

2015 -- H 5390

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS

Introduced By: Representatives Lancia, Trillo, Morgan, Newberry, and Filippi

Date Introduced: February 11, 2015

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-21.1-14 of the General Laws in Chapter 39-21.1 entitled "911
2 Emergency Telephone Number Act" is hereby amended to read as follows:
3 **39-21.1-14. Funding.** -- (a) A monthly surcharge of one dollar (\$1.00) is hereby levied
4 upon each residence and business telephone line or trunk or path and data, telephony, Internet,
5 Voice Over Internet Protocol (VoIP) wireline, line, trunk or path in the state including PBX
6 trunks and centrex equivalent trunks and each line or trunk serving, and upon each user interface
7 number or extension number or similarly identifiable line, trunk, or path to or from a digital
8 network (such as, but not exclusive of, integrated services digital network (ISDN), Flexpath or
9 comparable digital private branch exchange, or connecting to or from a customer-based or
10 dedicated telephone switch site (such as, but not exclusive of, a private branch exchange (PBX)),
11 or connecting to or from a customer-based or dedicated central office (such as, but not exclusive
12 of, a centrex system but exclusive of trunks and lines provided to wireless communication
13 companies) that can access to, connect with or interface with the Rhode Island E-911 Uniform
14 Emergency Telephone System (RI E-911). The surcharge shall be billed by each
15 telecommunication services provider at the inception of services and shall be payable to the
16 telecommunication services provider by the subscriber of the services. A monthly surcharge of
17 one dollar (\$1.00) is hereby levied effective July 1, 2002, on each wireless instrument, device or
18 means including prepaid, cellular, telephony, Internet, Voice Over Internet Protocol (VoIP),
19 satellite, computer, radio, communication, data or data only wireless lines or any other wireless

1 instrument, device or means which has access to, connects with, or activates or interfaces or any
2 combination thereof with the E 9-1-1 Uniform Emergency Telephone System. The surcharge
3 shall be in addition to the surcharge collected under § 39-1-62 and shall be billed by each
4 telecommunication services provider and shall be payable to the telecommunication services
5 provider by the subscriber. Prepaid wireless telecommunications services shall not be included in
6 this act, but shall be governed by chapter 21.2 of title 39. The E-911 Uniform Emergency
7 Telephone System shall establish, by rule or regulation an appropriate funding mechanism to
8 recover from the general body of ratepayers this surcharge.

9 (b) The amount of the surcharge shall not be subject to the tax imposed under chapter 18
10 of title 44 nor be included within the telephone common carrier's gross earnings for the purpose
11 of computing the tax under chapter 13 of title 44.

12 (c) Each telephone common carrier and each telecommunication services provider shall
13 establish a special account to which it shall deposit on a monthly basis the amounts collected as a
14 surcharge under this section.

15 (d) The money collected by each telecommunication services provider shall be
16 transferred within sixty (60) days after its inception of wireline, wireless, prepaid, cellular,
17 telephony, Voice Over Internet Protocol (VoIP), satellite, computer, Internet, or communications
18 services in this state and every month thereafter, to the division of taxation, together with the
19 accrued interest and shall be deposited in a restricted receipt account to be administered by the
20 general treasurer for the sole purpose of operating, maintaining and otherwise administering the
21 E-911 uniform emergency telephone system established pursuant to chapter 21 of title 39. ~~the~~
22 ~~general fund as general revenue: provided, however, that beginning July 1, 2015, ten (10) percent~~
23 ~~of such money collected shall be deposited in the Information Technology Investment Fund~~
24 ~~established pursuant to § 42-11-2.5.~~ Any money not transferred in accordance with this paragraph
25 shall be assessed interest at the rate set forth in § 44-1-7 from the date the money should have
26 been transferred.

27 (e) Every billed subscriber-user shall be liable for any surcharge imposed under this
28 section until it has been paid to the telephone common carrier or telecommunication services
29 provider. Any surcharge shall be added to and may be stated separately in the billing by the
30 telephone common carrier or telecommunication services provider and shall be collected by the
31 telephone common carrier or telecommunication services provider.

32 (f) Each telephone common carrier and telecommunication services provider shall
33 annually provide the E 9-1-1 uniform emergency telephone system division or any other agency
34 that may replace it, with a list of amounts uncollected together with the names and addresses of

1 its subscriber-users who can be determined by the telephone common carrier or
2 telecommunication services provider to have not paid the surcharge.

3 (g) Included within, but not limited to, the purposes for which the money collected may
4 be used are rent, lease, purchase, improve, construct, maintenance, repair, and utilities for the
5 equipment and site or sites occupied by the E 9-1-1 uniform emergency telephone system;
6 salaries, benefits, and other associated personnel costs; acquisition, upgrade or modification of
7 PSAP equipment to be capable of receiving E 9-1-1 information, including necessary computer
8 hardware, software, and data base provisioning, addressing, and non-recurring costs of
9 establishing emergency services; network development, operation and maintenance; data-base
10 development, operation, and maintenance; on-premise equipment maintenance and operation;
11 training emergency service personnel regarding use of E 9-1-1; educating consumers regarding
12 the operations, limitations, role and responsible use of E 9-1-1; reimbursement to telephone
13 common carriers or telecommunication services providers of rates or recurring costs associated
14 with any services, operation, administration or maintenance of E 9-1-1 services as approved by
15 the division; reimbursement to telecommunication services providers or telephone common
16 carriers of other costs associated with providing E 9-1-1 services, including the cost of the design,
17 development, and implementation of equipment or software necessary to provide E 9-1-1 service
18 information to PSAP's, as approved by the division.

19 (h) [Deleted by P.L. 2000, ch. 55, art. 28, § 1.]

20 (i) Nothing in this section shall be construed to constitute rate regulation of wireless
21 communication services carriers, nor shall this section be construed to prohibit wireless
22 communication services carriers from charging subscribers for any wireless service or feature.

23 (j) [Deleted by P.L. 2006, ch. 246, art. 4, § 1].

24 SECTION 2. Section 39-21.2-5 of the General Laws in Chapter 39-21.2 entitled "Prepaid
25 Wireless E911 Charge Act" is hereby amended to read as follows:

26 **39-21.2-5. Administration of E911 charge.** -- (a) Time and manner of payment. -
27 Prepaid wireless E911 charges collected by sellers shall be remitted to the division at the times
28 and in the manner provided by the streamlined sales and use tax as described in § 44-18.1-34. The
29 division shall establish registration and payment procedures that substantially coincide with the
30 registration and payment procedures that apply to the streamlined sales and use tax.

31 (b) Seller administrative deduction. - A seller shall be permitted to deduct and retain one
32 percent (1%) of prepaid wireless E911 charges that are collected by the seller from consumers.

33 (c) Audit and appeal procedures. - The audit and appeal procedures applicable to sales
34 and use tax under § 44-19-18 of the general laws shall apply to prepaid wireless E911 charges.

1 (d) Exemption documentation. - The division shall establish procedures by which a seller
2 of prepaid wireless telecommunications service may document that a sale is not a retail
3 transaction, which procedures shall substantially coincide with the procedures form documenting
4 sale for resale transactions for sales tax purposes under § 44-19-18 of the general laws.

5 (e) All fees collected pursuant to this section shall be deposited ~~as general revenues~~ [in a](#)
6 [restricted receipt account to be administered by the general treasurer for the sole purpose of](#)
7 [operating, maintaining and otherwise administering the E-911 uniform emergency telephone](#)
8 [system established pursuant to chapter 21 of title 39.](#)

9 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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1 This act would require that all charges collected by telecommunications and prepaid
2 wireless providers in connection with the E-911 system be deposited into a restricted receipt
3 account for the sole purpose of administering the system.

4 This act would take effect upon passage.

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