



CITY OF
PORTLAND, OREGON

Charlie Hales, Mayor
Amanda Fritz, Commissioner
Nick Fish, Commissioner
Dan Saltzman, Commissioner
Steve Novick, Commissioner

March 14, 2013

Representative Phil Barnhart, Chair
900 Court St. NE, Hearing Room A
Salem, OR 97301

Re: Support for HB 2036

Dear Chair Barnhart and Members of the House Revenue Committee:

The City of Portland asks for your support of HB 2036, which requires pre-paid wireless telephone and Voiceover Internet Protocol (VoIP) providers to collect and remit state emergency communication taxes like all other land line and wireless providers in Oregon. State law requires each circuit capable of accessing 9-1-1 to pay a 75 cents per month tax. Currently, pre-paid devices can access 9-1-1 services but are not expressly required to collect and remit the tax. We support clarifying that pre-paid wireless and VoIP devices are also required to pay emergency communication taxes.

The City's of Portland's Bureau of Emergency Communications (BOEC) provides 9-1-1 call answering and dispatch services for all police, fire, and emergency medical responders in Multnomah County. This includes the cities of Fairview, Maywood Park, Troutdale, Gresham, and Wood Village. On average, BOEC answers approximately 3000 emergency calls per day and well over 1 million a year.

For over 30 years, the 9-1-1 excise tax has provided critical funding to support and implement 9-1-1 services to all of Oregon. For BOEC, the 9-1-1 tax means \$3.78 million annually in revenue. These funds are critical to our ability to provide efficient and effective service to our community.

Over the last several years the pre-paid wireless and VoIP market has grown steadily. Out of the 3000 calls a day that BOEC processes, we estimate that 70 percent are made from cellular telephones. Out of those, based on national statistics, about 25 percent of those calls are made from pre-paid cell phones. Based on those statistics we estimate that the state 9-1-1 system loses \$6.8 million annually in critical emergency communication resources.

House Bill 2036 does not create a new tax. Rather, it brings equity to the market and requires prepaid phones and VoIP devices to support the 9-1-1 system. Like wireline and contract wireless providers have been doing years.

We respectfully urge your support.

Charlie Hales
Mayor

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Commissioner

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