

**PROPOSED AMENDMENTS TO
HOUSE BILL 4055**

1 On page 1 of the printed bill, line 2, after “amending” delete the rest of
2 the line and line 3 and insert “ORS 403.105, 403.110, 403.200, 403.210, 403.215,
3 403.220, 403.225, 403.230 and 403.240 and section 4, chapter 5, Oregon Laws
4 2002 (first special session); and prescribing an effective date.”.

5 Delete lines 5 through 28.

6 Delete pages 2 and 3 and insert:

7 **“SECTION 1.** ORS 403.105 is amended to read:

8 “403.105. As used in ORS 305.823 and 403.105 to 403.250, unless the context
9 requires otherwise:

10 “(1) ‘Account’ means the Emergency Communications Account.

11 “(2) ‘Automatic location identification’ means a component or capability
12 of enhanced 9-1-1 telephone service that provides automatic display in the
13 designated public safety answering point of geographic information about the
14 location of the instrument used to originate an incoming 9-1-1 call.

15 “(3) ‘Automatic number identification’ means a component or capability
16 of enhanced 9-1-1 telephone service that provides automatic display in the
17 designated public safety answering point of a telephone number associated
18 with the access line from which an incoming 9-1-1 call originates.

19 “(4) ‘Call-back number’ means a telephone number used by a primary
20 public safety answering point to contact the location from which an incom-
21 ing 9-1-1 call originates.

22 “(5) ‘Central office’ means a utility that houses the switching and trunk-

1 ing equipment serving telephones in a defined area.

2 “(6) ‘Department’ means the Department of Revenue.

3 “(7) ‘Emergency call’ means a telephone request that results from a situ-
4 ation in which prompt service is essential to preserve human life or property.

5 “(8) ‘Emergency response location identifier’ means a component or ca-
6 pability of enhanced 9-1-1 telephone service that identifies a specific emer-
7 gency response location.

8 “(9) ‘Enhanced 9-1-1 telephone service’ means 9-1-1 telephone service con-
9 sisting of a network, database and on-premises equipment that provides au-
10 tomatic display in the designated public safety answering point of a
11 telephone number and geographic information about the location of the in-
12 strument used to originate an incoming 9-1-1 call when the call is received.

13 “(10) ‘Exchange access services’ means:

14 “(a) Telephone exchange access lines or channels that provide local access
15 by a subscriber in this state to the local telecommunications network to ef-
16 fect the transfer of information; and

17 “(b) Unless a separate tariff rate is charged therefor, any facility or ser-
18 vice provided in connection with the services described in paragraph (a) of
19 this subsection.

20 “(11) ‘Governing body’ means the board of county commissioners of a
21 county, city council of a city, other governing body of a city or county, board
22 of directors of a special district or a 9-1-1 jurisdiction.

23 “(12) ‘Key telephone system’ means a type of multiline telephone system
24 designed to provide exchange access services through shared exchange access
25 lines or channels that typically appears to offer direct line termination on
26 a particular instrument.

27 “(13) ‘Local government’ has the meaning given that term in ORS 190.710.

28 “(14) ‘Multiline telephone system’ means a communications system, in-
29 cluding network, premises-based, PBX, hybrid and key telephone systems,
30 that offers two or more telephone exchange access lines and consists of a

1 common control unit, instruments, control hardware and software and ad-
2 junct systems installed at a subscriber's premises to support the 9-1-1 emer-
3 gency reporting system.

4 **"(15) 'Prepaid wireless telecommunications service' means a tele-**
5 **communications service that provides the right to use mobile wireless**
6 **service as well as other nontelecommunications services including**
7 **content, ancillary services and the download of digital products deliv-**
8 **ered electronically that must be paid for in advance, and that is sold**
9 **in predetermined units or dollars.**

10 "[15] (16) 'Provider' means a utility or other vendor or supplier of tele-
11 communications service or equipment that provides telecommunications with
12 access to the 9-1-1 emergency reporting system through local exchange ser-
13 vice, cellular service or other wired or wireless means.

14 "[16] (17) 'Public or private safety agency' means any unit of state or
15 local government, a special-purpose district or a private firm that provides
16 or has authority to provide fire-fighting, police, ambulance or emergency
17 medical services.

18 "[17] (18) 'Public safety answering point' means a 24-hour communi-
19 cations facility established as an answering location for 9-1-1 calls originat-
20 ing within a given service area. A 'primary public safety answering point'
21 receives all calls directly from the public. A 'secondary public safety an-
22 swering point' only receives calls from a primary public safety answering
23 point on a transfer or relay basis.

24 "[18] (19) 'Subscriber' means a person who has telecommunication access
25 to the 9-1-1 emergency reporting system through local exchange service, cel-
26 lular service or other wired or wireless means.

27 "[19] (20) 'TTY' means a telephone-typewriter used by an individual with
28 a hearing or speech impairment to communicate with another device or in-
29 dividual.

30 "[20] (21) 'Utility' means a utility, as defined in ORS 759.005, a tele-

1 communications carrier, as defined in ORS 133.721, a municipality or any
2 provider of exchange access services.

3 “[21] (22) ‘Vendor’ means a person providing telephone customer prem-
4 ises equipment or equipment specific to the operation of enhanced 9-1-1
5 telephone service.

6 “(23) ‘Wireless telecommunications service’ means commercial mo-
7 bile radio service, as defined in 47 C.F.R. 20.3.

8 “[22] (24) ‘9-1-1 emergency reporting system’ means a telephone service
9 that provides the users of a public telephone system the ability to reach a
10 primary public safety answering point by calling 9-1-1.

11 “[23] (25) ‘9-1-1 jurisdiction’ means:

12 “(a) An entity created under ORS chapter 190;

13 “(b) A county service district established under ORS chapter 451 to pro-
14 vide an emergency communications system;

15 “(c) An emergency communications district created under ORS 403.300 to
16 403.380; or

17 “(d) A group of public or private safety agencies who have agreed in
18 writing to jointly plan the installation, maintenance, operation or improve-
19 ment of a 9-1-1 emergency reporting system.

20 “[24] (26) ‘9-1-1 service area’ means the geographical area that contains
21 the entire central office serving area from which the primary public safety
22 answering point will have the capability to answer calls placed to 9-1-1.

23 “**SECTION 1a.** ORS 403.105, as amended by section 1 of this 2014 Act, is
24 amended to read:

25 “403.105. As used in ORS 305.823 and 403.105 to 403.250, unless the context
26 requires otherwise:

27 “(1) ‘Account’ means the Emergency Communications Account.

28 “(2) ‘Automatic location identification’ means a component or capability
29 of enhanced 9-1-1 telephone service that provides automatic display in the
30 designated public safety answering point of geographic information about the

1 location of the instrument used to originate an incoming 9-1-1 call.

2 “(3) ‘Automatic number identification’ means a component or capability
3 of enhanced 9-1-1 telephone service that provides automatic display in the
4 designated public safety answering point of a telephone number associated
5 with the access line from which an incoming 9-1-1 call originates.

6 “(4) ‘Call-back number’ means a telephone number used by a primary
7 public safety answering point to contact the location from which an incom-
8 ing 9-1-1 call originates.

9 “(5) ‘Central office’ means a utility that houses the switching and trunk-
10 ing equipment serving telephones in a defined area.

11 “(6) **‘Consumer’ means a person that purchases prepaid wireless**
12 **telecommunications service in a retail transaction.**

13 “[6] (7) ‘Department’ means the Department of Revenue.

14 “[7] (8) ‘Emergency call’ means a telephone request that results from a
15 situation in which prompt service is essential to preserve human life or
16 property.

17 “[8] (9) ‘Emergency response location identifier’ means a component or
18 capability of enhanced 9-1-1 telephone service that identifies a specific
19 emergency response location.

20 “[9] (10) ‘Enhanced 9-1-1 telephone service’ means 9-1-1 telephone service
21 consisting of a network, database and on-premises equipment that provides
22 automatic display in the designated public safety answering point of a tele-
23 phone number and geographic information about the location of the instru-
24 ment used to originate an incoming 9-1-1 call when the call is received.

25 “[10] (11) ‘Exchange access services’ means:

26 “(a) Telephone exchange access lines or channels that provide local access
27 by a **consumer or** subscriber in this state to the local telecommunications
28 network to effect the transfer of information; and

29 “(b) Unless a separate tariff rate is charged therefor, any facility or ser-
30 vice provided in connection with the services described in paragraph (a) of

1 this subsection.

2 “[~~(11)~~] **(12)** ‘Governing body’ means the board of county commissioners of
3 a county, city council of a city, other governing body of a city or county,
4 board of directors of a special district or a 9-1-1 jurisdiction.

5 **“(13) ‘Interconnected Voice over Internet Protocol service’ has the**
6 **meaning given that term in 47 C.F.R. 9.3, as amended on July 9, 2009.**
7 **The Department of Revenue may by rule adjust this definition to**
8 **conform to subsequent amendments to 47 C.F.R. 9.3.**

9 “[~~(12)~~] **(14)** ‘Key telephone system’ means a type of multiline telephone
10 system designed to provide exchange access services through shared ex-
11 change access lines or channels that typically appears to offer direct line
12 termination on a particular instrument.

13 “[~~(13)~~] **(15)** ‘Local government’ has the meaning given that term in ORS
14 190.710.

15 “[~~(14)~~] **(16)** ‘Multiline telephone system’ means a communications system,
16 including network, premises-based, PBX, hybrid and key telephone systems,
17 that offers two or more telephone exchange access lines and consists of a
18 common control unit, instruments, control hardware and software and ad-
19 junct systems installed at a subscriber’s premises to support the 9-1-1 emer-
20 gency reporting system.

21 “[~~(15)~~] **(17)** ‘Prepaid wireless telecommunications service’ means a tele-
22 communications service that provides the right to use mobile wireless service
23 as well as other nontelecommunications services including content, ancillary
24 services and the download of digital products delivered electronically that
25 must be paid for in advance, and that is sold in predetermined units or dol-
26 lars.

27 “[~~(16)~~] **(18)** ‘Provider’ means a utility or other vendor or supplier of tele-
28 communications service or equipment that provides telecommunications with
29 access to the 9-1-1 emergency reporting system through local exchange ser-
30 vice, cellular service or other wired or wireless means.

1 “[(17)] (19) ‘Public or private safety agency’ means any unit of state or
2 local government, a special-purpose district or a private firm that provides
3 or has authority to provide fire-fighting, police, ambulance or emergency
4 medical services.

5 “[(18)] (20) ‘Public safety answering point’ means a 24-hour communi-
6 cations facility established as an answering location for 9-1-1 calls originat-
7 ing within a given service area. A ‘primary public safety answering point’
8 receives all calls directly from the public. A ‘secondary public safety an-
9 swering point’ only receives calls from a primary public safety answering
10 point on a transfer or relay basis.

11 “(21) ‘Retail transaction’ means each individual purchase, associ-
12 ated with an individual access number or capable of being associated
13 with an individual access number, of prepaid wireless telecommuni-
14 cations service from a seller for any purpose other than resale.

15 “(22) ‘Seller’ means a person that sells prepaid wireless telecom-
16 munications service or access to prepaid wireless telecommunications
17 service to a consumer.

18 “[(19)] (23) ‘Subscriber’ means a person [*who*] **that** has telecommunication
19 access to the 9-1-1 emergency reporting system through local exchange ser-
20 vice, cellular service or other wired or wireless means. ‘Subscriber’ **does**
21 **not include a person that uses prepaid wireless telecommunications**
22 **service.**

23 “[(20)] (24) ‘TTY’ means a telephone-typewriter used by an individual with
24 a hearing or speech impairment to communicate with another device or in-
25 dividual.

26 “[(21)] (25) ‘Utility’ means a utility, as defined in ORS 759.005, a tele-
27 communications carrier, as defined in ORS 133.721, a municipality or any
28 provider of exchange access services.

29 “[(22)] (26) ‘Vendor’ means a person providing telephone customer prem-
30 ises equipment or equipment specific to the operation of enhanced 9-1-1

1 telephone service.

2 “[23] (27) ‘Wireless telecommunications service’ means commercial mo-
3 bile radio service, as defined in 47 C.F.R. 20.3.

4 “[24] (28) ‘9-1-1 emergency reporting system’ means a telephone service
5 that provides the users of a public telephone system the ability to reach a
6 primary public safety answering point by calling 9-1-1.

7 “[25] (29) ‘9-1-1 jurisdiction’ means:

8 “(a) An entity created under ORS chapter 190;

9 “(b) A county service district established under ORS chapter 451 to pro-
10 vide an emergency communications system;

11 “(c) An emergency communications district created under ORS 403.300 to
12 403.380; or

13 “(d) A group of public or private safety agencies who have agreed in
14 writing to jointly plan the installation, maintenance, operation or improve-
15 ment of a 9-1-1 emergency reporting system.

16 “[26] (30) ‘9-1-1 service area’ means the geographical area that contains
17 the entire central office serving area from which the primary public safety
18 answering point will have the capability to answer calls placed to 9-1-1.

19 **“SECTION 2.** ORS 403.110 is amended to read:

20 “403.110. (1) A provider or a 9-1-1 jurisdiction or the employees or agents
21 of a provider or a 9-1-1 jurisdiction may be held civilly liable for the instal-
22 lation, performance, provision or maintenance of a 9-1-1 emergency reporting
23 system or enhanced 9-1-1 telephone service if the provider or the 9-1-1 juris-
24 diction or the employees or agents of the provider or the 9-1-1 jurisdiction
25 act with willful or wanton conduct. This section does not affect any liability
26 a 9-1-1 jurisdiction may have for operator or operator-supervisor negligence
27 in receiving calls from the public and dispatching emergency services to the
28 public.

29 **“(2) A provider or seller is not liable for damages that result from**
30 **providing or failing to provide access to the 9-1-1 emergency reporting**

1 **system or from identifying or failing to identify the telephone number,**
2 **address, location or name associated with any person or device ac-**
3 **cessing or attempting to access the 9-1-1 emergency reporting system.**

4 **“SECTION 2a. The amendments to ORS 403.105 and 403.110 by**
5 **sections 1a and 2 apply to telecommunications service or intercon-**
6 **ected Voice over Internet Protocol service, as defined in ORS 403.105,**
7 **provided on or after October 1, 2015.**

8 **“SECTION 3. ORS 403.200 is amended to read:**

9 “403.200. (1) There is imposed on each paying retail subscriber who has
10 telecommunication services with access to the 9-1-1 emergency reporting
11 system a tax equal to 75 cents per month. The tax must be applied on a
12 telecommunications circuit designated for a particular subscriber. One sub-
13 scriber line must be counted for each circuit that is capable of generating
14 usage on the line side of the switched network regardless of the quantity or
15 ownership of customer premises equipment connected to each circuit. For
16 providers of central office based services, the tax must be applied to each
17 line that has unrestricted connection to the switched network. Those central
18 office based service lines that have restricted connection to the switched
19 network must be charged based on software design in the central office that
20 restricts the number of station calls to and from the network. For cellular,
21 wireless or other radio common carriers, the tax applies on a per instrument
22 basis and only if the subscriber’s place of primary use, as defined and de-
23 termined under 4 U.S.C. 116 to 126, is within this state.

24 “(2) The subscriber is liable for the tax imposed by this section.

25 “(3) The amounts of tax collected by the provider are considered as pay-
26 ment by the subscriber for that amount of tax.

27 “(4) Any return made by the provider collecting the tax must be accepted
28 by the Department of Revenue as evidence of payments by the subscriber of
29 amounts of tax so indicated upon the return.

30 **“(5) The tax imposed under subsection (1) of this section does not**

1 **apply to prepaid wireless telecommunications service provided on or**
2 **after January 1, 2015.**

3 **“SECTION 3a.** ORS 403.200, as amended by section 3 of this 2014 Act, is
4 amended to read:

5 “403.200. (1) There is imposed on each **consumer or** paying retail sub-
6 scriber who has [*telecommunication services*] **telecommunications service**
7 **or interconnected Voice over Internet Protocol service**, with access to
8 the 9-1-1 emergency reporting system a tax equal to 75 cents per month **or,**
9 **for prepaid wireless telecommunications service, 75 cents per retail**
10 **transaction.** The tax must be applied on a telecommunications circuit des-
11 ignated for a particular **consumer or** subscriber. One **consumer or** sub-
12 scriber line must be counted for each circuit that is capable of generating
13 usage on the line side of the switched network regardless of the quantity or
14 ownership of customer premises equipment connected to each circuit. For
15 providers of central office based services, the tax must be applied to each
16 line that has unrestricted connection to the switched network. Those central
17 office based service lines that have restricted connection to the switched
18 network must be charged based on software design in the central office that
19 restricts the number of station calls to and from the network. For cellular,
20 wireless or other radio common carriers, the tax applies **to a subscriber** on
21 a per instrument basis and only if the subscriber’s place of primary use, as
22 defined [*and determined*] under 4 U.S.C. [*116 to 126*] **124**, is within this state.

23 “(2) The **consumer or** subscriber is liable for the tax imposed by this
24 section.

25 “(3) The amounts of tax collected by the provider **or seller** are considered
26 as payment by the **consumer or** subscriber for that amount of tax.

27 “(4) **The tax imposed under this section, as it applies to prepaid**
28 **wireless telecommunications service, shall be collected by the seller**
29 **from the consumer with respect to each retail transaction occurring**
30 **in this state. The amount of the tax shall be separately stated on an**

1 **invoice, receipt or other similar document that the seller provides to**
2 **the consumer, or shall be otherwise disclosed to the consumer.**

3 **“(5) For purposes of this section, a retail transaction:**

4 **“(a) Occurs in this state if it is made in person by a consumer at**
5 **a business location of the seller;**

6 **“(b) If not made in person by a consumer at a business location of**
7 **the seller, occurs in this state if the consumer’s shipping address,**
8 **payment instrument billing address, or other address provided by the**
9 **consumer for purposes of the transaction, is in this state; or**

10 **“(c) If insufficient information exists to determine whether para-**
11 **graph (a) or (b) of this subsection is accurate, occurs in this state if**
12 **the consumer’s prepaid wireless telephone number is associated with**
13 **an Oregon location.**

14 **“[(4)] (6) Any return made by the provider or seller collecting the tax**
15 **must be accepted by the Department of Revenue as evidence of payments by**
16 **the consumer or subscriber of amounts of tax so indicated upon the return.**

17 *“(5) The tax imposed under subsection (1) of this section does not apply to*
18 *prepaid wireless telecommunications service provided on or after January 1,*
19 *2015.]*

20 **“SECTION 4. ORS 403.210 is amended to read:**

21 **“403.210. Every provider or seller responsible for the collection of the tax**
22 **imposed by ORS 403.200 to 403.230 shall keep records, render statements,**
23 **make returns and comply with rules adopted by the Department of Revenue**
24 **with respect to the tax. Whenever in the judgment of the department it is**
25 **necessary, the department may require the provider, seller, consumer or**
26 **subscriber, by notice served upon that person by first-class mail, to make**
27 **returns, render statements or keep records sufficient to show whether there**
28 **is tax liability under ORS 403.200 to 403.230.**

29 **“SECTION 5. ORS 403.215 is amended to read:**

30 **“403.215. (1) The provider or seller is responsible for collecting the tax**

1 under ORS 403.200 and shall file a return with the Department of Revenue
2 on or before the last day of the month following the end of each calendar
3 quarter, reporting the amount of tax due for access to the 9-1-1 emergency
4 reporting system during the quarter. The department shall prescribe the form
5 of the return required by this section and ORS 403.210. The rules of the de-
6 partment must require that returns be made under penalties for false swear-
7 ing.

8 “(2) When a return of the tax is required under ORS 403.210 or subsection
9 (1) of this section, the provider **or seller** required to make the return shall
10 remit the tax due to the department at the time fixed for filing the return.

11 “(3) A provider **or seller** described in subsection (1) of this section may
12 elect to pay the tax based on either of the following:

13 “(a) The amount of tax actually collected during the quarter; or

14 “(b) The net amount of tax billed during the quarter. The net amount
15 billed equals the gross amount of tax billed less adjustments for uncollectible
16 accounts, refunds, incorrect billings and other appropriate adjustments.

17 “(4) Once a provider **or seller** has made an election under subsection (3)
18 of this section, the provider **or seller** may not change the method of payment
19 and reporting unless the provider **or seller** first obtains the permission of
20 the department.

21 **“SECTION 5a. (1) For the purpose of compensating sellers for ex-**
22 **penses incurred in collecting the tax imposed under ORS 403.200, each**
23 **seller is permitted to deduct and retain two percent of the amount of**
24 **taxes that are collected by the seller from all retail transactions con-**
25 **ducted by the seller in this state.**

26 **“(2) Subsection (1) of this section applies to retail transactions**
27 **made on or after October 1, 2015, and before January 1, 2022.**

28 **“SECTION 6.** ORS 403.220 is amended to read:

29 **“403.220. (1) If the amount paid by the provider **or seller** to the Depart-**
30 **ment of Revenue under ORS 403.215 exceeds the amount of tax payable, the**

1 department shall refund the amount of the excess with interest thereon at
2 the rate established under ORS 305.220 for each month or fraction of a month
3 from the date of payment of the excess until the date of the refund. The de-
4 partment may not make a refund to a provider **or seller** who fails to claim
5 the refund within two years after the due date for filing of the return with
6 respect to which the claim for refund relates.

7 “(2) A **consumer or** subscriber’s exclusive remedy in a dispute involving
8 tax liability is to file a claim with the department.

9 **“SECTION 7.** ORS 403.225 is amended to read:

10 “403.225. (1) Every provider **or seller** required to collect the tax imposed
11 by ORS 403.200 to 403.230 is deemed to hold the same in trust for the State
12 of Oregon and for the payment thereof to the Department of Revenue in the
13 manner and at the time provided by ORS 403.215.

14 “(2) If the provider **or seller** required to collect the tax fails to remit any
15 amount deemed to be held in trust for the State of Oregon or if the **con-**
16 **sumer or** subscriber fails to pay the tax, the department may enforce col-
17 lection by the issuance of a distraint warrant for the collection of the
18 delinquent amount and all penalties, interest and collection charges accrued
19 thereon. The warrant is issued and proceeded upon in the same manner and
20 has the same force and effect as is prescribed with respect to warrants for
21 the collection of delinquent income taxes.

22 **“SECTION 8.** ORS 403.230 is amended to read:

23 “403.230. (1) Unless the context requires otherwise, the provisions of ORS
24 chapters 305, 314 and 316 as to the audit and examination of reports and
25 returns, determination of deficiencies, assessments, claims for refunds, pen-
26 alties, interest, jeopardy assessments, warrants, conferences and appeals to
27 the Oregon Tax Court, and procedures relating thereto, apply to ORS 403.200
28 to 403.230 the same as if the tax were a tax imposed upon or measured by
29 net income. The provisions apply to the **consumer or** subscriber liable for
30 the tax and to the provider **or seller** required to collect the tax. As to any

1 amount collected and required to be remitted to the Department of Revenue,
2 the tax is considered a tax upon the provider **or seller** required to collect
3 the tax and that provider **or seller** is considered a taxpayer.

4 “(2) Notwithstanding ORS 314.835 and 314.840, the Department of Revenue
5 may disclose information received under ORS 403.200 to 403.230 to the Public
6 Utility Commission to carry out the provisions of chapter 290, Oregon Laws
7 1987.

8 “(3) The Public Utility Commission may disclose information obtained
9 pursuant to chapter 290, Oregon Laws 1987, to the Department of Revenue
10 to administer the tax imposed under ORS 403.200 to 403.230.

11 **“SECTION 8a. The amendments to statutes by sections 3a to 5 and**
12 **6 to 8 apply to telecommunications service or interconnected Voice**
13 **over Internet Protocol service, as defined in ORS 403.105, provided on**
14 **or after October 1, 2015.**

15 **“SECTION 9.** Section 4, chapter 5, Oregon Laws 2002 (first special ses-
16 sion), as amended by section 1, chapter 4, Oregon Laws 2002 (third special
17 session), section 1, chapter 629, Oregon Laws 2007, and section 1, chapter 749,
18 Oregon Laws 2013, is amended to read:

19 **“Sec. 4.** Taxes imposed under ORS 403.200 apply to subscriber bills issued
20 on or after January 1, 2002, and before January 1, 2022, **and to retail**
21 **transactions made on or after October 1, 2015, and before January 1,**
22 **2022.**

23 **“SECTION 10.** Sections 5a, 11 to 13 and 13b of this 2014 Act are
24 **added to and made a part of ORS 403.200 to 403.230.**

25 **“SECTION 11.** The Legislative Assembly finds and declares that:

26 **“(1) ORS 403.200 to 403.230, as those sections were amended and in**
27 **effect prior to the effective date of this 2014 Act, imposed a tax under**
28 **ORS 403.200 equally on all forms of wireless telecommunications ser-**
29 **vice and on other types of telecommunications service;**

30 **“(2) Sections 5a, 11a, 12 and 13 of this 2014 Act and the amendments**

1 to ORS 403.105, 403.110, 403.200, 403.210, 403.215, 403.220, 403.225, 403.230
2 and 403.240 and section 4, chapter 5, Oregon Laws 2002 (first special
3 session), by sections 1 to 2, 3 to 5, 6 to 8, 9 and 14 of this 2014 Act do
4 not have retroactive application to periods before the effective date
5 of this 2014 Act; and

6 “(3) The intent of the Legislative Assembly in enacting this 2014
7 Act is to facilitate administration of collection of taxes under ORS
8 403.200 to 403.230.

9 “SECTION 11a. (1) There is imposed on each provider of prepaid
10 wireless telecommunications service a transitional 9-1-1 tax for each
11 customer of prepaid wireless telecommunications service equal to 75
12 cents per month for each customer with a mobile telephone number
13 associated with an Oregon location.

14 “(2) The amount of the tax to be paid by a provider subject to sub-
15 section (1) of this section shall be determined using one of the follow-
16 ing two methods, as elected by the provider:

17 “(a) The provider shall remit the tax specified in subsection (1) of
18 this section for each customer whose account balance on the last day
19 of the month is equal to or greater than the amount of the tax speci-
20 fied in subsection (1) of this section; or

21 “(b) The provider shall divide its total earned monthly prepaid
22 wireless telecommunications service revenue in Oregon for all cus-
23 tomers by \$50 and multiply the quotient by the amount of the tax
24 imposed under subsection (1) of this section.

25 “(3) The provider shall remit all amounts owed under this section
26 to the Department of Revenue on or before the last day of the month
27 following the calendar quarter for which the amount has been deter-
28 mined.

29 “(4) The department may adopt rules to implement the provisions
30 of this section, including rules that define terms consistently with the

1 provisions of this section.

2 “(5) As used in this section, ‘provider’ is limited to a provider of
3 prepaid wireless telecommunications service.

4 **“SECTION 11b.** Section 11a of this 2014 Act applies to providers of
5 prepaid wireless telecommunications service provided on and after
6 January 1, 2015, and before October 1, 2015.

7 **“SECTION 12.** Any consumer subject to the tax imposed under ORS
8 403.200 and from whom the tax has not been collected shall, on or be-
9 fore the 20th day of the month following the close of the calendar year
10 in which the tax is due, file with the Department of Revenue a report
11 of the amount of tax due from the consumer in the preceding tax year
12 in the detail and form as prescribed by the department, submitting
13 with the report the amount of tax due.

14 **“SECTION 13.** The Department of Revenue shall establish by rule
15 policies and procedures for the administration of the provisions of ORS
16 403.200 to 403.230, including policies and procedures for the collection
17 of the tax imposed under ORS 403.200 by providers required to collect
18 the tax imposed on interconnected Voice over Internet Protocol ser-
19 vice.

20 **“SECTION 13a.** Sections 12 and 13 of this 2014 Act apply to tele-
21 communications service or interconnected Voice over Internet Proto-
22 col service, as defined in ORS 403.105, provided on or after October 1,
23 2015.

24 **“SECTION 13b.** On or before February 15, 2017, the Department of
25 Revenue shall report to a committee of the Legislative Assembly re-
26 lated to revenue regarding the collection at retail transactions of the
27 taxes imposed under ORS 403.200 to 403.230. The report shall detail the
28 effectiveness of the provisions of ORS 403.200 to 403.230, as enforced
29 by the department, in collecting the required tax from all consumers
30 and subscribers with access to the 9-1-1 emergency reporting system.

1 **The department shall include in the report an estimate of the amount**
2 **of revenue received by the department on or after October 1, 2015, that**
3 **is attributable to the operation of sections 5a, 12 and 13 of this 2014**
4 **Act and the amendments to ORS 403.105, 403.110, 403.200, 403.210,**
5 **403.215, 403.220, 403.225, 403.230 and 403.240 and section 4, chapter 5,**
6 **Oregon Laws 2002 (first special session), by sections 1 to 2, 3a to 5 and**
7 **6 to 8, 9 and 14 of this 2014 Act.**

8 **“SECTION 14.** ORS 403.240 is amended to read:

9 “403.240. (1) The Office of Emergency Management shall distribute quar-
10 terly the entire amount of the moneys in the Emergency Communications
11 Account. The office shall pay the following amounts from the account:

12 “(a) Administrative costs incurred during the preceding calendar quarter
13 by the Department of Revenue in carrying out ORS 403.200 to 403.230 in an
14 amount that does not exceed [*one-half of*] one percent of the amount in the
15 account on the date of distribution, or actual expenses incurred by the de-
16 partment, whichever is less.

17 “(b) Administrative costs to be incurred during the calendar quarter by
18 the Office of Emergency Management in carrying out its duties under ORS
19 305.823 and 403.105 to 403.250. The amount to be paid under this paragraph
20 may not exceed four percent of the amount in the account on the date of
21 distribution, and, on or before the next date of distribution, the office shall
22 repay to the account any amount received under this paragraph that exceeds
23 the actual expenses incurred by the office in the quarter.

24 “(2) The office may:

25 “(a) Provide funding for the Oregon Emergency Response System in an
26 amount that does not exceed 15 percent of the legislatively approved budget
27 for the Oregon Emergency Response System subject to availability of funds
28 within the limit for administrative costs in subsection (1)(b) of this section.

29 “(b) Prescribe the manner in which funding is provided to the Oregon
30 Emergency Response System under this subsection.

1 “(3) The office shall use funds in the Enhanced 9-1-1 Subaccount to pay
2 for costs incurred during the preceding calendar quarter for enhanced 9-1-1
3 telephone service established pursuant to ORS 403.115. The office may not
4 disburse funds in the Enhanced 9-1-1 Subaccount to a 9-1-1 jurisdiction that
5 does not have an approved final plan as required in section 7, chapter 743,
6 Oregon Laws 1991. The office shall make payments for reimbursement only
7 after a reimbursement request has been submitted to the office in the manner
8 prescribed by the office. Reimbursement requests for recurring and nonre-
9 ccurring charges necessary to enable the 9-1-1 jurisdiction to comply with
10 ORS 403.115 must be submitted directly to the office. The costs reimbursable
11 under this subsection are only those incurred for:

- 12 “(a) Modification of central office switching and trunking equipment;
- 13 “(b) Network development, operation and maintenance;
- 14 “(c) Database development, operation and maintenance;
- 15 “(d) On-premises equipment procurement, maintenance and replacement;
- 16 “(e) Conversion of pay station telephones required by ORS 403.140;
- 17 “(f) Collection of the tax imposed by ORS 403.200 to 403.230; and
- 18 “(g) Addressing if the reimbursement request is consistent with rules
19 adopted by the office.

20 “(4) Subject to availability of funds, the office shall provide funding to
21 9-1-1 jurisdictions that have enhanced 9-1-1 telephone service operational
22 prior to December 31, 1991, based on cost information provided in their final
23 plan required in section 7, chapter 743, Oregon Laws 1991. The office shall
24 approve final plans submitted that meet the minimum requirements set forth
25 in ORS 403.115 (2) and (4). The office shall limit funding for costs incurred
26 prior to the preceding calendar quarter to charges associated with database
27 development, network and on-premises equipment that satisfies the require-
28 ments of ORS 403.115 (2) and (4). The office shall prescribe the manner in
29 which funding is provided under this subsection.

30 “(5) 9-1-1 jurisdictions may use funds distributed to the jurisdiction from

1 any account described in ORS 403.235 to repay loans from the Special Public
2 Works Fund if the loans were used for purposes that are allowable under
3 ORS 403.105 to 403.250.

4 “(6) The office shall retain amounts remaining in the Enhanced 9-1-1
5 Subaccount and may distribute the amounts in a subsequent quarter for
6 those purposes set forth in subsections (3), (4) and (5) of this section.

7 “(7) The office shall review reimbursement requests for modification of
8 central office switching and trunking equipment, conversion of pay station
9 telephones, and network development, operation and maintenance costs nec-
10 essary to comply with ORS 403.115 for the appropriateness of the costs
11 claimed. The office shall approve or disapprove the reimbursement requests.

12 “(8) The office shall review reimbursement requests for database develop-
13 ment, operation and maintenance, and on-premises equipment procurement,
14 maintenance and replacement costs necessary to comply with ORS 403.115 for
15 the appropriateness of the costs claimed.

16 “(9) After all amounts under subsections (1) and (2) of this section and
17 ORS 403.235 (2) have been paid, the office shall allocate the balance of the
18 Emergency Communications Account to cities on a per capita basis and to
19 counties on a per capita basis of each county’s unincorporated area for dis-
20 tribution directly to 9-1-1 jurisdictions as directed by the city or county.
21 However, each county must be credited a minimum of one percent of the
22 balance of the account after the amounts under subsections (1) and (2) of this
23 section and ORS 403.235 (2) have been paid.

24 “(10) 9-1-1 jurisdictions shall submit an accounting report to the office
25 annually. The report must be provided in the manner prescribed by the office
26 and must include but not be limited to:

27 “(a) Funds received and expended under subsection (9) of this section for
28 the purposes of fulfilling the requirements of ORS 403.115;

29 “(b) Local funds received and expended for the purposes of fulfilling the
30 requirements of ORS 403.115; and

1 “(c) Local funds received and expended for the purposes of providing
2 emergency communications services.

3 “**SECTION 15. The amendments to ORS 403.240 by section 14 of this**
4 **2014 Act apply to calendar quarters ending on or after the effective**
5 **date of this 2014 Act.**

6 “**SECTION 16. This 2014 Act takes effect on the 91st day after the**
7 **date on which the 2014 regular session of the Seventy-seventh Legis-**
8 **lative Assembly adjourns sine die.”.**

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