Committee on Communications, Energy, And Public Utilities

CS/CS/HB 175 — Emergency Communication System

by Regulatory Affairs Committee; Finance and Tax Subcommittee; and Rep. Steube and others (CS/SB 294 by Appropriations Committee and Senator Hays)

The bill lowers the E911 fee from 50 cents to 40 cents for all three categories of voice communication services: prepaid wireless service, wireless service, and nonwireless service. The bill creates a process for collection and distribution of the E911 fee on prepaid wireless services by sellers at the point of sale. A seller of prepaid wireless operating in the state before the fee is imposed can retain 100 percent of the prepaid E911 fees collected for the first two months to offset the costs of setup. After this two-month period, a seller may retain five percent of the prepaid wireless E911 fees that are collected as a retailer collection allowance. The remainder of fees collected must be remitted to the Department of Revenue, which is the agent authorized to collect and distribute the funds for the E911 Board, in the month following collection of the fee.

The bill expands the list of authorized county expenditures for which E911 funds may be used and modifies the distribution of funds to counties and wireless providers for E911 operations.

The bill appropriates the nonrecurring sum of $250,000 from the General Revenue Fund to the Department of Revenue and $190,713 from the Operating Trust Fund to the Department of Revenue for the 2014-2015 fiscal year.

On February 17, 2014, the Revenue Estimating Conference determined that the provisions in this bill will decrease revenues distributed to the Emergency Communications Number E911 System Fund by $1.0 million in Fiscal Year 2014-15, with a $3.2 million positive, recurring impact to the fund.

If approved by the Governor, these provisions take effect July 1, 2014, except as otherwise provided.

Vote: Senate 36-0; House 116-0

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