



Status Report to the Joint Committee on Information Management and Technology

April 17, 2002

John Irwin, Chair, Oregon Telecommunications Coordinating Council  
Brant Wolf, Co-Chair, Oregon Telecommunications Coordinating Council

### **Introduction and History**

The 2000 Oregon legislature created the Oregon Telecommunications Coordinating Council as an interim task force by SB 765. The legislative directive to the Council is to

- 1) Study alternative approaches to providing coordinated statewide, regional and local telecommunications services, including providing services to unserved or underserved areas of the state; and
- 2) Study the manner in which telecommunications investments can be coordinated to facilitate partnerships between the public sector and the private sector and between state and local governments.

The Council is directed to report its findings to the Governor and the Joint Legislative Committee on Information Management and Technology.

### **Importance of the Council's Work**

Recently the National Telecommunications and Information Agency, in conjunction with the US Census released some interesting data on internet use and broadband availability. The data showed that in 2000, Oregon ranked fifth among the fifty states in internet use, ahead of California and Washington. The report also showed that the digital divide really does exist. The study showed a forty percent difference between rural and central city users who have access to broadband telecommunications services. While the numbers of people anywhere who have access to broadband is small, there are significant differences between urban and rural access.

In a state like Oregon, with high internet use among all residents, it is especially important that we work to bring broadband services to all, and that we redouble our efforts to end what, in the broadband age, should be an artificial distinction between urban and rural users.

## **Council's Initial Progress**

In our first report we described the initial steps of forming the Council and deciding which direction we should take first. These first steps included adopting bylaws, and other procedural steps. Most importantly, the first steps included establishing the Council's process for communicating its activities to interested observers. The Council's efforts at operating a process that is both open and reflective of the Council's mission is illustrated by the Council's work to have all of its meetings available by way of video conferencing services. With the cooperation of the Department of Administrative Services, all of the Council's meetings have been conducted via video services. Council members, witnesses and members of the public have all taken advantage of the video connection to contribute to the work of the Council.

## **Activities**

Since the last report, the Council has gotten down to focused substantive tasks. The first focus of the Council's attention was some of the recently passed telecommunications related legislation. The Council wanted to look carefully at these legislative efforts to see what next steps could be taken to further the motives behind the legislation, and to learn from these efforts so as to improve whatever legislative recommendations the Council may develop.

The Council looked into the intent and effect of legislation to provide tax credits for investments for improved telecommunications services. The Council is developing proposals to increase the value of these credits, seeking to avoid some of the unintended consequences of the recent efforts passed under SB 229. The Council also is reviewing the scope of some of the most significant recent telecommunications legislation, SB 622, which changed the regulatory structure for some telecommunications companies and provided significant funds for rural Oregon.

The particular structure of the Council has helped the Council's work a great deal. Drawn from representatives of local government, rural telecommunications consortia, private telecommunications interests, statewide telecommunications policy makers, and the Oregon Health and Sciences University, the Council has a significant breadth of concern, knowledge and experience. Its creation as a state investigative council also has been of considerable help to the work of the Council, because the legislature directed state agencies to provide assistance to the Council.

The Council's investigations are focusing on measures to best improve broadband and other telecommunications services. The Council is committed to work on understanding the problems and then working on ways to improve services so as to further invigorate both economic development and quality of life for the under served residents of Oregon.

## Information Sources

The Council began its work as an entity that represented many of the regional groups across the state working to improve telecommunications services. One of the Council's first tasks was to bring information from these groups together. The Council also added groups, including representatives from Oregon's Tribes, to further expand its ability to gather information about local and statewide concerns.

In addition to hearing from its own representative bodies about their concerns and hopes, the Council has invited guests to come before the Council and present information concerning their levels of service and development plans. The Council will be working to include all the issues and concerns in its final report.

Thus far the Council has heard from, or is scheduled to hear from:

- Incumbent Local Exchange Carriers
  - Qwest
  - Sprint
  - Verizon
  - Century Tel (April 25)
- Competitive Local Exchange Carriers
  - Preferred Connections, Inc.
  - Hunter Communications
  - Oregon Trail Internet
  - NoaNet
- Internet Service Providers
  - Oregon Trail Internet
- State Agencies and Departments
  - OECDD
  - Department of Education
  - PUC
  - Department of Administrative Services
- Cable Television Providers
  - Charter Communications (April 25)

## Working Committees Established

In addition to continuing its general investigative work on conditions and opportunities for the under served and unserved areas of Oregon, the Council formed special committees to work on particular areas of concern. The Council's Telehealth Committee is working to gather opinions from leading interests across the state on the particular needs of medical services that might be improved with improved telecommunications services. The Committee hopes to identify policy initiatives that can help bring advanced medical services to remote areas of the state by way of improved broadband telecommunications services.

Given that its mission is to make proposals to the Governor and the Legislature, the Council established a guidelines Committee. This Committee has as its mission the development of guidelines that will serve as a measure of the value of proposals for reform in the telecom area. The Council hopes to use these guidelines as it prepares policy proposals, and the Council hopes that these guidelines will have an independent value for the legislature and other policy makers as they encounter additional policy proposals for change in the telecommunications field. The Council accepts the notion that further policy-making action is needed and is coming in the telecommunications field, but the Council feels that a set of standards against which all policy proposals can be measured will help.

The Council recognizes that an important step in bringing service to unserved and underserved areas must begin with information: providing residents and businesses and governments in these areas with information about what is available, what is needed and how a change might affect them individually. In response to this recognized need, the Council formed a Community Outreach Committee, with the purpose of exploring ways to improve understanding and therefore use of broadband telecommunications.

Just as the Council is benefiting from the synergy of public and private concerns, local and state governmental support, so the Council's Public-Private Initiatives Committee hopes to find policy measures that will facilitate a synergy among public and private entities in Oregon. The Council felt that the particular mission given them by the legislature required a detailed investigation into what public-private initiatives exist, and what could be done to further this process that can take advantage of the strengths of both the private and the public sector.

The Council also recognizes that its work must be as wide ranging as the problems that led to the creation of the Council. Faced with a large task, and a limited time to facilitate improvement, the Council is moving ahead in as many areas as it can. The committees the Council created are a part of the whole effort to get the Council's hands around the problem and pick out the most important steps that can be taken to improve telecommunications services for all of Oregon.

The work of the Council is well underway with significant effort remaining. We are experiencing excellent cooperation from all parties and look forward to continuing our studies toward developing sound, balanced recommendations for the future of Oregon telecommunications policy.