



March 13, 2025

Oregon House Committee on Economic Development, Small Business, and Trade  
900 Court St. NE  
Salem Oregon 97301

SUBJECT: HB 3148 offers significant and meaningful reforms to the Oregon Lifeline program

Dear Chair Nguyen and Members of the Committee:

The Pew Charitable Trusts is a nonprofit, nonpartisan, independent public policy and research organization that applies a rigorous and analytical approach to improve policy and inform the public. We work with diverse stakeholders—including state policymakers such as yourselves—who share a dedication to evidence-based solutions to meet some of today’s complex policy issues. Our research addresses a range of issues, from state fiscal health to wildlife corridors to broadband.

The Pew Charitable Trusts’ broadband access initiative has been working with state and federal partners to achieve universal broadband access to high-speed, affordable connections and the skills to utilize the full benefits it enables. We offer this testimony today to contribute research-driven solutions to your ongoing efforts in this matter and to express our support for [House Bill 3148](#).

House Bill 3148 proposes significant and meaningful reforms to the Oregon Lifeline program by increasing the available subsidies on the internet bills of qualified households and a new, one-time subsidy to purchase an internet enabled device.

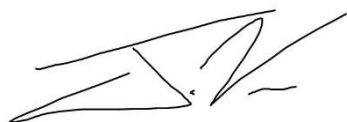
While the physical components of the digital divide are being closed through historic investments in broadband deployment, affordability and access to a device remain significant barriers for households to access an internet subscription. Income level is one of the greatest indicators for whether or not a household has an in-home broadband subscription. According to the U.S. Census Bureau’s [American Community Survey](#), in 2023, nearly all households (96%) with an annual income of at least \$75,000 reported having a broadband subscription, while only 75% of those earning less than \$30,000 per year report the same. In a [2021 survey](#), nearly half (45%) of those without a broadband subscription said the high monthly cost of a connection was one of the reasons, while 37% cited the high cost of a computer.

Critically, the [Benton Institute](#) estimates that 43% of low-income households, or an approximately 19 million households, are “subscription vulnerable.” These are households that may currently have an internet subscription but may need to cancel to afford other essentials or may have their service disconnected due to difficulties paying. This uncertainty is harmful for consumers and the providers that rely on a consistent stream of revenue. The reforms proposed in House Bill 3148 would help replicate some of the success of the Affordable Connectivity Program (ACP), which offered a federally funded \$30 monthly subsidy (\$75 on Tribal lands) and a one-time \$100 device benefit for qualified households. Before Congressional funding for ACP ran out in June of 2024, 23 million households were enrolled, including 240,000 in Oregon. Research from the [University of Southern California Annenberg School for Communication and Journalism](#), in partnership with Pew, found that ACP had a positive impact on increasing broadband subscriptions and device adoption among low-income households. Further, by

expanding the number of customers who could afford and maintain subscriptions, the program reduced customer turnover and reduced the [per-household break-even cost](#) for providers by 25% when building networks in new service locations.

Notably, ACP's overnight success stood in [sharp contrast](#) to the persistent struggles the federal Lifeline program has faced with enrollment, which has historically been at significantly lower levels than the heights reached by ACP. This is in part due to differences in eligibility requirements but also the limitations of Lifeline's \$9.25 subsidy for broadband services, which has remained unchanged since it was introduced in 2016. Oregon is one of [26 states](#) that has sought to address these federal shortcomings by offering an additional benefit to qualified households. The proposed reforms in House Bill 3148 are in line with these research findings, and lessons learned by ACP, and would help to modernize the Oregon Lifeline program.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jake Varn', with a stylized flourish at the end.

Jake Varn  
Associate Manager, Broadband Access Initiative