

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2184 - C

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Expands definition of "retail telecommunications service" for purposes of universal service surcharge.

Government Unit(s) Affected:

Oregon Business Development Department (OBDD), Public Utility Commission (PUC)

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

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 broad band service infrastructure. The bill 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.

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.