

April 13th, 2015

Honorable Phil Barnhart
Chair, House Revenue Committee
900 Court St. NE, H-279
Salem, Oregon 97301

RE: Opposition to House Bill 2351, 9-1-1 Fee Increase

Dear Chair Barnhart,

On behalf of CTIA-The Wireless Association®, the trade association for the wireless communications industry, I am writing to respectfully oppose House Bill 2351 related to increasing the state's 9-1-1 fee from 75-cents to \$1.25. For the reasons described herein, House Bill 2351 is harmful to wireless consumers, would make Oregon's 9-1-1 fee one of the highest in the country and also remains unjustified.

House Bill 2351 would increase the 9-1-1 fee on both "traditional" postpaid wireless consumers and prepaid wireless consumers from 75-cents to \$1.25 per month or per retail transaction in the case of prepaid wireless. We are concerned that increasing the 9-1-1 fee to \$1.25 would make Oregon's statewide 9-1-1 fee the ninth highest in the nation and the highest in the Pacific Northwest.¹

House Bill 2351 would also lead to higher fees for consumers, especially low- and moderate-income consumers who increasingly take advantage of affordable "family share" plans with multiple wireless phones on the same monthly bill. For example, under House Bill 2351, a family with 4 wireless phones would see their 9-1-1 fees increase from the current \$3 per month to \$5 per month, in 9-1-1 fees alone.

Furthermore, it is even more troublesome that no justification has been provided as to why House Bill 2351 is needed. According to reports provided to Congress by the Federal Communications Commission (FCC), Oregon has collected 9-1-1 revenues around \$39 million consistently over the last four years.² Additionally, this same report also notes that Oregon has used 9-1-1 revenues for non-9-1-1 purposes in 2009, 2010 and 2011.³ Should Oregon need funding beyond the allowable costs for a functioning 9-1-1 system, we would respectfully submit

¹ "911 Surcharge – User Fee By State," The National Emergency Number Association (NENA), <https://www.nena.org/?page=911RateByState>, last accessed 4/12/2015.

² "FCC Sixth Annual Report to Congress On State Collection and Distribution of 911 and Enhanced 911 Fee and Charges," December 31st, 2014, http://transition.fcc.gov/pshs/911/Net%20911/NET911_Act_6thReport_to_Congress_123014.pdf, last accessed 4/12/2015.

³ *Ibid.*

the State should raise funds from broad-based local taxes or ask the legislature for funding from General Revenue as these costs should be borne by all citizens, not one segment of industry.

In closing, for the all the reasons described herein, we strongly urge the Committee to reject House Bill 2351.

Sincerely,

A handwritten signature in cursive script that reads "Bethanne Cooley".

Bethanne Cooley
Director, State Legislative Affairs
CTIA-The Wireless Association ®