

HB 2091 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

Prepared By: Patrick Brennan, LPRO Analyst

Meeting Dates: 4/24

WHAT THE MEASURE DOES:

Authorizes the Public Utility Commission to use moneys from the universal service fund to encourage broadband service availability and to provide support to telecommunications carriers that provide both basic telephone service and broadband service. Limits universal service surcharge to 8.5 percent of sale of retail telecommunications service. Takes effect on 91st day following adjournment sine die.

FISCAL: No fiscal impact

REVENUE: Minimal revenue impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 199, the Legislative Assembly directed the Public Utility Commission (PUC) to create and implement the Oregon Universal Service (OUS) Fund and to impose a surcharge on all retail telecommunications services in the state to provide moneys for the Fund. The OUS Fund supports local telephone companies that provide basic telephone service in rural areas that represent a high cost for service provision for providers, so as to ensure that basic telephone service is available at comparable and affordable rates across Oregon.

House Bill 2091-A allows PUC to use moneys from the OUS Fund to encourage the availability of broadband service availability, beginning on July 1, 2017. The measure limits the amount of the surcharge to a maximum of 8.5 percent of the sale of retail telecommunications service.

HOUSE VOTE: 59-0