

# REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly  
2007 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 2369</b>
<b>Revenue Area:</b>	9-1-1 Tax
<b>Economist:</b>	Mazen Malik
<b>Date:</b>	06/08/2007

## Measure Description:

Extends the sunset date on the emergency communication tax until 2014.

## Revenue Impact:

(\$ Millions)	2007-08	2008-09	2007-09 Biennium	2009-11 Biennium
State Other Funds (9-1-1)	18.97	39.80	<b>58.78</b>	<b>84.52</b>

## Impact Explanation:

Under current statutes subscribers who have telecommunications services, which includes cellular, wireless and other radio common carriers, are assessed a tax of \$.75 per month. The funds collected are deposited into the Emergency Communications account and is then distributed by the office of Emergency Management to the 9-1-1 communication districts. The funds are allocated as follows: 57.5% distributed to cities, counties and special districts for 9-1-1 operations at Primary Public Safety Answering Points (PSAP's). 35% for Enhanced 9-1-1 PSAP common network services. 4% Oregon Emergency Management program administration. 2.5% equipment replacement fund not to exceed \$500,000 per year. 1.0% Department of Revenue for collection and administration costs.

The current law sunsets by the end of 2007. As it is extended, the tax will continue generating revenue and the strong growth will continue for few years. When the market of communication devises reaches saturation around 2010-2011, the revenue will start growing at the rate of population growth.

State Capitol Building  
900 Court St NE, Room H-197  
Salem, OR 97301-1347

Phone: 503-986-1266  
Fax: 503-986-1770  
<http://www.leg.state.or.us>