

Oregon Broadband Advisory Council Meeting

May 23, 2019

Salem, OR

Attendance

Members Present: Anne Carloss, Miles Ellenby, Lonny Macy, Rick Peterson, Jeremy Pietzold, and Dave Sabala

Staff Present: Christopher Tamarin, Business Oregon

Guests: Steve Corbato, Link Oregon; Colleen DeShazer, Bob Fletcher, Jay Gratchner, Jay LaValley, Verizon; Montana Lewellen, Oregon Cable Telecommunications Association; Greg Mont, City of Hillsboro; Brad Noslor, HiLight; Karen Perry, National Telecommunications and Information Administration; Carrie Pipinich, Mid-Columbia Economic Development District; Simeon Story, Hood River Electric Cooperative; Robel Tadesse, Business Oregon

The meeting was called to order at 9:15 am.

Welcome, Introductions, Minute Approval

Vice-Chair Jeremy Pietzold called the meeting to order and asked for guest introductions. Jeremy welcomed Rick Peterson, the news member of OBAC.

Minutes

Dave Sabala moved that the April 25, 2019, minutes be approved as distributed. Rick Peterson seconded the motion. The council approved the motion.

National Broadband Activity Updates

Chris Tamarin provided references on the following national broadband activity regarding infrastructure deployment, technology, market trends, public policy, and illustrations of the value of broadband adoption and utilization since the council's last meeting.

USDA Report on Rural Broadband

The USDA released a [report](#) entitled "A Case for Rural Broadband: Insights on Rural Broadband Infrastructure and Next Generation Precision Agriculture Technologies" on April 30, 2019. The USDA said the report finds deployment of both broadband e-connectivity and next generation precision agriculture technology on farms and ranches throughout the U.S. could result in at least \$47 billion in national economic benefits every year. The USDA also said the report finds if broadband infrastructure and digital technologies at scale were available at a level that meets estimated producer demand, the U.S. economy could realize benefits equivalent to nearly 18 percent of total agriculture production. The USDA noted that 18 percent, more than one third is dependent on broadband e-connectivity, equivalent to at least \$18 billion in annual economic benefits that only high-speed, reliable internet can provide. [press release](#)

FCC Funds Rural Broadband

The Federal Communications Commission has allocated \$65.7 million from the Universal Service Fund to 186 companies representing about 106,000 homes to extend broadband service to rural telecoms that meet the agency's download speed minimum requirement. The operators agreed to accept the agency's Alternative Connect America Cost Model grants in exchange for providing broadband to a specified number of targets by 2028. Previously, only areas lacking service at speeds of 10 Mbps downstream and 1 Mbps upstream were eligible for ACAM funding, which awards funding based on a cost model developed by the FCC. But late last year the FCC raised the minimum speed target to 25/3 Mbps, which made at least 106,000 additional rural homes and small businesses eligible for ACAM funding.

<https://www.telecompetitor.com/rural-carriers-accept-65-7-million-in-new-acam-funding-for-rural-broadband/>

FCC Issues Revised Broadband Deployment Report

The Federal Communications Commission has altered its initial draft of its 2019 Broadband Deployment Report after being informed about an error, but Chairman Ajit Pai said the adjusted version still shows improvement. The revised figure shows an 18% drop from 2016 to 2017 in the number of homes without broadband speeds of 25 megabits per second compared with a figure of 25% in the original report. [CNET](#) (5/1)

FCC Chair Pai supports the T-Mobile Sprint merger

FCC Chairman Ajit Pai voiced support for the planned T-Mobile Sprint merger, give a new set of merger conditions. Among the proposed T-Mobile Sprint merger conditions, which include:

- Cover 97% of the U.S. population with mobile 5G on low-band spectrum and 75% of the population with 5G on mid-band spectrum within three years
- Cover 99% of the U.S. population with low-band mobile 5G within six years and 88% with mid-band 5G within that time frame
- Cover 85% of rural America with mobile 5G on low-band spectrum in three years and 90% in six years
- Cover 90% of the U.S. population with mobile 100 Mbps service and 99% with 50 Mbps service within six years
- Offer fixed 5G service, dubbed New T-Mobile Home Internet, to 9.6 million households within three years of closing, of which at least 2.6 million would be rural households, increasing to 28 million within six years, of which 5.6 million would be rural

The fixed 5G service will offer minimum speeds of 25 Mbps downstream and 3 Mbps upstream, with average speeds above 100 Mbps downstream.

<https://www.telecompetitor.com/t-mobile-sprint-merger-conditions-would-include-5g-build-out-fixed-wireless-home-internet-commitments/>

FCC places White Spaces on hold

The Federal Communications Commission will put aside its work freeing up TV white spaces until Microsoft and broadcasters reach an accord on sharing the spectrum for wireless broadband, FCC Chairman Ajit Pai told the House Communications Subcommittee. He cited technical and policy matters the agency needs to address even as Microsoft and TV stations try to find middle ground on the band's use. [Broadcasting & Cable](#) (5/16/19)

NRECA Urges FCC to Advance \$20 Billion Auction to Deliver Broadband to Rural America

The National Rural Electric Cooperatives Association (NRECA), along with America's Communications Association and NTCA–The Rural Broadband Association, are asking the FCC to advance a new \$20 billion auction for building rural broadband. About \$20 billion in federal funds may be available as early as next year for electric cooperatives pursuing broadband service in rural America. A new auction, dubbed the Rural Digital Opportunities Fund (RDOF), is expected to offer up to \$20.4 billion to build broadband in unserved or underserved census blocks identified by the Federal Communications Commission. RDOF will be an encore to the FCC's \$2 billion Connect America Fund II auction in 2018. CAF II marked the first time that electric co-ops were allowed to bid in such an auction, and [about 35 co-ops won over \\$225 million](#), which will be distributed over 10 years. Source: NRECA

Cybersecurity

McAfee research reports that half of all businesses in eight countries, including the US, Canada and the UK, have been breached as IT professionals struggle to lock down sensitive data. Cybercriminals are targeting intellectual property, which is costly to businesses as it puts both financial liability and reputations at risk. [TechRadar \(UK\)](#) (4/30/19)

State Broadband Activity Updates

Chris Tamarin provided references on the following state broadband activity regarding infrastructure deployment, technology, market trends, public policy, and illustrations of the value of broadband adoption and utilization since the council's last meeting.

Eastern Oregon Telecom Expands Residential Fiber Services to Boardman and Umatilla

Eastern Oregon Telecom announced that it had installed a home fiber terminal in Boardman and will be serving residential customers. Internet fiber has been available to Boardman commercial businesses for years but providing access to residential customers is a first for the Morrow County city. EOT will also expand home fiber services to Umatilla.

https://www.eastoregonian.com/news/local/eot-expands-residential-fiber-services-to-boardman-and-umatilla/article_8d739e7a-6adb-11e9-a8b7-8f9d8b12e790.html

Wave Broadband Localizes Operations to "Wave North" and "Wave South"

Wave Broadband, announced that it has localized its business operations into two separate and regionally-focused entities. Wave North serves Wave's business and residential customers in the state of Washington, while Wave South serves those in Northern California and Oregon. Both entities will continue to serve customers under the Wave Broadband brand. Wave South's operations center will continue to be based in the company's existing Rocklin, CA, facilities. No immediate changes are planned to Wave's products, services, or pricing.

<https://www.apnews.com/Business%20Wire/00e5e12a5cec4dc38a270889f6cd5e4a>

Zayo Group to be Taken Private

Investment firms Digital Colony Partners LP and EQT have acquired Zayo Group for about \$8.2 billion in cash. Zayo is a U.S. communications infrastructure provider with 131,000 route miles of fiber and a builder of multiple new routes in Oregon. The deal is valued at more than \$14 billion. The transaction is expected to close in the first half of 2020. Source: [Reuters](#) (5/8/19)

Washington State Establishes a Broadband Office

Washington State Governor Jay Inslee (D) enacted [Senate Bill 5511](#) this week, a bill to promote broadband development in the state. The bill, “establishes a grant and loan program that will support the extension of broadband infrastructure to unserved and underserved areas.” A new broadband office is created under the law to manage Washington’s \$21 million broadband budget and tap into federal funding. Inslee hopes to see the budget grow to \$100 million by 2023 with a goal of providing broadband Internet access services to the entire State by 2024. A competitive grant and loan program is also created to fund projects that will expand broadband to underserved communities. The office will be soliciting applications for broadband projects from residents, rather than from providers. Though Washington’s approach is consistent with that increasingly undertaken in other states, the law is a reminder of just how active the state government has become in promoting broadband deployment and the importance of maintaining close ties with state broadband offices as individual providers and associations.

<http://lawfilesexternal.leg.wa.gov/biennium/2019-20/Pdf/Bills/Senate%20Passed%20Legislature/5511-S2.PL.pdf>

Representative Greg Walden Calls for More Broadband in Rural Oregon

Rep. Greg Walden, R-Ore., said at a Capitol Hill hearing that more needs to be done to connect rural Oregon and other similar areas around the country. “We need to build out more broadband to more places in America. Period. Hard stop. We should all be for that. Last Congress we worked together in a bipartisan way to get that done and there’s more work to be done,” Walden said at an Energy and Commerce Committee hearing. Walden highlighted a discussion at his recent town hall meeting in Wheeler County, where Walden said that the issue of broadband connectivity was front and center. <https://www.ktvz.com/news/walden-rural-oregon-needs-more-broadband/1078596876>

CenturyLink Will Study Options

CenturyLink CEO Jeff Storey said that CenturyLink has enlisted advisors to assist the company in a strategic review of the company’s consumer business. The company’s consumer revenues were \$1.4 billion in the first quarter of 2019. The consumer business saw a 1.3% year-over-year and a 2.7% increase over the previous quarter in broadband revenues. While the company lost subscribers purchasing speeds below 20 Mbps, it gained subscribers purchasing higher-speed services. <https://www.telecompetitor.com/could-centurylink-consumer-business-be-sold-or-spun-off-strategic-review-underway/>

Presentations

Greg Mont and Brad Nosler

Greg Mont and Brad Nosler of the city of Hillsboro provided an overview of the HiLight fiber-to-the-premises project. The city sees the fiber network as a means of creating a stronger, better Hillsboro and enhance the sense of community among its residents. The network will get more people connected and engaged, attract and retain talent, perform outreach with community partners, and serve as an asset of civic pride.

HiLight will make the future of Hillsboro brighter, creating business and personal opportunities that improve its residents’ lives, foster innovation and economic development, facilitate Smart City applications, enable distance education, enable telemedicine, improve utilities, increase energy efficiency, provide for collaborate with other jurisdictions and increase connectivity within the city’s historically under-connected populations.

When completed in approximately ten years, HiLight will be available to all 40,000 residences and all 6,800 Businesses in Hillsboro delivering symmetrical gigabit speeds. The network is being financed by the city of Hillsboro through a self-supporting Enterprise Fund and seed funding of \$43 million out of city discretionary funds.

The construction of the 432-count network backbone is underway. In addition to residents and businesses, it will serve all Hillsboro School District locations.

More information may be found at <https://www.hillsboro-oregon.gov/services/hilight>.

Karen Perry

Karen Perry of the National Telecommunications and Information Administration (NTIA) provided information about NTIA and broadband data tools. NTIA advises on telecom policy issues for the purpose of expanding national broadband access and adoption, expanding spectrum opportunities for federal and commercial users, and ensuring that the Internet remains an engine for continued innovation and economic growth.

Karen cite several federal sources for broadband data; NTIA Computer and Internet Use Survey U.S. Census American Community Survey (ACS), and FCC Form 477.

NTIA promotes the distribution of broadband information and services including:

- [BroadbandUSA](#)—Toolkits, guides, and resources on planning, engagement and partnership
 - [Funding](#)—BroadbandUSA’s Funding Guide and searchable application with information on federal funding for broadband
 - [State Broadband Leaders Network](#) (SBLN)—Interactive map and contact information for state broadband leaders and programs
- [American Broadband Initiative](#) (ABI)—Administration’s report and milestones for actions to accelerate rural broadband deployment
- [USDA E-Connectivity Toolkit](#)—Broadband resources for rural America
- [Joint Overview-Established Locations](#) (JOEL) Map—Supporting Broadband Tower Facilities in Rural America on Federal Properties Managed by DOI

Karen introduced a new broadband tool: the I3 Connectivity Explorer. The platform is available to the public for use at no charge. The I3 Connectivity Explorer gathers data from U.S. Government agencies—FCC, Census, EPA, USDA—and other public sources such as the [Measurement Lab](#) and the [Pro Publica Congress API](#), localizes the data to towns, counties and county subdivisions, tribal regions, school and congressional districts; and presents the data in easy to use maps and charts. Go to <https://i3cex.internet-is-infrastructure.org> and click on New Account.

Work Session

2019 Legislative Session

Chris Tamarin reported on the broadband related bills and resolutions that have been introduced for the 2009 Legislative Session. Key bills that include OBAC and reflect OBAC's recommendations are:

HB 2022

Changes name of Oregon Virtual School District to Oregon Online. Expands purposes of Oregon Online to require provision of professional development related to online learning. Status: Passed by the House 2-13-19, Referred to Senate Education Committee, work session held 5-15-19. <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2022/A-Engrossed>

HB 2173

Creates Oregon Broadband Office within Oregon Business Development Department. Repeals sunset on Oregon Broadband Advisory Council. Adds member to council. Broadens duties of council to include recommending public policy and solutions to address state's broadband needs and goals. Directs council to champion statewide access to broadband services. Pre-session filed at the request of House Interim Committee on Economic Development and Trade. Status: Passed by the Economic Development Committee with a Do pass Recommendation with amendments and referred to Ways and Means 3-1-19. <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2173/A-Engrossed>

HB 2184

Expands definition of "retail telecommunications service" for purposes of universal service surcharge. Authorizes Public Utility Commission to subject sale of communications and broadband services other than retail telecommunication services to universal service surcharge. Directs commission to transfer moneys deposited in universal service fund that are to be used for encouraging broadband service availability to Broadband Fund. Establishes Broadband Fund. Continuously appropriates moneys in Broadband Fund to Oregon Business Development Department to provide grants and loans under program for assisting qualified entities with projects for development of open access broadband service. Directs department to adopt program for providing grants and loans by rule. Pre-session filed at the request of House Interim Committee on Economic Development and Trade. Status: Public hearing held by Economic Development Committee. 2-18-19. -1 -2 and -3 amendments introduced. Status: Passed by the Economic Development Committee with a do-pass recommendation as amended and printed A-Engrossed, referred to Revenue, and then referred to Ways and Means by prior reference 3-13-19. Public Hearing scheduled for 3/25 before Revenue Committee. Work Session scheduled for 5-14-19. Passed and referred to Ways and Means 5-14-19. <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2184/B-Engrossed>

HB 2455

Includes developing and expanding broadband Internet access service as form of economic development for which Oregon Business Development Department may fund loans and grants for use in Eastern Oregon Border Economic Development Region. Makes nonsubstantive housekeeping amendments to statutes. Declares emergency, effective on passage. Sponsored by Representative FINDLEY. Status: Referred to Economic Development Committee. Public hearing held 3-4-19.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2455/Introduced>

HB 3061

Allows political subdivision to convey real property to nonprofit, municipal or private corporation for purpose of providing broadband service. Requires instrument conveying real property to authorize reversion of property to political subdivision if property is not used to provide broadband service. Allows political subdivision to relinquish reversionary interest in real property after less than 20 years to further public interest. Declares emergency, effective on passage. Sponsored by Representative RESCHKE; Representatives BARRETO, BOSHART DAVIS, CLEM, MARSH, NEARMAN, NOBLE, ZIKA, Senators BOQUIST, HANSELL, LINTHICUM, THATCHER. Status: Passed by the House 4-10-19. Signed by the Senate President 5-6-19. Governor signed into law 5-13-19.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3061/Enrolled>

HB 3375

Requires Oregon Business Development Department to conduct study on proposals and options for facilitating the deployment of small wireless facilities in this state. Requires department to submit report on study to interim committees of Legislative Assembly related to economic development no later than September 15, 2021. Sponsored by Representative Marsh. Status: Referred to Economic Development 3-11-19.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3375/Introduced>

SB 130

Authorizes school nurse associated with school-based health center to engage in practice of telehealth. Directs State Board of Education to adopt rules related to telehealth. Takes effect on 91st day following adjournment sine die. By order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Health Care). Status: Recommendation - Do pass with amendments and be referred to Ways and Means 4-4-19.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB130/A-Engrossed>

SCR 4

Declares policy of State of Oregon concerning cybersecurity risks and need for proactive cybersecurity risk management. Sponsored by Senator LINTHICUM. Status: Passed by the Senate 3-4-19 and referred to the House Speaker's desk 3-5-19. Referred to Rules 3/11.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SCR4/Introduced>

Agriculture Broadband Summit

The council will host an Agriculture Broadband Summit on June 27, 2019, at the Food Innovation Center in Portland. Participants will include the Oregon Department of Agriculture, Oregon Farm Bureau, Oregon State University Extension Service, National Telecommunications and Information Administration (NTIA), and U.S. Department of Agriculture. The summit will be a roundtable discussion current status of precision agriculture in Oregon, the current level of needed broadband connectivity and the projected future need of connectivity starting off with presentations by Oregon State University and NTIA to frame the discussion.

Oregon Connections Telecommunications Conference

Chris reported that the 2019 conference has been announced, the website is live, and this year's theme will be Smart Communities. The conference presenters and attendees will be exploring Smart Communities' strategies, applications, enabling technologies and Oregon initiatives. Keynote speakers will be NTIA's Jean Rice, a telecommunications expert and advisor who works with federal agencies, tribal, local and state governments, industry, universities and non-profits on smart cities and communities projects and provides technical assistance to support the widespread deployment of broadband infrastructure, and Trevor Yarrish, CEO and founding partner of ZEAL, a southern Oregon company empowering innovators to deliver the future of Web + Mobile Applications <https://codingzeal.com/>. More information may be found at www.oregonconnections.info.

Public Questions/Comments

U.S. Department of Agriculture will be holding two workshops in August, one in Independence and one in Madras. The focus is to convene local stakeholders to discuss planning, organizing, and funding broadband projects.

Meeting Schedule

The May 23, 2019, meeting of the Oregon Broadband Advisory Council was held at the Local Government Center, 1201 Court Street NE, Salem, Oregon. The next meeting of the council will be held on June 27, 2019, in Portland. Meeting information will be posted on the [council website](#).

Meeting adjourned at 11:30 am.

Approved by:

Signature on file
Joseph Franell, Chair
Oregon Broadband Advisory Council

June 28, 2019
Date

Signature on file
Christopher Tamarin
Business Oregon

June 27, 2019
Date