

HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2184

By COMMITTEE ON REVENUE

May 20

1 On page 1 of the printed A-engrossed bill, line 3, delete “declaring an emergency” and insert
2 “prescribing an effective date”.

3 On page 2, line 12, delete “\$10” and insert “\$5”.

4 In line 17, delete “\$30” and insert “\$28”.

5 On page 3, delete lines 10 through 12 and insert:

6 “(b) A retail commercial mobile radio service provider shall identify the intrastate revenues
7 subject to the universal service surcharge based on the inverse of the percentage of interstate re-
8 venues utilized for purposes of federal universal service contributions or based on any other method
9 approved by the Public Utility Commission. A retail commercial mobile radio service provider may
10 rely upon the sourcing rules set forth in the Mobile Telecommunications Sourcing Act (P.L. 106-252)
11 to identify revenues attributable to Oregon.”.

12 In line 37, delete “seven” and insert “six”.

13 On page 4, line 23, delete the first “the” and insert “this”.

14 Delete lines 27 through 45 and delete page 5.

15 On page 6, delete lines 1 through 37 and insert:

16 “**SECTION 3.** ORS 759.425, as amended by section 2 of this 2019 Act, is amended to read:

17 “759.425. (1)(a) The Public Utility Commission shall establish and implement a competitively
18 neutral and nondiscriminatory universal service fund. The commission shall[:]

19 “[*(A)*] use the universal service fund to ensure basic telephone service is available at a reason-
20 able and affordable rate[: *and*].

21 “[*(B)*] *Transfer from the universal service fund to the Oregon Business Development Department for*
22 *deposit in the Broadband Fund established under section 4 of this 2019 Act an amount per year that*
23 *is equal to the lesser of:]*

24 “[*(i)*] *\$5 million; or]*

25 “[*(ii)*] *The remainder of moneys deposited in the universal service fund that are unobligated after*
26 *making the designation required in paragraph (b) of this subsection.]*

27 “(b) The commission shall designate the amount of moneys deposited annually in the universal
28 service fund to be used to ensure basic telephone service. The amount designated under this para-
29 graph may not exceed \$28 million per year.

30 “(c) The commission may:

31 “(A) Adopt rules to conform the universal service fund to section 254 of the federal Telecom-
32 munications Act of 1996 (P.L. 104-104), and to related regulations adopted by the Federal Commu-
33 nications Commission, to the extent that the Public Utility Commission determines conforming the
34 rules is appropriate; and

35 “(B) In addition to using the universal service fund to ensure basic telephone service, use the

1 universal service fund to encourage broadband service availability and to provide support to tele-
2 communications carriers that provide both basic telephone service and broadband service.

3 “(2)(a) The commission shall establish the price a telecommunications utility may charge its
4 customers for basic telephone service. The commission shall periodically review and evaluate the
5 status of telecommunications services in the state and designate the services included in basic
6 telephone service. The commission shall periodically review and adjust as necessary the price a
7 telecommunications utility may charge for basic telephone service.

8 “(b) The provisions of this subsection do not apply to the basic telephone service provided by
9 a telecommunications utility described in ORS 759.040.

10 “(3)(a) The commission shall establish a benchmark for basic telephone service as necessary for
11 the administration and distribution of the universal service fund. The universal service fund shall
12 provide explicit support to an eligible telecommunications carrier that is equal to the difference
13 between the cost of providing basic telephone service and the benchmark, less any explicit com-
14 pensation received by the telecommunications carrier from federal sources specifically used to re-
15 cover local loop costs and less any explicit support received by the telecommunications carrier from
16 a federal universal service program.

17 “(b) The commission shall periodically review the benchmark established under paragraph (a)
18 of this subsection and adjust the benchmark as necessary to reflect:

19 “(A) Changes in competition in the telecommunications industry;

20 “(B) Changes in federal universal service support; and

21 “(C) Other relevant factors as determined by the commission.

22 “(c) Except for a telecommunications utility described in ORS 759.040, the commission shall seek
23 to limit the difference between the price a telecommunications utility may charge for basic tele-
24 phone service and the benchmark.

25 “(4)(a) There is imposed a universal service surcharge on the sale in this state of all:

26 “(A) Retail telecommunications services;

27 “(B) Retail commercial mobile radio services; and

28 “(C) Retail interconnected voice over internet protocol services.

29 “(b) A retail commercial mobile radio service provider shall identify the intrastate revenues
30 subject to the universal service surcharge based on the inverse of the percentage of interstate re-
31 venues utilized for purposes of federal universal service contributions or based on any other method
32 approved by the Public Utility Commission. A retail commercial mobile radio service provider may
33 rely upon the sourcing rules set forth in the Mobile Telecommunications Sourcing Act (P.L. 106-252)
34 to identify revenues attributable to Oregon.

35 “(c) A retail interconnected voice over internet protocol service provider may identify, in ac-
36 cordance with federal guidelines, the intrastate revenues subject to the universal service surcharge
37 based on any one of the following:

38 “(A) The inverse of the interstate safe harbor percentage established by the Federal Communi-
39 cations Commission for interconnected voice over internet protocol service for federal universal
40 service contribution purposes, as the interstate safe harbor percentage may be revised from time to
41 time;

42 “(B) A traffic study specific to the interconnected voice over internet protocol service provider
43 that allocates revenues between federal and state jurisdictions; or

44 “(C) Another methodology for accurately apportioning interconnected voice over internet pro-
45 tocol service revenues between federal and state jurisdictions.

1 “(d) For any service provider subject to the universal service surcharge that provides, to mul-
2 tiple locations, shared simultaneous voice channel capacity configured to provide local dial in dif-
3 ferent states, the revenue subject to the surcharge shall be only the portion of the shared capacity
4 in this state as identified:

5 “(A) By information itemizing, on the billing statements provided to customers, the charges
6 subject to the surcharge, as may be identified by individual end-user location, the total number of
7 end users and the number of end users at each end-user location; or

8 “(B) If information described in subparagraph (A) of this paragraph does not exist, by the service
9 provider’s billing system books and records.

10 “(e) Unless otherwise provided by the Public Utility Commission by rule, the universal service
11 surcharge must be a uniform percentage of the sale of services subject to the surcharge in an
12 amount sufficient to support the purposes of the universal service fund established under subsection
13 (1) of this section, provided that the percentage does not exceed six percent of the sale of services
14 subject to the surcharge.

15 “(f) The universal service surcharge may be listed by a telecommunications carrier as a separate
16 line item in billing statements provided to customers as prescribed by the commission by rule or
17 order. The commission may not prescribe whether, or the manner by which, a commercial mobile
18 radio services provider or an interconnected voice over internet protocol services provider may list
19 the surcharge in billing statements provided to customers.

20 “(g) A service provider required to collect the universal service surcharge shall transmit
21 amounts collected pursuant to this section to the commission in accordance with a schedule adopted
22 by the commission. The commission shall deposit moneys transmitted to the commission pursuant to
23 this subsection in the universal service fund established under subsection (1) of this section.

24 “(5) The universal service fund established under subsection (1) of this section is separate and
25 distinct from the General Fund. The universal service fund shall consist of all universal service
26 surcharge moneys collected by service providers required to collect the surcharge and transmitted
27 to the commission for deposit in the universal service fund. The universal service fund may be used
28 only for the purposes described in this section and for payment of expenses incurred by the com-
29 mission or a third party appointed by the commission to administer this section. All moneys in the
30 universal service fund are continuously appropriated to the commission to carry out the provisions
31 of this section. Interest on moneys deposited in the universal service fund shall accrue to the uni-
32 versal service fund.

33 “(6) A pay telephone provider may apply to the commission, on a form developed by the com-
34 mission, for a refund of the universal service surcharge imposed on the pay telephone provider under
35 subsection (4) of this section for the provision of pay telephone service.

36 “(7) Nothing in this section is intended to grant the commission the authority to impose any
37 requirement or condition, or to exercise any regulatory authority, with respect to commercial mobile
38 radio services or interconnected voice over internet protocol services other than as expressly pro-
39 vided for in this section.”.

40 On page 7, line 2, delete “encompassing” and insert “within”.

41 In line 7, delete “encompassing” and insert “within”.

42 In line 11, after “the” insert “planning and”.

43 In line 13, after “the” insert “planning and”.

44 In line 16, after “development” insert “and related planning”.

45 In line 30, after “developed” insert “or planned for” and after “served” insert “or that will be

1 served”.

2 On page 8, line 1, delete “and” and insert:

3 “(B) Give second preference to proposed projects that will provide broadband service access to
4 public libraries; and”.

5 In line 2, delete “(B)” and insert “(C)” and delete “second” and insert “third”.

6 On page 9, delete lines 18 through 20 and insert:

7 **“SECTION 11. This 2019 Act takes effect on the 91st day after the date on which the 2019
8 regular session of the Eightieth Legislative Assembly adjourns sine die.”.**

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