

From the desk of Rep Pam Marsh

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# Oregon Citizens' Utility Board

## Just the Facts



### SB 1603 – Rural Telecommunications Investment Act

SB 1603 – the Rural Telecommunication Investment Act (RTIA) – has two important goals, both of which demand immediate action in light of the COVID-19 pandemic:

1. Solve a long-standing Oregon Universal Service Fund (OUSF) fairness issue with a fix to lower costs for traditional landline and certain voice over internet protocol customers;
2. Establish a sustainable fund for rural broadband deployment and community planning.

**Opponents** are led by out-of-state special interest groups. At the top of this list are multi-billion-dollar wireless carriers and their lobbies.

**Proponents** are led by Oregon's home-grown telecommunications industry, consumer advocates, public schools, libraries, both urban and rural cities and counties, the Oregon Broadband Advisory Council, tele-health providers, Oregon's public research institutions, the Oregon Farm Bureau, and dozens of other business, non-profit, and public interest groups.

### What's True:

- The 1999 legislature created the OUSF to ensure safe, reliable, and affordable advanced communications across Oregon. 20 years ago, advanced communication services referred largely to traditional telephony.
- The Public Utility Commission carefully administers the OUSF by applying an 8.5 percent surcharge on intrastate calls of all landline and only certain voice over internet protocol (VoIP) customers. The 1999 OUSF legislation exempted the wireless industry.
- All wireless and VoIP carriers use networks maintained by the OUSF. This is unfair for telephone utilities and their customers, many of whom are older, rural, and low-income.
- SB 1603 solves this fairness issue by spreading a lower 6 percent surcharge across the intrastate portion of all voice customers' bills, including wireless and VoIP.