

Connecting Oregon Schools Fund E-Rate Matching Program Report

November 2019



Background

In 2018, the legislature passed HB 4023. This bill provided for many changes in how the state would promote broadband infrastructure for all of its citizens moving forward. Among those changes was the creation of the Connecting Oregon Schools Fund. This fund allows the Legislature to provide funds to school organizations to match additional federal funds to increase their broadband infrastructure. Because of this fund, the federal government will provide up to an additional 10 percent of the costs of building broadband infrastructure. This is in addition to the 50 to 90 percent of the construction costs the federal government already provides.

Also during the 2018 legislative session, HB 5201 was passed. While it did not appropriate any funds to the Connecting Oregon Schools Fund, it required the Oregon Department of Education (ODE) to provide a report to the legislature regarding the status of the program. The report must include:

- Schools benefitting from matching funds
- Status of the broadband deployments
- Broadband speed per user
- Extent to which public fiber was leveraged

In 2019, after conversations with the Department of Justice it was determined that the Connecting Oregon Schools Fund was not reaching all possible recipients of federal funds. Specifically, charter schools, ESDs, and consortia of ESDs, charter schools, and school districts, were excluded from seeking state match funds. This meant that while these organizations can receive federal funds, they could not receive state funds nor could they receive the additional federal funds.

To encourage the widest possible participation in the Connecting Oregon Schools Fund, HB 2173 was amended to change which organizations were eligible for state matching funds. HB 2173 was passed allowing education organizations that were previously excluded from state funds to receive potential state funds.

Implementing the State E-Rate Matching Program

Shortly after the adjournment of the 2018 session, ODE began implementing this new program designed to help close the digital divide in schools across Oregon. The purpose of the program was to provide funding to those districts with the most need. Districts that had the following characteristics were considered to have the highest need:

- High levels of poverty
- Remote location
- Small student body
- Poor quality internet connection types
- Low internet connection speeds

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The goal was to ensure that districts that had very little in the way of digital resources would be eligible to receive the state match before districts with much higher levels of digital resources. A priority formula was developed that would rank the school districts. Districts with the highest ranking would receive funding first.

As part of this implementation process, ODE met with the state's CIO office to determine whether the state's work in developing additional broadband capacity could be partnered with the Connecting Oregon Schools Fund to maximize development of internal capacity in rural areas of the state.

At that time, given the development of the two programs, there was not a direct opportunity for collaboration. However, ODE and the OSCIO have continued to meet regarding this issue. The goal of these meetings is to ensure that each agency is aware of the work of the other agency. This will help determine ways the agencies can collaborate to ensure school districts have access to fast and affordable internet connections.

In addition to meeting with the OSCIO Office, ODE reached out to school district and ESD CIOs as well. ODE wanted to get stakeholder feedback on the proposed program and priority list calculations. At several meetings, ODE presented the proposed program and priority list. The program was met with general acceptance and stakeholder approval of the priority list and the calculations.

After this stakeholder feedback, ODE went to the State Board of Education and asked them to adopt the rules. Over a several month process, the State Board of Education adopted the rules that provided the structure of the program.

For the amendments created in HB 2173, ODE is following the same process. ODE has met with school district and ESD CIOs to present the revised program. Receiving their general acceptance, ODE has proposed the revised rules to the State Board of Education. The rules have been first read before the State Board and are being asked to be adopted during their January meeting.

Current Status of the Program

In 2018, the legislature, through their E-Board, provided state matching funds to five districts. The funds were provided to these specific districts so that they could receive additional federal matching funds. The state contributed \$338,657 to match \$5,660,574 worth of federal funds. Two districts have requested half of their reimbursement. The rest of the districts are waiting until project completion to request their funds from the state.

In 2019, the state matching program received requests for state matching funds from 12 applicants. The total amount requested of the state was \$1,958,444. This would have leveraged \$23,881,339 in federal funds to provide increased internet capacity to school districts across the state. The state matching program was not funded in 2019.

Status of Projects

Currently there are five districts that received funds from the 2018 appropriation of state funds. Below is a table that provides the following information:

- Name of the district
- Status of broadband deployments
- Bandwidth after broadband deployments
- Number of students in the district
- Broadband speed per student after broadband deployments
- The project's use of existing public fiber

<i>District Name</i>	<i>Percent Completed</i>	<i>Bandwidth</i>	<i>Number of Students</i>	<i>Bandwidth per User</i>	<i>Used Public fiber</i>
Columbia Gorge ESD - Dufur SD	25%	1 Gb	331	3.0 Mbps	No
Elgin SD	66.67%	1 Gb	385	2.6 Mbps	No
Huntington SD	0%	1 Gb	94	10.6 Mbps	No
Imbler SD	66.67%	1 Gb	297	3.4 Mbps	No
South Lane SD	25%	10 Gb	2,833	3.5 Mbps	No