

## ORDINANCE No. 189491

\*Amend Utility License Law to clarify audits and enforcement of audits and provide for administrative appeals (Ordinance; amend Code Chapter 7.14)

The City of Portland Ordains:

Section 1. The Council finds:

1. The Utility License Law (Portland City Code 7.14) applies to utilities who conduct business within Portland and requires those companies file a quarterly report and license fee to the City. It applies to electric, gas, districting heating or cooling, water, sewage disposal and treatment, cable and telecommunications companies.
2. The Director retains authority to conduct audits of utility licensees to ensure that licensees are correctly calculating and paying the license fee. Despite code authority, there has been a history of difficulty getting documentation from licensees being audited. Staff identified a need to clarify audit authority and to correct a lapse on enforcement tools so that audits can be properly conducted. One such tool includes an administrative subpoena authority to compel licensees to provide information to the revenue auditor when requested.
3. The Utility License Law needs an appropriate administrative venue to hear disputes about audit findings and other decisions made under the Utility License Law. The Business License Appeals Board consists of members of the public who have appropriate levels of expertise in accounting and tax regulation. As subject matter experts, they would be well suited to determine administrative appeals.
4. Staff have identified between three – six audits in progress which may be appealed within the next 30-90 days. Staff have informed those companies that the appeals process will be amended to reflect a change in venue and those companies have not objected.

NOW, THEREFORE, the Council directs:

- a. Chapter 7.14.080, Reports and Review of Records, is amended as set forth in Exhibit A attached to this ordinance.
- b. Section 7.14.090, Appeals, is amended as follows:
  - A. Any person who has received a written determination from the Director applying the provisions of the Utility License Law may appeal such determination of the Director to the ~~Code Hearings Officer~~ Business License Appeals Board of the City as provided in ~~Chapter 22.10~~ Section 7.02.290 of this Code.

- B. The filing of any notice of appeal shall not stay the effectiveness of the Director's determination unless the ~~Code Hearings Officer~~ Business License Appeals Board so directs.

Section 2. The Council declares that an emergency exists because the City has had a history of difficulty obtaining documentation for pending audits, and there are a number of preliminary audit assessments which need a more appropriate administrative appeals venue; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: MAY 09 2019

Mayor Ted Wheeler  
Prepared by: JL/MKH  
Date Prepared: 4/18/19

**Mary Hull Caballero**  
Auditor of the City of Portland

By



Deputy

Agenda No.  
**ORDINANCE NO. 189491**  
 Title

\*Amend Utility License Law to clarify audits and enforcement of audits and provide for administrative appeals (Ordinance; amend Code Chapter 7.14)

INTRODUCED BY Commissioner/Auditor: <b>Mayor Ted Wheeler</b>	CLERK USE: DATE FILED <u>APR 30 2019</u>
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler <i>MP</i>	Mary Hull Caballero Auditor of the City of Portland  By: <u><i>Hulla</i></u> Deputy
Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Hardesty Position 4/Safety - Eudaly	
BUREAU APPROVAL Bureau: Office for Community Technology Bureau Head: Elisabeth Perez	ACTION TAKEN:  MAY 08 2019 Rescheduled to May 9, 2019 at 2:00 pm
Prepared by: JL Date Prepared: 2/28/19	
Impact Statement Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input type="checkbox"/>	
City Auditor Office Approval: <i>Toni (Kmm)</i> required for Code Ordinances	
City Attorney Approval: <i>MKH</i> required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date <b>5/8/19</b>	

<b>AGENDA</b>
<b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____  Total amount of time needed: _____ (for presentation, testimony and discussion)
<b>CONSENT</b> <input checked="" type="checkbox"/> <i>Pulled</i>
<b>REGULAR</b> <input type="checkbox"/>  Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Hardesty	3. Hardesty	✓	
4. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	