

Requested by Representative MARSH

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2184**

1 On page 1 of the printed A-engrossed bill, line 3, delete “declaring an
2 emergency” and insert “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
7 intrastate revenues subject to the universal service surcharge based on the
8 inverse of the percentage of interstate revenues utilized for purposes of fed-
9 eral universal service contributions or based on any other method approved
10 by the Public Utility Commission. A retail commercial mobile radio service
11 provider may rely upon the sourcing rules set forth in the Mobile Telecom-
12 munications Sourcing Act (P.L. 106-252) to identify revenues attributable to
13 Oregon.”.

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

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

16 Delete lines 27 through 45 and delete page 5.

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

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

20 “759.425. (1)(a) The Public Utility Commission shall establish and imple-
21 ment a competitively neutral and nondiscriminatory universal service fund.

1 The commission shall[:]

2 “[*(A)*] use the universal service fund to ensure basic telephone service is
3 available at a reasonable and affordable rate[; *and*].

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

7 “[*(i)* \$5 million; or]

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

11 “(b) The commission shall designate the amount of moneys deposited an-
12 nually in the universal service fund to be used to ensure basic telephone
13 service. The amount designated under this paragraph may not exceed \$28
14 million per year.

15 “(c) The commission may:

16 “(A) Adopt rules to conform the universal service fund to section 254 of
17 the federal Telecommunications Act of 1996 (P.L. 104-104), and to related
18 regulations adopted by the Federal Communications Commission, to the ex-
19 tent that the Public Utility Commission determines conforming the rules is
20 appropriate; and

21 “(B) In addition to using the universal service fund to ensure basic tele-
22 phone service, use the universal service fund to encourage broadband service
23 availability and to provide support to telecommunications carriers that pro-
24 vide both basic telephone service and broadband service.

25 “(2)(a) The commission shall establish the price a telecommunications
26 utility may charge its customers for basic telephone service. The commission
27 shall periodically review and evaluate the status of telecommunications ser-
28 vices in the state and designate the services included in basic telephone
29 service. The commission shall periodically review and adjust as necessary
30 the price a telecommunications utility may charge for basic telephone ser-

1 vice.

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

4 “(3)(a) The commission shall establish a benchmark for basic telephone
5 service as necessary for the administration and distribution of the universal
6 service fund. The universal service fund shall provide explicit support to an
7 eligible telecommunications carrier that is equal to the difference between
8 the cost of providing basic telephone service and the benchmark, less any
9 explicit compensation received by the telecommunications carrier from fed-
10 eral sources specifically used to recover local loop costs and less any explicit
11 support received by the telecommunications carrier from a federal universal
12 service program.

13 “(b) The commission shall periodically review the benchmark established
14 under paragraph (a) of this subsection and adjust the benchmark as neces-
15 sary to reflect:

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

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

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

19 “(c) Except for a telecommunications utility described in ORS 759.040, the
20 commission shall seek to limit the difference between the price a telecom-
21 munications utility may charge for basic telephone service and the
22 benchmark.

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

25 “(A) Retail telecommunications services;

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

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

28 “(b) A retail commercial mobile radio service provider shall identify the
29 intrastate revenues subject to the universal service surcharge based on the
30 inverse of the percentage of interstate revenues utilized for purposes of fed-

1 eral universal service contributions or based on any other method approved
2 by the Public Utility Commission. A retail commercial mobile radio service
3 provider may rely upon the sourcing rules set forth in the Mobile Telecom-
4 munications Sourcing Act (P.L. 106-252) to identify revenues attributable to
5 Oregon.

6 “(c) A retail interconnected voice over internet protocol service provider
7 may identify, in accordance with federal guidelines, the intrastate revenues
8 subject to the universal service surcharge based on any one of the following:

9 “(A) The inverse of the interstate safe harbor percentage established by
10 the Federal Communications Commission for interconnected voice over
11 internet protocol service for federal universal service contribution purposes,
12 as the interstate safe harbor percentage may be revised from time to time;

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

16 “(C) Another methodology for accurately apportioning interconnected
17 voice over internet protocol service revenues between federal and state ju-
18 risdictions.

19 “(d) For any service provider subject to the universal service surcharge
20 that provides, to multiple locations, shared simultaneous voice channel ca-
21 pacity configured to provide local dial in different states, the revenue subject
22 to the surcharge shall be only the portion of the shared capacity in this state
23 as identified:

24 “(A) By information itemizing, on the billing statements provided to cus-
25 tomers, the charges subject to the surcharge, as may be identified by indi-
26 vidual end-user location, the total number of end users and the number of
27 end users at each end-user location; or

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

30 “(e) Unless otherwise provided by the Public Utility Commission by rule,

1 the universal service surcharge must be a uniform percentage of the sale of
2 services subject to the surcharge in an amount sufficient to support the
3 purposes of the universal service fund established under subsection (1) of this
4 section, provided that the percentage does not exceed six percent of the sale
5 of services subject to the surcharge.

6 “(f) The universal service surcharge may be listed by a telecommuni-
7 cations carrier as a separate line item in billing statements provided to
8 customers as prescribed by the commission by rule or order. The commission
9 may not prescribe whether, or the manner by which, a commercial mobile
10 radio services provider or an interconnected voice over internet protocol
11 services provider may list the surcharge in billing statements provided to
12 customers.

13 “(g) A service provider required to collect the universal service surcharge
14 shall transmit amounts collected pursuant to this section to the commission
15 in accordance with a schedule adopted by the commission. The commission
16 shall deposit moneys transmitted to the commission pursuant to this sub-
17 section in the universal service fund established under subsection (1) of this
18 section.

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

30 “(6) A pay telephone provider may apply to the commission, on a form

1 developed by the commission, for a refund of the universal service surcharge
2 imposed on the pay telephone provider under subsection (4) of this section
3 for the provision of pay telephone service.

4 “(7) Nothing in this section is intended to grant the commission the au-
5 thority to impose any requirement or condition, or to exercise any regulatory
6 authority, with respect to commercial mobile radio services or intercon-
7 nected voice over internet protocol services other than as expressly provided
8 for in this section.”.

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

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

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

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

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

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

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

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

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

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

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

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