

## Legislative Fiscal Office

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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. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Transportation and Economic Development Subcommittee

**From:** Kim To, Legislative Fiscal Office

**Date:** June 11, 2019

**Subject:** HB 2184 – Relating to the universal service fund  
Work Session Recommendations

HB 2184 establishes the Broadband Fund and transfers the lesser of \$5 million or remaining unobligated moneys deposited in the universal service fund, after designation of up to \$28 million to ensure basic telephone service, from the Public Utility Commission's universal service fund to the Oregon Business Development Department (OBDD) for deposit in the Broadband Fund. Moneys in the Broadband Fund are to be continuously appropriated to OBDD to be used for administering and providing grants or loans to assist eligible applicants with projects for the planning and development of broadband service infrastructure. This act sunsets on January 2, 2030 and moneys in the Broadband fund will be reverted back to the Universal Service Fund.

In addition, the bill directs OBDD to establish by rule a program to providing grants or loans to assist eligible applicants with projects for the planning and development of broadband service infrastructure.

The fiscal impact of the transfer of funds required in the bill is minimal for the PUC and the Oregon Business Development Department. The fiscal impact of establishing a program to provide grants and loans for the development of broadband service infrastructure is included in HB 2173, the companion bill to HB 2184.

The measure previously had hearings in the House Committee on Economic Development on 2/11/2019, 2/18/2019, and 3/11/2019, and was reported out with a do pass recommendation. The measure also previously had hearings in the House Committee on Revenue on 4/2/2019, 4/25/2019, and 5/14/2019, and was reported out with a do pass recommendation.

The -B13 amendment stipulates that the Oregon Business Development Department may use moneys in the Broadband Fund for administration expenses as well as for loans and grants to develop broadband service infrastructure.

**Recommended Changes**

LFO recommends adoption of the -B13 amendment.

**MOTION: I move adoption of the -B13 amendment to HB 2184. (VOTE)**

**Final Subcommittee Action**

LFO recommends that HB 2184, as amended by the -B13 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 2184, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_