisions in Oregon law that might limit the funds available to the state through the Infrastructure Investment and Jobs Act. We are pleased to see the DASH 2 amendment to allow a challenge process. We believe the challenge process is a much more effective tool than the existing first right of refusal provisions. We trust the challenge process will allow applicants to modify their applications if they are found to be in conflict with

existing broadband services. As essential as House Bill 3201 is to rural broadband development, we believe there are three provisions included in Senator Brock Smith's Senate Bill 943 that might strengthen the bill.

First, the American Rescue Plan Act allows for eligible costs incurred on or after March 15, 2021 to be eligible for funding. In 2021 Representative Marsh and Senator Brock-Smith did great work extending electric cooperative easements to broadband providers. This legislation will save Beacon Broadband an estimated four million dollars and months if not years of work. Like many other providers, we started expanding broadband into rural areas based on the desperate need we saw, the promise of funding, and the ability to use existing easements. Beacon Broadband now has more than 90 local people working to deploy broadband services in the remote southwest corner of the state, many of them in strong union jobs. I have no idea how many other hundreds of families have been "rescued" by working on broadband projects even while broadband providers waited for funding. Let's reward their courage and the risk they took by making the 150 million dollars in the American Rescue Plan designated for broadband in Oregon available for the work they have done.

Next, legislatively mandated dates spur action. We would like the bill to include deadlines for action.

Finally, the bill should establish a framework for ensuring all residents of Oregon have a fair chance of broadband development reaching them. As service providers we carefully craft grant applications that provide us the best return on investment. For example, our parent electric cooperative has several metered addresses just across the county border. Those addresses require about 8 miles of hard buried construction. It would be cheaper for us to buy their houses and demolish them than to build to them. So, we leave them off of our grant applications. A funding model should not allow us to do so. Broadband development is critical to the vitality of rural Oregon. We encourage continued development of House Bill 3201 and eventual passage.

Thank you again for this opportunity to speak.