	EMERGENCY TELEFOUNE SERVICE LAW AMENDMENTS
	2014 GENERAL SESSION
	STATE OF UTAH
	Chief Sponsor: Wayne A. Harper
	House Sponsor:
LO	NG TITLE
Ger	neral Description:
	This bill makes amendments to Title 69, Chapter 2, Emergency Telephone Service
Lav	v.
Hig	hlighted Provisions:
	This bill:
	 amends charges imposed under Title 69, Chapter 2, Emergency Telephone Service
Lav	v;
	repeals obsolete language;
	► modifies the distribution of revenue collected from the prepaid wireless 911 service
cha	rge;
	 addresses the administration of the charges by the State Tax Commission; and
	 makes technical and conforming changes.
Mo	ney Appropriated in this Bill:
	None
Oth	ner Special Clauses:
	This bill takes effect on July 1, 2014.
Uta	h Code Sections Affected:
AM	TENDS:
	69-2-5, as last amended by Laws of Utah 2012, Chapter 326
	69-2-5.5 as last amended by Laws of Utah 2012. Chapter 326



69-2-5.6, as last amended by Laws of Utah 2012, Chapter 326 69-2-5.7, as last amended by Laws of Utah 2012, Chapter 326
Be it enacted by the Legislature of the state of Utah:
Section 1. Section 69-2-5 is amended to read:
69-2-5. Funding for 911 emergency telecommunications service Administrative
charge.
(1) In providing funding of 911 emergency telecommunications service, any public
agency establishing a 911 emergency telecommunications service may:
(a) seek assistance from the federal or state government, to the extent constitutionally
permissible, in the form of loans, advances, grants, subsidies, and otherwise, directly or
indirectly;
(b) seek funds appropriated by local governmental taxing authorities for the funding of
public safety agencies; and
(c) seek gifts, donations, or grants from individuals, corporations, or other private
entities.
(2) For purposes of providing funding of 911 emergency telecommunications service,
special service districts may raise funds as provided in Section 17D-1-105 and may borrow
money and incur indebtedness as provided in Section 17D-1-103.
(3) (a) Except as provided in Subsection (3)(b) and subject to the other provisions of
this Subsection (3) a county, city, or town within which 911 emergency telecommunications
service is provided may levy monthly an emergency services telecommunications charge on:
(i) each local exchange service switched access line within the boundaries of the
county, city, or town;
(ii) each revenue producing radio communications access line with a billing address
within the boundaries of the county, city, or town; and
(iii) any other service, including voice over Internet protocol, provided to a user within
the boundaries of the county, city, or town that allows the user to make calls to and receive
calls from the public switched telecommunications network, including commercial mobile
radio service networks.
(b) Notwithstanding Subsection (3)(a), an access line provided for public coin

59 telecommunications service is exempt from emergency telecommunications charges. 60 (c) The amount of the charge levied under this section may not exceed: (i) [61] 64 cents per month for each local exchange service switched access line: 61 62 (ii) [61] 64 cents per month for each radio communications access line; and 63 (iii) [61] 64 cents per month for each service under Subsection (3)(a)(iii). 64 (d) (i) For purposes of this Subsection (3)(d) the following terms shall be defined as 65 provided in Section 59-12-102 or 59-12-215: 66 (A) "mobile telecommunications service": 67 (B) "place of primary use"; (C) "service address"; and 68 69 (D) "telecommunications service." (ii) An access line described in Subsection (3)(a) is considered to be within the 70 71 boundaries of a county, city, or town if the telecommunications services provided over the access line are located within the county, city, or town: 72 73 (A) for purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use Tax 74 Act; and (B) determined in accordance with Section 59-12-215. 75 76 (iii) The rate imposed on an access line under this section shall be determined in 77 accordance with Subsection (3)(d)(iv) if the location of an access line described in Subsection (3)(a) is determined under Subsection (3)(d)(ii) to be a county, city, or town other than county, 78 79 city, or town in which is located: 80 (A) for a telecommunications service, the purchaser's service address; or 81 (B) for mobile telecommunications service, the purchaser's place of primary use. 82 (iv) The rate imposed on an access line under this section shall be the lower of: 83 (A) the rate imposed by the county, city, or town in which the access line is located 84 under Subsection (3)(d)(ii); or 85 (B) the rate imposed by the county, city, or town in which it is located: (I) for telecommunications service, the purchaser's service address; or 86 87 (II) for mobile telecommunications service, the purchaser's place of primary use. (e) (i) A county, city, or town shall notify the Public Service Commission of the intent 88 89 to levy the charge under this Subsection (3) at least 30 days before the effective date of the

90	charge being levied.
91	(ii) For purposes of this Subsection (3)(e):
92	(A) "Annexation" means an annexation to:
93	(I) a city or town under Title 10, Chapter 2, Part 4, Annexation; or
94	(II) a county under Title 17, Chapter 2, County Consolidations and Annexations.
95	(B) "Annexing area" means an area that is annexed into a county, city, or town.
96	(iii) (A) Except as provided in Subsection (3)(e)(iii)(C) or (D), if [on or after July 1,
97	2003,] a county, city, or town enacts or repeals a charge or changes the amount of the charge
98	under this section, the enactment, repeal, or change shall take effect:
99	(I) on the first day of a calendar quarter; and
100	(II) after a 90-day period beginning on the date the State Tax Commission receives
101	notice meeting the requirements of Subsection (3)(e)(iii)(B) from the county, city, or town.
102	(B) The notice described in Subsection (3)(e)(iii)(A) shall state:
103	(I) that the county, city, or town will enact or repeal a charge or change the amount of
104	the charge under this section;
105	(II) the statutory authority for the charge described in Subsection (3)(e)(iii)(B)(I);
106	(III) the effective date of the charge described in Subsection (3)(e)(iii)(B)(I); and
107	(IV) if the county, city, or town enacts the charge or changes the amount of the charge
108	described in Subsection (3)(e)(iii)(B)(I), the amount of the charge.
109	(C) Notwithstanding Subsection (3)(e)(iii)(A), the enactment of a charge or a charge
110	increase under this section shall take effect on the first day of the first billing period:
111	(I) that begins after the effective date of the enactment of the charge or the charge
112	increase; and
113	(II) if the billing period for the charge begins before the effective date of the enactmen
114	of the charge or the charge increase imposed under this section.
115	(D) Notwithstanding Subsection (3)(e)(iii)(A), the repeal of a charge or a charge
116	decrease under this section shall take effect on the first day of the last billing period:
117	(I) that began before the effective date of the repeal of the charge or the charge
118	decrease; and
119	(II) if the billing period for the charge begins before the effective date of the repeal of
120	the charge or the charge decrease imposed under this section.

levied under this section shall:

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121	(iv) (A) Except as provided in Subsection (3)(e)(iv)(C) or (D), if [for an annexation
122	that occurs on or after July 1, 2003, the] an annexation will result in the enactment, repeal, or a
123	change in the amount of a charge imposed under this section for an annexing area, the
124	enactment, repeal, or change shall take effect:
125	(I) on the first day of a calendar quarter; and
126	(II) after a 90-day period beginning on the date the State Tax Commission receives
127	notice meeting the requirements of Subsection (3)(e)(iv)(B) from the county, city, or town that
128	annexes the annexing area.
129	(B) The notice described in Subsection (3)(e)(iv)(A) shall state:
130	(I) that the annexation described in Subsection (3)(e)(iv)(A) will result in an
131	enactment, repeal, or a change in the charge being imposed under this section for the annexing
132	area;
133	(II) the statutory authority for the charge described in Subsection (3)(e)(iv)(B)(I);
134	(III) the effective date of the charge described in Subsection (3)(e)(iv)(B)(I); and
135	(IV) if the county, city, or town enacts the charge or changes the amount of the charge
136	described in Subsection (3)(e)(iv)(B)(I), the amount of the charge.
137	(C) Notwithstanding Subsection (3)(e)(iv)(A), the enactment of a charge or a charge
138	increase under this section shall take effect on the first day of the first billing period:
139	(I) that begins after the effective date of the enactment of the charge or the charge
140	increase; and
141	(II) if the billing period for the charge begins before the effective date of the enactment
142	of the charge or the charge increase imposed under this section.
143	(D) Notwithstanding Subsection (3)(e)(iv)(A), the repeal of a charge or a charge
144	decrease under this section shall take effect on the first day of the last billing period:
145	(I) that began before the effective date of the repeal of the charge or the charge
146	decrease; and
147	(II) if the billing period for the charge begins before the effective date of the repeal of
148	the charge or the charge decrease imposed under this section.
149	(f) Subject to Subsection (3)(g), an emergency services telecommunications charge

(i) be billed and collected by the person that provides the:

152	(A) local exchange service switched access line services; or
153	(B) radio communications access line services; and
154	(ii) except for costs retained under Subsection (3)(h), remitted to the State Tax
155	Commission.
156	(g) An emergency services telecommunications charge on a mobile
157	telecommunications service may be levied, billed, and collected only to the extent permitted by
158	the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.
159	(h) The person that bills and collects the charges levied under Subsection (3)(f) may:
160	(i) bill the charge imposed by this section in combination with the charge levied under
161	Section 69-2-5.6 as one line item charge; and
162	(ii) retain an amount not to exceed 1.5% of the levy collected under this section as
163	reimbursement for the cost of billing, collecting, and remitting the levy.
164	(i) The State Tax Commission shall[:(i)] collect, enforce, and administer the charge
165	imposed under this Subsection (3) using the same procedures used in the administration,
166	collection, and enforcement of the state sales and use taxes under:
167	[(A)] (i) Title 59, Chapter 1, General Taxation Policies; and
168	[(B)] (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:
169	[(1)] (A) Section 59-12-104;
170	[(II)] <u>(B)</u> Section 59-12-104.1;
171	[(III)] <u>(C)</u> Section 59-12-104.2;
172	(D) Section 59-12-104.6;
173	[(IV)] <u>(E)</u> Section 59-12-107.1; and
174	[(V)] <u>(F)</u> Section 59-12-123[; and].
175	[(ii)] (j) The State Tax Commission shall transmit money collected under this
176	Subsection (3) monthly by electronic funds transfer to the county, city, or town that imposes
177	the charge.
178	[(j)] (k) A person that pays a charge under this section shall pay the charge to the
179	commission:
180	(i) monthly on or before the last day of the month immediately following the last day of
181	the previous month if:
182	(A) the person is required to file a sales and use tax return with the commission

183	monthly	under	Section	59-	12-1	108:	; or
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- (B) the person is not required to file a sales and use tax return under Title 59, Chapter 12, Sales and Use Tax Act; or
- (ii) quarterly on or before the last day of the month immediately following the last day of the previous quarter if the person is required to file a sales and use tax return with the commission quarterly under Section 59-12-107.
- [(k)] (1) A charge a person pays under this section shall be paid using a form prescribed by the State Tax Commission.
- [(1)] (m) The State Tax Commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenues the State Tax Commission collects from a charge under this section.
 - [(m)] (n) A charge under this section is subject to Section 69-2-5.8.
- (4) (a) Any money received by a public agency for the provision of 911 emergency telecommunications service shall be deposited in a special emergency telecommunications service fund.
- (b) (i) Except as provided in Subsection (5)(b), the money in the emergency telecommunications service fund shall be expended by the public agency to pay the costs of:
- (A) establishing, installing, maintaining, and operating a 911 emergency telecommunications system;
- (B) receiving and processing emergency calls from the 911 system or other calls or requests for emergency services;
- (C) integrating a 911 system into an established public safety dispatch center, including contracting with the providers of local exchange service, radio communications service, and vendors of appropriate terminal equipment as necessary to implement the 911 emergency telecommunications service; or
- (D) indirect costs associated with the maintaining and operating of a 911 emergency telecommunications system.
- (ii) Revenues derived for the funding of 911 emergency telecommunications service may be used by the public agency for personnel costs associated with receiving and processing calls and deploying emergency response resources when the system is integrated with any public safety dispatch system.

214	(c) Any unexpended money in the emergency telecommunications service fund at the
215	end of a fiscal year does not lapse, and must be carried forward to be used for the purposes
216	described in this section.
217	(5) (a) Revenue received by a local entity from an increase in the levy imposed under
218	Subsection (3) after the 2004 Annual General Session:
219	(i) may be used by the public agency for the purposes under Subsection (4)(b); and
220	(ii) shall be deposited into the special emergency telecommunications service fund
221	described in Subsection (4)(a).
222	(b) Revenue received by a local entity from grants from the Utah 911 Committee under
223	Section 53-10-605:
224	(i) shall be deposited into the special emergency telecommunications service fund
225	under Subsection (4)(a); and
226	(ii) shall only be used for that portion of the costs related to the development and
227	operation of wireless and land-based enhanced 911 emergency telecommunications service and
228	the implementation of wireless E-911 Phase I and Phase II services as provided in Subsection
229	(5)(c).
230	(c) The costs allowed under Subsection (5)(b)(ii) include the public safety answering
231	point's or local entity's costs for:
232	(i) acquisition, upgrade, modification, maintenance, and operation of public service
233	answering point equipment capable of receiving E-911 information;
234	(ii) database development, operation, and maintenance; and
235	(iii) personnel costs associated with establishing, installing, maintaining, and operating
236	wireless E-911 Phase I and Phase II services, including training emergency service personnel
237	regarding receipt and use of E-911 wireless service information and educating consumers
238	regarding the appropriate and responsible use of E-911 wireless service.
239	(6) A local entity that increases the levy it imposes under Subsection (3)(c) after the
240	2004 Annual General Session shall increase the levy to the maximum amount permitted by
241	Subsection (3)(c).
242	Section 2. Section 69-2-5.5 is amended to read:
243	69-2-5.5. Emergency services telecommunications charge to fund the Poison
244	Control Center Administrative charge.

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State Tax Commission.

245	(1) Subject to Subsection (7), there is imposed an emergency services
246	telecommunications charge of [7] 2 cents per month on each local exchange service switched
247	access line and each revenue producing radio communications access line that is subject to an
248	emergency services telecommunications charge levied by a county, city, or town under Section
249	69-2-5.
250	(2) (a) Subject to Subsection (7), an emergency services telecommunications charge
251	imposed under this section shall be billed and collected by the person that provides:
252	(i) local exchange service switched access line services; or
253	(ii) radio communications access line services.
254	(b) A person that pays an emergency services telecommunications charge under this
255	section shall pay the emergency services telecommunications charge to the commission:
256	(i) monthly on or before the last day of the month immediately following the last day of
257	the previous month if:
258	(A) the person is required to file a sales and use tax return with the commission
259	monthly under Section 59-12-108; or
260	(B) the person is not required to file a sales and use tax return under Title 59, Chapter
261	12, Sales and Use Tax Act; or
262	(ii) quarterly on or before the last day of the month immediately following the last day
263	of the previous quarter if the person is required to file a sales and use tax return with the
264	commission quarterly under Section 59-12-107.
265	(c) An emergency services telecommunications charge imposed under this section shall
266	be deposited into the General Fund as dedicated credits to pay for:
267	(i) costs of establishing, installing, maintaining, and operating the University of Utah
268	Poison Control Center; and
269	(ii) expenses of the State Tax Commission to administer and enforce the collection of
270	the emergency services telecommunications charges.
271	(3) Funds for the University of Utah Poison Control Center program are nonlapsing.
272	(4) Emergency services telecommunications charges remitted to the State Tax
273	Commission pursuant to Subsection (2) shall be accompanied by the form prescribed by the

(5) (a) The State Tax Commission shall administer, collect, and enforce the charge

- imposed under Subsection (1) according to the same procedures used in the administration, collection, and enforcement of the state sales and use tax under:
- 278 (i) Title 59, Chapter 1, General Taxation Policies; and
- 279 (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:
- 280 (A) Section 59-12-104;
- 281 (B) Section 59-12-104.1;
- 282 (C) Section 59-12-104.2; [and]
- 283 (D) Section 59-12-104.6;
- [(D)] (E) Section 59-12-107.1[:]; and
- 285 (F) Section 59-12-123.

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- 286 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the 287 State Tax Commission may make rules to administer, collect, and enforce the emergency 288 services telecommunications charges imposed under this section.
 - (c) The State Tax Commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenues the State Tax Commission collects from an emergency services telecommunications charge under this section.
 - (d) A charge under this section is subject to Section 69-2-5.8.
 - (6) A provider of local exchange service switched access line services or radio communications access line services who fails to comply with this section is subject to penalties and interest as provided in Sections 59-1-401 and 59-1-402.
 - (7) An emergency services telecommunications charge under this section on a mobile telecommunications service may be imposed, billed, and collected only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.
 - Section 3. Section **69-2-5.6** is amended to read:
 - 69-2-5.6. Emergency services telecommunications charge to fund statewide unified E-911 emergency service -- Administrative charge.
 - (1) Subject to Subsection 69-2-5(3)(g), there is imposed a statewide unified E-911 emergency service charge of 10 cents per month on each local exchange service switched access line and each revenue producing radio communications access line that is subject to an emergency services telecommunications charge levied by a county, city, or town under Section 69-2-5 or 69-2-5.5 [at:].

307	[(a) 13 cents per month until June 30, 2007; and]
308	[(b) 8 cents per month on and after July 1, 2007.]
309	(2) (a) An emergency services telecommunications charge imposed under this section
310	shall be:
311	(i) subject to Subsection 69-2-5(3)(g); and
312	(ii) billed and collected by the person that provides:
313	(A) local exchange service switched access line services;
314	(B) radio communications access line services; or
315	(C) service described in Subsection 69-2-5(3)(a)(iii).
316	(b) A person that pays a charge under this section shall pay the charge to the
317	commission:
318	(i) monthly on or before the last day of the month immediately following the last day of
319	the previous month if:
320	(A) the person is required to file a sales and use tax return with the commission
321	monthly under Section 59-12-108; or
322	(B) the person is not required to file a sales and use tax return under Title 59, Chapter
323	12, Sales and Use Tax Act; or
324	(ii) quarterly on or before the last day of the month immediately following the last day
325	of the previous quarter if the person is required to file a sales and use tax return with the
326	commission quarterly under Section 59-12-107.
327	(c) A charge imposed under this section shall be deposited into the Statewide Unified
328	E-911 Emergency Service Account created by Section 53-10-603.
329	(3) The person that bills and collects the charges levied by this section pursuant to
330	Subsections (2)(b) and (c) may:
331	(a) bill the charge imposed by this section in combination with the charge levied under
332	Section 69-2-5 as one line item charge; and
333	(b) retain an amount not to exceed 1.5% of the charges collected under this section as
334	reimbursement for the cost of billing, collecting, and remitting the levy.
335	(4) The State Tax Commission shall collect, enforce, and administer the charges
336	imposed under Subsection (1) using the same procedures used in the administration, collection,
337	and enforcement of the emergency services telecommunications charge to fund the Poison

338	Control Center under Section 69-2-5.5.
339	(5) Notwithstanding Section 53-10-603, the State Tax Commission shall retain and
340	deposit an administrative charge in accordance with Section 59-1-306 from the revenues the
341	State Tax Commission collects from a charge under this section.
342	(6) A charge under this section is subject to Section 69-2-5.8.
343	(7) This section sunsets in accordance with Section 63I-1-269.
344	Section 4. Section 69-2-5.7 is amended to read:
345	69-2-5.7. Prepaid wireless telecommunications charge to fund 911 service
346	Administrative charge.
347	(1) As used in this section:
348	(a) "Consumer" means a person who purchases prepaid wireless telecommunications
349	service in a transaction.
350	(b) "Prepaid wireless 911 service charge" means the charge that is required to be
351	collected by a seller from a consumer in the amount established under Subsection (2).
352	(c) (i) "Prepaid wireless telecommunications service" means a wireless
353	telecommunications service that:
354	(A) is paid for in advance;
355	(B) is sold in predetermined units of time or dollars that decline with use in a known
356	amount or provides unlimited use of the service for a fixed amount or time; and
357	(C) allows a caller to dial 911 to access 911 emergency telephone service.
358	(ii) "Prepaid wireless telecommunications service" does not include a wireless
359	telecommunications service that is billed:
360	(A) to a customer on a recurring basis; and
361	(B) in a manner that includes the emergency services telecommunications charges,
362	described in Sections 69-2-5, 69-2-5.5, and 69-2-5.6, for each radio communication access line
363	assigned to the customer.
364	(d) "Seller" means a person that sells prepaid wireless telecommunications service to a
365	consumer.
366	(e) "Transaction" means each purchase of prepaid wireless telecommunications service
367	from a seller.
368	(f) "Wireless telecommunications service" means commercial mobile radio service as

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- defined by 47 C.F.R. Sec. 20.3, as amended.
- 370 (2) There is imposed a prepaid wireless 911 service charge of 1.9% of the sales price 371 per transaction.
 - (3) The prepaid wireless 911 service charge shall be collected by the seller from the consumer for each transaction occurring in this state.
 - (4) The prepaid wireless 911 service charge shall be separately stated on an invoice, receipt, or similar document that is provided by the seller to the consumer.
 - (5) For purposes of Subsection (3), the location of a transaction is determined in accordance with Sections 59-12-211 through 59-12-215.
 - (6) When prepaid wireless telecommunications service is sold with one or more other products or services for a single non-itemized price, then the percentage specified in Section (2) shall apply to the entire non-itemized price.
 - (7) A seller may retain 3% of prepaid wireless 911 service charges that are collected by the seller from consumers as reimbursement for the cost of billing, collecting, and remitting the charge.
 - (8) Prepaid wireless 911 service charges collected by a seller, except as retained under Subsection (7), shall be remitted to the State Tax Commission at the same time as the seller remits to the State Tax Commission money collected by the person under Title 59, Chapter 12, Sales and Use Tax Act.
 - (9) The State Tax Commission:
 - (a) shall collect, enforce, and administer the charge imposed under this section using the same procedures used in the administration, collection, and enforcement of the state sales and use taxes under:
- 392 (i) Title 59, Chapter 1, General Taxation Policies; and
- 393 (ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:
- 394 (A) Section 59-12-104;
- 395 (B) Section 59-12-104.1;
- 396 (C) Section 59-12-104.2;
- 397 (D) Section 59-12-104.6;
- 398 [(D)] (E) Section 59-12-107.1; and
- 399 [(E)] (F) Section 59-12-123;

400	(b) may retain up to 1.5% of the prepaid wireless 911 service charge revenue collected
401	under Subsection (9)(a) as reimbursement for administering this section;
402	(c) shall distribute the prepaid wireless 911 service charge revenue, except as retained
403	under Subsection (9)(b), as follows:
404	(i) $[80.3\%]$ 83.3% of the revenue shall be distributed to each county, city, or town in
405	the same percentages and in the same manner as the entities receive money to fund 911
406	emergency telecommunications services under Section 69-2-5;
407	(ii) $[9.2\%]$ 3% of the revenue shall be distributed to fund the Poison Control Center as
408	in Section 69-2-5.5; and
409	(iii) $[10.5\%]$ 13.7% of the revenue shall be distributed to fund the statewide unified
410	E-911 emergency service as in Section 69-2-5.6; and
411	(d) may make rules in accordance with Title 63G, Chapter 3, Utah Administrative
412	Rulemaking Act, to administer, collect, and enforce the charges imposed under this section.
413	(10) A charge under this section is subject to Section 69-2-5.8.
414	Section 5. Effective date.
415	This bill takes effect on July 1, 2014.

Legislative Review Note as of 1-30-14 9:52 AM

Office of Legislative Research and General Counsel