



CITY OF  
**PORTLAND, OREGON**

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

February 4, 2014

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

Re: Support for HB 4055 & 4080

Dear Chair Barnhart and Members of the House Revenue Committee:

The City of Portland requests your support for HB 4055 and 4080, which close the loophole on the emergency communications tax for prepaid cellular telephones.

The City 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 3,000 emergency calls per day and well over 1 million calls a year.

Prepaid cellular telephones can access emergency communications services, but are generally not remitting emergency communications taxes like landline and post-paid cellular telephones. Currently 20 percent of the overall cellular telephone market is comprised of prepaid telephones, and is growing rapidly. This gap in collected taxes costs BOEC approximately \$1 million a year, and will only get worse if this disparity is not remedied.

For several years now, local 9-1-1 call centers have struggled to meet increasing demands for service. This is due in part to the fact that a significant and increasing number of calls originate from prepaid telephones that do not contribute emergency communications taxes to support 9-1-1 services across the state. Closing the loophole for prepaid telephones will greatly enhance our ability to respond to emergency calls and protect the public.

We respectfully urge you to take action this session to close the emergency communications tax loophole for prepaid cellular telephones.

Sincerely,

Charlie Hales  
Mayor

Dan Saltzman  
Commissioner

Amanda Fritz  
Commissioner

Steve Novick  
Commissioner

Nick Fish  
Commissioner