## HB 3148 A STAFF MEASURE SUMMARY

# House Committee On Economic Development, Small Business, and Trade

Action Date:	03/26/25
Action:	Do pass with amendments and be referred to Ways and Means by prior reference.
	(Printed A-Eng.)
Vote:	5-4-0-0
Yeas:	5 - Dobson, Isadore, Lively, Nguyen D, Watanabe
Nays:	4 - Diehl, Osborne, Skarlatos, Yunker
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Mary Mackie, LPRO Analyst
Meeting Dates:	3/12, 3/26

#### WHAT THE MEASURE DOES:

The measure makes changes to the Oregon Public Utilities Commission's (PUC) low-income telecommunications assistance plan. It declares an emergency and is effective on passage.

#### **Detailed Summary:**

Names the Oregon Public Utilities Commission's (PUC's) low-income telecommunications assistance plan the "Oregon Lifeline" plan (the plan).

Adds a one-time personal computing benefit to the plan. Directs the plan to provide low-income customers with a new or refurbished Internet-enabled desktop computer, laptop, or tablet plus any ancillary devices, such as a keyboard or mouse. A recipient may receive a benefit of up to \$100. The total retail price of the personal computing device and ancillary devices cannot exceed \$600. Allows the PUC to contract with third parties to help provide these benefits.

Sets the maximum limit to be received by the PUC for the Residential Service Protection Fund for the 2025-27 biennium at \$25,877,295. Removes language allowing public utilities, cooperative corporations, or unincorporated associations providing local exchange telecommunications to apply to establish an alternative plan for their own customers. Directs the PUC to adopt rules necessary to carry out the duties, functions, and powers conferred by the measure by December 1, 2026. Directs the PUC to send a report to the Legislative Assembly and Legislative Counsel upon adoption of these rules.

Repeals sunset of the program. Repeals statute establishing the Oregon Telephone Assistance Program Advisory Committee. Allows the PUC to define low-income customer by rule. Updates references.

Declares an emergency, effective on passage.

#### **ISSUES DISCUSSED:**

- Need for the one-time personal computing benefit
- Number of potential plan participants
- Internet access data
- Tracking plan use
- Internet provider challenges in rural areas

### **EFFECT OF AMENDMENT:**

The amendment moves the deadline for the PUC to adopt rules necessary to carry out the duties, functions, and powers conferred by the measure from March 1, 2026, to December 1, 2026.

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#### BACKGROUND:

House Bill 2663 (1987) initially established the requirement that all Oregonians have access to adequate and affordable telephone service. Senate Bill 69 (2019) amended the law to include high-speed internet service. As a result, the Oregon Public Utility Commission (PUC) established <u>Oregon Lifeline</u> and several other programs. Oregon Lifeline, previously known as the Oregon Telephone Assistance Program (OTAP), is an existing program that gives qualifying low-income Oregon households a monthly discount on phone or high-speed internet service. The American Connectivity Program (ACP) was a federal program that provided a discount of up to \$30 per month toward internet service for eligible households and up to \$75 per month for households on qualifying Tribal lands. It also provided eligible households with a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet. The ACP ended on June 1, 2024. In response, the Broadband Affordability Workgroup (Workgroup) was established to explore ways to sustain affordable broadband access to eligible households in Oregon. The Workgroup recommendations resulted in House Bill 3148 A, which makes various changes to the Oregon Lifeline plan.