REVENUE IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly
2019 Regular Session
Legislative Revenue Office

Bill Number:	**HB 2449 B**
Revenue Area:	**Telecom / 911**
Economist:	**Jaime McGovern**
Date:	**06/03/2019**

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Phasing in over two years, increases taxes for emergency communications to $1.25 per month or per transaction as appropriate. Reduces limit on amount of reimbursement for administrative costs for Oregon Emergency Management from 4% to 2.4% beginning in second year, and Department of Revenue from one percent to six tenths of one percent. Extends sunset from 2022 to 2030. Specifies that interest earned by the Emergency Communications Account must be credited to the 9-1-1 Subaccount.

Revenue Impact (in $Millions):

	Biennium		
	2019-21	**2021-23**	**2023-25**
Total 911 fee collection	15.1	62.3	64.8
Dept of Revenue Admin Fee savings	.09	0	0
Office of Emergency Management Fee Savings	-.6	0	0
Total increase in Revenue available for distribution	14.6	62.3	64.8

Impact Explanation:

There is increase in overall collections driven by the higher 911 fees assessed on accessible lines. In the first effective year of the bill, 2020, the 911 fee increases from seventy five cents to one dollar. That increase, along with the minimal changes in first year administrative costs generate a $14.6 million increase. By the second effective year and thereafter, the increase of the 911 fee to $1.25 offsets the reduction of appropriated rates to the Department of Revenue and Office of Emergency Management.

Creates, Extends, or Expands Tax Expenditure: Yes ☐ No ☒

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1 of 1