

**Legislative
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**Joint Committee on
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee
From: Steve Bender, Legislative Fiscal Office
Date: February 26, 2020
Subject: HB 4079-A – Relating to the universal service fund; prescribing an effective date.

HB 4079-A establishes the Broadband Fund in the Oregon Business Development Department (OBDD). Monies in the Fund will be used to finance operations of the Oregon Broadband Office in OBDD, and to provide grants and loans for planning and constructing broadband infrastructure projects.

The measure extends the state universal service surcharge, currently assessed on telephone landlines, to cellphone and VOIP service charges for in-state voice calls. The measure also reduces the maximum surcharge rate from 8.5% to 6%. These changes become operative on January 1, 2021. The measure authorizes the Public Utility Commission to transfer up to \$5 million of universal service surcharge revenue to the Broadband Fund each year. The actual transfer amounts will be determined by the Commission. The provisions of the bill sunset on January 2, 2030.

Final Subcommittee Action

MOTION: I move HB 4079-A to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____