

June 7, 2017

Joint Committee on Transportation Preservation and Modernization  
Co-Chairs Senator Lee Beyer and Representative Caddy McKeown

Re: Franchise Fees in HB 2017 -3

Co-Chairs Beyer and McKeown and Members of the Committee,

We are writing as a coalition of utilities, cable, and telecommunication companies who pay franchise fees for operating within a city. We do not take a position on HB 2017 -3. However, we are deeply concerned that language embedded in Section 8(1)(b) would unintentionally enable the Oregon Transportation Commission to levy additional franchise fees on utilities and telecommunication providers in connection with the long-standing practice of siting utility poles, wires, pipelines, and similar facilities in state rights-of-way.

Under ORS 221.420, cities may impose and collect gross receipts privilege taxes and fees on public and telecommunication utilities for the use of streets and highways. Collectively, we pay billions to cities across the State of Oregon.

It is our understanding that the language in Section 8(1)(b) was not intended to authorize additional franchise fees. If our understanding is correct, we request clarifying language that specifically prohibits the imposition of any new franchise fee as a result of this legislation.

We appreciate your prompt attention to this issue.

Thank you,

Danelle Romain, Oregon People's Utility District Association (OPUDA)

Ted Case, Oregon Rural Electric Cooperative Association (ORECA)

Sania Radcliffe, Portland General Electric (PGE)

Annette Price, Pacific Power

Tre Hendricks, CenturyLink

Gary Bauer and Bruce Anderson, NW Natural

Mark Landauer, Special Districts Association of Oregon (SDAO)

Mike Dewey, Oregon Cable Telecommunications Association

Evyan Andries, Idaho Power Company