

B-Engrossed
House Bill 3268

Ordered by the Senate June 7
Including House Amendments dated April 24 and Senate Amendments
dated June 7

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

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Extends sunset on provisions directing Public Utility Commission to administer programs related to residential telecommunication services, including Oregon Lifeline program.

Repeals sunset on provisions directing commission to administer program related to provision of assistive telecommunications devices and adaptive equipment.

Establishes Oregon Telephone Assistance Program Advisory Committee for purposes of establishing goals for participation by low income customers in Oregon Lifeline program, reviewing participation rate in Oregon Lifeline program and advising commission on aspects of Oregon Lifeline program.

Directs commission to expend moneys collected as surcharge for purposes of administering programs related to residential telecommunication services and provision of assistive telecommunications devices and adaptive equipment, in amount that does not exceed 15 percent of moneys collected, on marketing and outreach activities for purpose of increasing participation rate in Oregon Lifeline program.

A BILL FOR AN ACT

1
2 Relating to telecommunications; creating new provisions; and amending sections 7 and 16, chapter
3 290, Oregon Laws 1987.

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

5 **SECTION 1.** (1) **As used in this section, "the plan of assistance" means the plan of as-**
6 **sistance established by the Public Utility Commission under section 6, chapter 290, Oregon**
7 **Laws 1987.**

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

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

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

14 **(b) A person who represents the Citizens' Utility Board;**

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

16 **(d) A person who represents telecommunications carriers, including cellular phone car-**
17 **riers;**

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

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

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

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

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

4 (4) The committee shall:

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

6 (b) Advise the commission on the eligibility process for participating in the plan of as-
7 sistance;

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

9 (A) Advice on streamlining eligibility processes;

10 (B) Advice on improving handset activations;

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

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

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

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

18 (f) Annually review the participation rate in the plan of assistance and any annual in-
19 crease in the participation rate in the plan of assistance; and

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

21 (A) Marketing and outreach;

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

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

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

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

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

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

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

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

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

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

45 **SECTION 2.** (1) From moneys collected as a surcharge under section 7, chapter 290,

1 **Oregon Laws 1987, the Public Utility Commission shall expend moneys on marketing and**
2 **outreach activities as is necessary to increase the participation rate in the plan of assistance**
3 **established by the commission under section 6, chapter 290, Oregon Laws 1987.**

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

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

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

13 **SECTION 3.** Section 7, chapter 290, Oregon Laws 1987, as amended by section 2, chapter 622,
14 Oregon Laws 1991, section 8, chapter 872, Oregon Laws 1991, section 1, chapter 231, Oregon Laws
15 1993, section 387, chapter 79, Oregon Laws 1995, section 1, chapter 451, Oregon Laws 1995, section
16 2, chapter 408, Oregon Laws 2001, and section 1, chapter 78, Oregon Laws 2011, is amended to read:

17 **Sec. 7.** (1) In order to fund the [*programs provided in sections 2 to 6 and*] **program described**
18 **in sections 9 to 14, chapter 290, Oregon Laws 1987, the Public Utility Commission shall develop and**
19 **implement a system for assessing a surcharge in an amount not to exceed 35 cents per month**
20 **against each paying retail subscriber who has telecommunications service with access to the tele-**
21 **communications relay service. The surcharge shall be applied on a telecommunications circuit des-**
22 **ignated for a particular subscriber. One subscriber line shall be counted for each circuit that is**
23 **capable of generating usage on the line side of the switched network regardless of the quantity of**
24 **customer premises equipment connected to each circuit. For providers of central office based ser-**
25 **vices, the surcharge shall be applied to each line that has unrestricted connection to the telecom-**
26 **munications relay service. These central office based service lines that have restricted access to the**
27 **telecommunications relay service shall be charged based on software design. For cellular, wireless**
28 **or other radio common carriers, the surcharge shall be applied on a per instrument basis, but applies**
29 **only to subscribers whose place of primary use, as defined and determined under 4 U.S.C. 116 to 126,**
30 **is within this state.**

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

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

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

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

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

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

45 (6) Notwithstanding ORS 314.835 and 314.840, the Department of Revenue may disclose infor-

1 mation received under ORS 403.200 to 403.230 to the Public Utility Commission to carry out the
2 provisions of **sections 9 to 14**, chapter 290, Oregon Laws 1987.

3 (7) The Public Utility Commission may disclose information obtained pursuant to **sections 9 to**
4 **14**, chapter 290, Oregon Laws 1987, to the Department of Revenue to administer the tax imposed
5 under ORS 403.200 to 403.230.

6 **SECTION 4.** Section 16, chapter 290, Oregon Laws 1987, as amended by section 4, chapter 622,
7 Oregon Laws 1991, section 1, chapter 481, Oregon Laws 1997, section 1, chapter 408, Oregon Laws
8 2001, and section 1, chapter 544, Oregon Laws 2009, is amended to read:

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

10 (1)(a) **Sections 1, 2, 3, 4, 5 and 15, chapter 290, Oregon Laws 1987, are repealed on January**
11 **1, 2023.**

12 (b) **Section 6, chapter 290, Oregon Laws 1987, as amended by section 1, chapter 622,**
13 **Oregon Laws 1991, section 1, chapter 29, Oregon Laws 2007, section 25, chapter 599, Oregon**
14 **Laws 2009, section 1, chapter 77, Oregon Laws 2011, and section 1, chapter 29, Oregon Laws**
15 **2013, is repealed on January 1, 2023.**

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

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

21 (a) **Sections 1, 2, 3, 4, 5 and 15, chapter 290, Oregon Laws 1987, are repealed on January**
22 **1, 2030.**

23 (b) **Section 6, chapter 290, Oregon Laws 1987, as amended by section 1, chapter 622,**
24 **Oregon Laws 1991, section 1, chapter 29, Oregon Laws 2007, section 25, chapter 599, Oregon**
25 **Laws 2009, section 1, chapter 77, Oregon Laws 2011, and section 1, chapter 29, Oregon Laws**
26 **2013, is repealed on January 1, 2030.**

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

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

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

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

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

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

43 **SECTION 6.** (1) The amendments to section 7, chapter 290, Oregon Laws 1987, by section
44 3 of this 2017 Act become operative on January 2, 2023.

45 (2) Notwithstanding subsection (1) of this section, if the participation rate in the plan of

1 assistance established by the Public Utility Commission under section 6, chapter 290, Oregon
2 Laws 1987, increases to at least 26 percent between January 1, 2018, and January 1, 2023, the
3 amendments to section 7, chapter 290, Oregon Laws 1987, by section 3 of this 2017 Act be-
4 come operative on January 2, 2030.

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