

SUBCOMMITTEE RECOMMENDATION

HB 4079

Relating to the universal service fund

HB 4079 establishes the Broadband Fund in the Oregon Business Development Department. 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. It also reduces the maximum surcharge rate from 8.5% to 6%.

These changes become operative on January 1st, 2021. The Public Utility Commission may 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 PUC.

The Capital Construction Subcommittee recommends HB 4079 be reported out do pass.