

SB 68 STAFF MEASURE SUMMARY

Carrier: Rep. Prusak

Joint Committee On Ways and Means**Action Date:** 04/12/19**Action:** Do Pass.**House Vote****Yeas:** 8 - Gomberg, Holvey, McLain, McLane, Nosse, Piluso, Rayfield, Smith G**Exc:** 1 - Stark**Senate Vote****Yeas:** 8 - Beyer, Frederick, Hansell, Johnson, Manning Jr, Roblan, Steiner Hayward, Wagner**Nays:** 1 - Girod**Exc:** 3 - Heard, Thomsen, Winters**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Gina Rumbaugh, Committee Manager**Meeting Dates:** 3/28, 4/12**WHAT THE MEASURE DOES:**

Increases annual fee imposed on public utilities and telecommunications providers for purposes of defraying costs of Oregon Public Utility Commission. Increases fee for public utility from 0.3 percent to 0.45 percent of utility's gross operating revenues derived within the state. Increases fee for telecommunications provider from 0.3 percent to 0.35 percent of provider's gross retail intrastate revenues for each calendar year. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current PUC funding, projected revenues, and cost-management
- Increased demand on PUC in regulating changing markets
- Projected monthly net price increase to customers

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Public Utility Commission (PUC) is a three-member commission appointed by the governor and responsible for regulating Oregon's investor-owned electric, natural gas, and telephone utilities and select water companies. Current statute requires each public utility and telecommunications provider to pay an annual fee to the PUC to defray the costs of regulating the industry. The PUC collects fees from three investor-owned electric utilities, three natural gas utilities, roughly 80 regulated water utilities, and roughly 440 telecommunication utilities. These annual fees fund the majority of the PUC's operating expenditures.

SB 68 increases the maximum annual fee for a public utility from 0.3 percent to 0.45 percent of utility's gross operating revenues derived within the state, and the maximum annual fee for a telecommunications provider from 0.3 percent to 0.35 percent of provider's gross retail intrastate revenues for each calendar year.