

March 11, 2025

House Committee on Economic Development, Small Business, and Trade 900 Court Street NE Salem, OR 97301

Chair Nguyen, Vice-Chairs Diehl and Isadore, and members of the Committee

The City of Portland would like to express its support for HB 3148 to help fill the gap left by expiration of the federal Affordable Connectivity Program (ACP) in Oregon.

Congress established the ACP in 2021 and allocated \$14.2 billion to the program, which provided eligible households with a one-time \$100 device benefit and a \$30 monthly benefit for broadband service. In April of 2024 the program ran out of money and ceased to exist. In January 2024, the last full month of data available, almost 240,000 households in Oregon participated in the ACP. Approximately 49,000 of those households were in Multnomah County. The loss of the ACP means that those households are at risk of losing access to affordable broadband.

Broadband is necessary for ensuring that all Oregonians have access to affordable healthcare, education, job training, social services, public safety services, and are generally able to fully participate in the digital economy and society. We have heard stories from our communities about families deferring healthcare treatments, vehicle maintenance, and saving to buy a home to pay for broadband.

At a recent community engagement event, one Portlander put it very succinctly:

"It is a choice between food and all the other things we need or having internet, which the kids need for school."

Households that do not have access to broadband often experience worse healthcare and educational outcomes. The loss of the ACP puts working households at risk of falling further behind.

Now that the ACP has expired, the only program left for most Oregonians to get help with their broadband bill is Lifeline. Currently, Lifeline offers eligible households \$19.25 a month with \$10 coming from the state and \$9.25 coming from the federal government. HB 3148 increases the state component of Lifeline to \$15 bringing the total



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Unfortunately, there is currently only one in-home broadband provider, Quantum Fiber (CenturyLink), in Portland that participates in Lifeline. Currently, only about 12,000 households in Portland participate in Lifeline. Still, the City of Portland is a strong proponent of the program, and we hope that more providers will sign on in the future thanks to the passage of HB 3148.

HB 3148 will not fully fill the gap left by the ACP, but it is a good first step in ensuring all households in Oregon have access to affordable broadband and a device to use it. The City of Portland asks you to support this bill and to begin considering additional future legislation to continue this important work.

Sincerely,

Eric Engstrom Interim Director City of Portland, Bureau of Planning & Sustainability



