

## HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2449

By COMMITTEE ON REVENUE

June 4

1 On page 1 of the printed A-engrossed bill, line 2, after the semicolon insert “creating new pro-  
2 visions;”.

3 In line 9, delete the boldfaced material and insert “\$1.00”.

4 In line 10, delete the boldfaced material and insert “\$1.00”.

5 On page 2, after line 14, insert:

6 “**SECTION 2.** ORS 403.200, as amended by section 1 of this 2019 Act, is amended to read:

7 “403.200. (1) There is imposed on each consumer or paying retail subscriber who has telecom-  
8 munications service or interconnected Voice over Internet Protocol service, with access to the  
9 emergency communications system a tax equal to [~~\$1.00~~] **\$1.25** per month or, for prepaid wireless  
10 telecommunications service, [~~\$1.00~~] **\$1.25** per retail transaction. The tax must be applied on a tele-  
11 communications circuit designated for a particular consumer or subscriber. One consumer or sub-  
12 scriber line must be counted for each circuit that is capable of generating usage on the line side  
13 of the switched network regardless of the quantity or ownership of customer premises equipment  
14 connected to each circuit. For providers of central office based services, the tax must be applied to  
15 each line that has unrestricted connection to the switched network. Those central office based ser-  
16 vice lines that have restricted connection to the switched network must be charged based on soft-  
17 ware design in the central office that restricts the number of station calls to and from the network.  
18 For cellular, wireless or other common carriers, the tax applies to a subscriber on a per instrument  
19 basis and only if the subscriber’s place of primary use, as defined under 4 U.S.C. 124, is within this  
20 state.

21 “(2) The consumer or subscriber is liable for the tax imposed by this section.

22 “(3) The amounts of tax collected by the provider or seller are considered as payment by the  
23 consumer or subscriber for that amount of tax.

24 “(4) The tax imposed under this section, as it applies to prepaid wireless telecommunications  
25 service, shall be collected by the seller from the consumer with respect to each retail transaction  
26 occurring in this state. The amount of the tax shall be separately stated on an invoice, receipt or  
27 other similar document that the seller provides to the consumer, or shall be otherwise disclosed to  
28 the consumer.

29 “(5) For purposes of this section, a retail transaction:

30 “(a) Occurs in this state if it is made in person by a consumer at a business location of the  
31 seller;

32 “(b) If not made in person by a consumer at a business location of the seller, occurs in this state  
33 if the consumer’s shipping address, payment instrument billing address, or other address provided  
34 by the consumer for purposes of the transaction, is in this state; or

35 “(c) If insufficient information exists to determine whether paragraph (a) or (b) of this subsection

1 is accurate, occurs in this state if the consumer's prepaid wireless telephone number is associated  
2 with an Oregon location.

3 "(6) Any return made by the provider or seller collecting the tax must be accepted by the De-  
4 partment of Revenue as evidence of payments by the consumer or subscriber of amounts of tax so  
5 indicated upon the return."

6 In line 15, delete "2" and insert "3".

7 In line 20, delete the boldfaced material and insert "six-tenths of".

8 In line 25, restore the bracketed material and delete the boldfaced material.

9 On page 3, delete lines 43 through 45.

10 On page 4, delete lines 1 through 4 and insert:

11 "**SECTION 4.** ORS 403.240, as amended by section 3 of this 2019 Act, is amended to read:

12 "403.240. (1) The Office of Emergency Management shall distribute quarterly the entire amount  
13 of the moneys in the Emergency Communications Account. The office shall pay the following  
14 amounts from the account:

15 "(a) Administrative costs incurred during the preceding calendar quarter by the Department of  
16 Revenue in carrying out ORS 403.200 to 403.230 in an amount that does not exceed six-tenths of one  
17 percent of the amount in the account on the date of distribution, or actual expenses incurred by the  
18 department, whichever is less.

19 "(b) Administrative costs to be incurred during the calendar quarter by the Office of Emergency  
20 Management in carrying out its duties under ORS 305.823 and 403.105 to 403.250. The amount to be  
21 paid under this paragraph may not exceed [*four*] **2.4** percent of the amount in the account on the  
22 date of distribution, and, on or before the next date of distribution, the office shall repay to the  
23 account any amount received under this paragraph that exceeds the actual expenses incurred by the  
24 office in the quarter.

25 "(2) The office may:

26 "(a) Provide funding for the Oregon Emergency Response System in an amount that does not  
27 exceed 15 percent of the legislatively approved budget for the Oregon Emergency Response System  
28 subject to availability of funds within the limit for administrative costs in subsection (1)(b) of this  
29 section.

30 "(b) Prescribe the manner in which funding is provided to the Oregon Emergency Response  
31 System under this subsection.

32 "(3) The office shall use funds in the 9-1-1 Subaccount to pay for costs incurred during the pre-  
33 ceding calendar quarter for emergency communications services provided by a 9-1-1 jurisdiction un-  
34 der ORS 403.105 to 403.250. The office may not disburse funds in the 9-1-1 Subaccount to a 9-1-1  
35 jurisdiction that does not have an approved 9-1-1 jurisdiction plan under ORS 403.130. The office  
36 shall make payments for costs of the emergency communications system on behalf of a 9-1-1 juris-  
37 diction, or make reimbursement to the 9-1-1 jurisdiction for such costs, only after a reimbursement  
38 or payment request has been submitted to the office in the manner prescribed by the office. Re-  
39 imbursement or payment requests for recurring and nonrecurring charges necessary to enable the  
40 9-1-1 jurisdiction to comply with ORS 403.105 to 403.250 must be submitted directly to the office. The  
41 costs reimbursable or payable under this subsection are only those costs incurred for:

42 "(a) Modification of network routers or servers, central office switching and trunking equipment  
43 or other transport equipment;

44 "(b) Network development, hosting services, operation and maintenance;

45 "(c) Database development, operation and maintenance;

1 “(d) On-premises equipment procurement, maintenance and replacement;  
2 “(e) Conversion of pay station telephones required by ORS 403.140;  
3 “(f) Collection of the tax imposed by ORS 403.200 to 403.230;  
4 “(g) Addressing if the reimbursement or payment request is consistent with rules adopted by the  
5 office; and  
6 “(h) An employee of a 9-1-1 jurisdiction obtaining certification as a telecommunicator or emer-  
7 gency medical dispatcher from the Department of Public Safety Standards and Training under ORS  
8 181A.560.

9 “(4) Subject to availability of funds, the office shall provide funding to 9-1-1 jurisdictions based  
10 on cost information provided in their final plan under ORS 403.130. The office shall approve 9-1-1  
11 jurisdiction plans that meet the requirements set forth in ORS 403.115 (2) and (4). The office shall  
12 limit funding for costs incurred prior to the preceding calendar quarter to charges associated with  
13 database development, network and on-premises equipment that satisfies the requirements of ORS  
14 403.115 (2) and (4). The office shall prescribe the manner in which funding is provided under this  
15 subsection.

16 “(5) 9-1-1 jurisdictions may use funds distributed to the jurisdiction from an account or subac-  
17 count established in ORS 403.235 to repay loans from the Special Public Works Fund if the loans  
18 were used for purposes that are allowable under ORS 403.105 to 403.250.

19 “(6) The office shall retain amounts remaining in the 9-1-1 Subaccount and may distribute the  
20 amounts in a subsequent quarter for those purposes set forth in subsections (3), (4) and (5) of this  
21 section.

22 “(7) The office shall review reimbursement or payment requests for costs identified in subsection  
23 (3) of this section, necessary to comply with ORS 403.105 to 403.250, for the appropriateness of the  
24 costs claimed. The office shall approve or reject the reimbursement or payment requests.

25 “(8) After all amounts under subsections (1) and (2) of this section and ORS 403.235 (2) have  
26 been paid, the office shall allocate the balance of the Emergency Communications Account to cities  
27 on a per capita basis and to counties on a per capita basis of each county’s unincorporated area for  
28 distribution directly to 9-1-1 jurisdictions as directed by the city or county. However, each county  
29 must be credited a minimum of one percent of the balance of the account after the amounts under  
30 subsections (1) and (2) of this section and ORS 403.235 (2) have been paid.

31 “(9) 9-1-1 jurisdictions shall submit an accounting report to the office annually. The report must  
32 be provided in the manner prescribed by the office and must include but not be limited to:

33 “(a) Funds received and expended under subsection (8) of this section for the purposes of ful-  
34 filling the requirements of ORS 403.115;

35 “(b) Local funds received and expended for the purposes of fulfilling the requirements of ORS  
36 403.115; and

37 “(c) Local funds received and expended for the purposes of providing emergency communications  
38 services.

39 “**SECTION 5.** Section 4, chapter 5, Oregon Laws 2002 (first special session), as amended by  
40 section 1, chapter 4, Oregon Laws 2002 (third special session), section 1, chapter 629, Oregon Laws  
41 2007, section 1, chapter 749, Oregon Laws 2013, and section 9, chapter 59, Oregon Laws 2014, is  
42 amended to read:

43 “**Sec. 4. (1)** Taxes imposed under ORS 403.200 apply to subscriber bills issued on or after Jan-  
44 uary 1, 2002, and before January 1, [2022] **2030**, and to retail transactions made on or after October  
45 1, 2015, and before January 1, [2022] **2030**.

1           “(2) The amendments to ORS 403.200 by section 1 of this 2019 Act apply to subscriber bills  
2 issued and retail transactions made on or after January 1, 2020, and before January 1, 2021.

3           “(3) The amendments to ORS 403.200 by section 2 of this 2019 Act apply to subscriber bills  
4 issued and retail transactions made on or after January 1, 2021.

5           “SECTION 6. The amendments to ORS 403.240 by section 4 of this 2019 Act become op-  
6 erative on January 1, 2021.”.

7           In line 5, delete “4” and insert “7”.

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