

Enrolled
House Bill 3268

Sponsored by Representatives KENY-GUYER, PILUSO, Senator BOQUIST; Representative MALSTROM, Senator MONNES ANDERSON

CHAPTER

AN ACT

Relating to telecommunications; creating new provisions; and amending sections 7 and 16, chapter 290, Oregon Laws 1987.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section, “the plan of assistance” means the plan of assistance established by the Public Utility Commission under section 6, chapter 290, Oregon Laws 1987.

(2) The Oregon Telephone Assistance Program Advisory Committee is established as an advisory committee to the commission for the purposes described in subsection (4) of this section.

(3) The committee consists of the following nine members appointed by the Governor:

(a) A person who represents the Public Utility Commission who is knowledgeable about telecommunications;

(b) A person who represents the Citizens’ Utility Board;

(c) A person who represents the Oregon Health Authority;

(d) A person who represents telecommunications carriers, including cellular phone carriers;

(e) A person who represents coordinated care organizations, as defined in ORS 414.025;

(f) A person who represents individuals who are homeless;

(g) A person who represents individuals who are deaf, deaf-blind or hard of hearing;

(h) A person who is a low income customer who receives assistance under section 6, chapter 290, Oregon Laws 1987; and

(i) A resident of this state with a background in marketing and outreach.

(4) The committee shall:

(a) Establish goals for participation by low income customers in the plan of assistance;

(b) Advise the commission on the eligibility process for participating in the plan of assistance;

(c) Advise the commission on the regulation of the plan of assistance, including:

(A) Advice on streamlining eligibility processes;

(B) Advice on improving handset activations;

(C) Advice on use of Social Security numbers and other identifying documents; and

(D) Advice on use of a comprehensive human services outreach approach to encourage participation in the plan of assistance;

(d) Review the participation rates in programs offered by other states that are similar to the plan of assistance, particularly programs that have a higher participation rate than the plan of assistance;

(e) Develop a strategic plan to increase the participation rate in the plan of assistance;

(f) Annually review the participation rate in the plan of assistance and any annual increase in the participation rate in the plan of assistance; and

(g) Make recommendations as to the use of available funds for the following activities:

(A) Marketing and outreach;

(B) Developing partnerships with low income constituency groups; and

(C) Coordinating with state agencies that serve the low income customers eligible to participate in the plan of assistance.

(5) A majority of the members of the committee constitutes a quorum for the transaction of business.

(6) Official action by the committee requires the approval of a majority of the members of the committee.

(7) The committee shall elect one of its members to serve as chairperson.

(8) The term of office of each member of the committee is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 1 of the following year. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

(9) The committee shall meet at times and places specified by the call of the chairperson or of a majority of the members of the committee.

(10) The committee shall adopt rules necessary for the operation of the committee.

(11) Members of the committee are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses shall be paid out of funds appropriated to the commission for purposes of the committee.

(12) The commission shall provide staff support and perform other services for the committee as is necessary for the effective operation of the committee.

SECTION 2. (1) From moneys collected as a surcharge under section 7, chapter 290, Oregon Laws 1987, the Public Utility Commission shall expend moneys on marketing and outreach activities as is necessary to increase the participation rate in the plan of assistance established by the commission under section 6, chapter 290, Oregon Laws 1987.

(2) The Oregon Telephone Assistance Program Advisory Committee established under section 1 of this 2017 Act will annually review use of moneys collected as a surcharge under section 7, chapter 290, Oregon Laws 1987, and make recommendations to the commission on the amount of moneys to expend on marketing and outreach activities.

(3) Notwithstanding subsections (1) and (2) of this section, moneys expended on marketing and outreach activities under this section may not exceed 15 percent of moneys collected as a surcharge under section 7, chapter 290, Oregon Laws 1987.

(4) A coordinated care organization, as defined in ORS 414.025, may not directly receive moneys expended under this section.

SECTION 3. Section 7, chapter 290, Oregon Laws 1987, as amended by section 2, chapter 622, Oregon Laws 1991, section 8, chapter 872, Oregon Laws 1991, section 1, chapter 231, Oregon Laws 1993, section 387, chapter 79, Oregon Laws 1995, section 1, chapter 451, Oregon Laws 1995, section 2, chapter 408, Oregon Laws 2001, and section 1, chapter 78, Oregon Laws 2011, is amended to read:

Sec. 7. (1) In order to fund the [programs provided in sections 2 to 6 and] **program described in sections 9 to 14**, chapter 290, Oregon Laws 1987, the Public Utility Commission shall develop and implement a system for assessing a surcharge in an amount not to exceed 35 cents per month against each paying retail subscriber who has telecommunications service with access to the tele-

communications relay service. The surcharge shall be applied on a telecommunications circuit designated for a particular subscriber. One subscriber line shall be counted for each circuit that is capable of generating usage on the line side of the switched network regardless of the quantity of customer premises equipment connected to each circuit. For providers of central office based services, the surcharge shall be applied to each line that has unrestricted connection to the telecommunications relay service. These central office based service lines that have restricted access to the telecommunications relay service shall be charged based on software design. For cellular, wireless or other radio common carriers, the surcharge shall be applied on a per instrument basis, but applies only to subscribers whose place of primary use, as defined and determined under 4 U.S.C. 116 to 126, is within this state.

(2) The surcharge imposed by subsection (1) of this section does not apply to:

(a) Services upon which the state is prohibited from imposing the surcharge by the Constitution or laws of the United States or the Constitution or laws of the State of Oregon.

(b) Interconnection between telecommunications utilities, telecommunications cooperatives, competitive telecommunications services providers certified pursuant to ORS 759.020, radio common carriers and interexchange carriers.

(3) The commission annually shall review the surcharge and the balance in the Residential Service Protection Fund and may make adjustments to the amount of the surcharge to ensure that the fund has adequate resources but that the fund balance does not exceed six months of projected expenses.

(4) Moneys collected pursuant to the surcharge shall not be considered in any proceeding to establish rates for telecommunication service.

(5) The commission shall direct telecommunications public utilities to identify separately in bills to customers for service the surcharge imposed pursuant to this section.

(6) Notwithstanding ORS 314.835 and 314.840, the Department of Revenue may disclose information received under ORS 403.200 to 403.230 to the Public Utility Commission to carry out the provisions of **sections 9 to 14**, chapter 290, Oregon Laws 1987.

(7) The Public Utility Commission may disclose information obtained pursuant to **sections 9 to 14**, chapter 290, Oregon Laws 1987, to the Department of Revenue to administer the tax imposed under ORS 403.200 to 403.230.

SECTION 4. Section 16, chapter 290, Oregon Laws 1987, as amended by section 4, chapter 622, Oregon Laws 1991, section 1, chapter 481, Oregon Laws 1997, section 1, chapter 408, Oregon Laws 2001, and section 1, chapter 544, Oregon Laws 2009, is amended to read:

Sec. 16. [*Chapter 290, Oregon Laws 1987, is repealed January 1, 2020.*]

(1)(a) Sections 1, 2, 3, 4, 5 and 15, chapter 290, Oregon Laws 1987, are repealed on January 1, 2023.

(b) Section 6, chapter 290, Oregon Laws 1987, as amended by section 1, chapter 622, Oregon Laws 1991, section 1, chapter 29, Oregon Laws 2007, section 25, chapter 599, Oregon Laws 2009, section 1, chapter 77, Oregon Laws 2011, and section 1, chapter 29, Oregon Laws 2013, is repealed on January 1, 2023.

(c) Section 2, chapter 204, Oregon Laws 2005, as amended by section 359, chapter 70, Oregon Laws 2007, is repealed on January 1, 2023.

(2) Notwithstanding subsection (1) of this section, if the participation rate in the plan of assistance established by the Public Utility Commission under section 6, chapter 290, Oregon Laws 1987, increases to at least 26 percent between January 1, 2018, and January 1, 2023:

(a) Sections 1, 2, 3, 4, 5 and 15, chapter 290, Oregon Laws 1987, are repealed on January 1, 2030.

(b) Section 6, chapter 290, Oregon Laws 1987, as amended by section 1, chapter 622, Oregon Laws 1991, section 1, chapter 29, Oregon Laws 2007, section 25, chapter 599, Oregon Laws 2009, section 1, chapter 77, Oregon Laws 2011, and section 1, chapter 29, Oregon Laws 2013, is repealed on January 1, 2030.

(c) Section 2, chapter 204, Oregon Laws 2005, as amended by section 359, chapter 70, Oregon Laws 2007, is repealed on January 1, 2030.

SECTION 5. On or before September 30, 2022, the Public Utility Commission shall report to the interim committees of the Legislative Assembly related to health and business the following:

(1) The average annual participation rate in the plan of assistance established by the commission under section 6, chapter 290, Oregon Laws 1987, for 2017, 2018, 2019, 2020, 2021 and 2022;

(2) The annual moneys expended on marketing and outreach activities under section 2 of this 2017 Act during 2017, 2018, 2019, 2020, 2021 and 2022;

(3) A description of marketing and outreach activities funded under section 2 of this 2017 Act and an assessment of the quantitative or qualitative impact of those marketing and outreach activities; and

(4) The amount of benefits provided through the plan of assistance established by the commission under section 6, chapter 290, Oregon Laws 1987, for 2017, 2018, 2019, 2020, 2021 and 2022.

SECTION 6. (1) The amendments to section 7, chapter 290, Oregon Laws 1987, by section 3 of this 2017 Act become operative on January 2, 2023.

(2) Notwithstanding subsection (1) of this section, if the participation rate in the plan of assistance established by the Public Utility Commission under section 6, chapter 290, Oregon Laws 1987, increases to at least 26 percent between January 1, 2018, and January 1, 2023, the amendments to section 7, chapter 290, Oregon Laws 1987, by section 3 of this 2017 Act become operative on January 2, 2030.

Passed by House April 27, 2017

Received by Governor:

Repassed by House June 14, 2017

.....M.,....., 2017

Approved:

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Timothy G. Sekerak, Chief Clerk of House

.....M.,....., 2017

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Tina Kotek, Speaker of House

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Kate Brown, Governor

Passed by Senate June 12, 2017

Filed in Office of Secretary of State:

.....M.,....., 2017

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Peter Courtney, President of Senate

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Dennis Richardson, Secretary of State