



March 10, 2025

Representative Daniel Nguyen
Chair, House Committee On Economic Development, Small Business, and Trade
900 Court St. NE, H-283
Salem, OR 97301

Representative Ed Diehl
Vice Chair, House Committee On Economic Development, Small Business, and Trade
900 Court St. NE, H-378
Salem, OR 97301

Representative Shannon Isadore
Vice Chair, House Committee On Economic Development, Small Business, and Trade
900 Court St. NE, H-276
Salem, OR 97301

RE: Concerns Regarding House Bill 3148

Dear Chair Nguyen and Vice Chairs Diehl and Isadore:

On behalf of CTIA®, the trade association for the wireless communications industry, I write to raise concerns about House Bill 3148.

At a time of rapidly growing demand for wireless services and improved connectivity from consumers and businesses in Oregon, the wireless industry strongly supports efforts to expand broadband coverage. Our members have been on the cutting-edge of promoting its deployment, investing \$30 billion in private funds in 2023 alone to grow and improve the nation's networks. This investment also fuels economic growth in Oregon, where the wireless industry supports more than 50,000 jobs and generates \$17.3 billion in GDP growth. Given this progress, we urge caution in any further wireless tax and fee policy actions beyond those included in House Bill 3148.

By way of background, our members were active participants in Rep. Pamela Marsh's interim work group efforts to explore pathways to improve broadband affordability for Oregon consumers and appreciate the wireless industry's inclusion in these discussions. House Bill 3148 was the product of these efforts and would create more flexibility and spending authority related to the Oregon Public Utility Commission's (PUC) management of the Oregon Telephone Assistance Program (OTAP), which would be renamed Oregon Lifeline. Specifically, the PUC would have the authority to increase Oregon's Residential Service Protection Fund (RSPF) Surcharge beyond its current rate and up to as high as 35 cents per month.

While our members support the goal of universal service at both the federal and state levels, an unfortunate consequence is the added financial burden these growing surcharges are placing on consumers. Wireless consumers pay a disproportionate amount of taxes and fees for wireless products



and services, and high wireless taxes and fees contribute to the digital divide. In the last five years, Oregon's tax burden on wireless consumers has risen dramatically from what was once the lowest in the nation. Given these burdens, it is imperative that Oregon's cap on the RSPF Surcharge that can be assessed to wireless consumers remain as is and not be increased any further in the future. We also strongly encourage the legislature to consider the already substantial burdens being imposed on wireless consumers through both the existing Surcharge and a range of other fees – including 988 and 911 surcharges – as it weighs future policy actions.

We commend the legislature's ongoing commitment to improving access to broadband services. With many Oregon residents and businesses struggling with rising prices in other areas, we urge substantial caution in any future changes to wireless tax and fee policies beyond those included in House Bill 3148.

Sincerely,

A handwritten signature in black ink that reads "Jeremy Crandall". The signature is written in a cursive, flowing style.

Jeremy Crandall
Assistant Vice President
State Legislative Affairs