

2020 -- H 7534

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- 911 EMERGENCY TELEPHONE
NUMBER ACT -- PREPAID WIRELESS E-911 CHARGE ACT

Introduced By: Representatives Nardone, Filippi, Quattrocchi, Newberry, and Roberts

Date Introduced: February 12, 2020

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. ~~E-911 surcharge and first response surcharge~~ E-911 surcharge.**

4 (a)(1) A monthly E-911 surcharge of fifty cents (\$.50) is hereby levied upon each
5 residence and business telephone line or trunk or path and data, telephony, internet, voice over
6 internet protocol (VoIP) wireline, line, trunk or path in the state including PBX trunks and
7 centrex equivalent trunks and each line or trunk serving, and upon each user interface number or
8 extension number or similarly identifiable line, trunk, or path to or from a digital network (such
9 as, but not exclusive of, integrated services digital network (ISDN), Flexpath, or comparable
10 digital private branch exchange, or connecting to or from a customer-based or dedicated
11 telephone switch site (such as, but not exclusive of, a private branch exchange (PBX)), or
12 connecting to or from a customer-based or dedicated central office (such as, but not exclusive of,
13 a centrex system but exclusive of trunks and lines provided to wireless communication
14 companies) that can access to, connect with, or interface with the Rhode Island E-911 uniform
15 emergency telephone system (RI E-911). ~~In each instance where a surcharge is levied pursuant to
16 this subsection (a)(1) there shall also be a monthly first response surcharge of fifty cents (\$.50).~~
17 The ~~surcharges~~ surcharge shall be billed by each telecommunication services provider at the
18 inception of services and shall be payable to the telecommunication services provider by the

1 subscriber of the services.

2 (2) A monthly E-911 surcharge of fifty cents (\$.50) is hereby levied, on each wireless
3 instrument, device, or means including prepaid, cellular, telephony, internet, voice over internet
4 protocol (VoIP), satellite, computer, radio, communication, data or data only wireless lines or any
5 other wireless instrument, device, or means that has access to, connects with, or activates or
6 interfaces or any combination thereof with the E-911 uniform emergency telephone system. ~~In~~
7 ~~each instance where a surcharge is levied pursuant to this subsection (a)(2) above there shall also~~
8 ~~be a monthly first response surcharge of seventy five cents (\$.75).~~ The ~~surecharges~~ surcharge shall
9 be billed by each telecommunication services provider and shall be payable to the
10 telecommunication services provider by the subscriber. Prepaid wireless telecommunications
11 services shall not be included in this act, but shall be governed by chapter 21.2 of this title. The E-
12 911 uniform emergency telephone system shall establish, by rule or regulation, an appropriate
13 funding mechanism to recover from the general body of ratepayers this surcharge. If the public
14 utilities commission shall determine that the funds collected pursuant to this chapter and chapter
15 21.2 of title 39 exceed what is needed to operate the E-911 uniform emergency telephone system,
16 it may authorize a reduction in the surcharge authorized by this section.

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

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

23 (d) The money collected by each telecommunication services provider shall be
24 transferred within sixty (60) days after its inception of wireline, wireless, prepaid, cellular,
25 telephony, voice over internet protocol (VoIP), satellite, computer, internet, or communications
26 services in this state and every month thereafter, to the division of taxation, together with the
27 accrued interest. The E-911 surcharge shall be deposited in a restricted receipt account and used
28 solely for the operation of the E-911 uniform emergency telephone system. ~~The first response~~
29 ~~surcharge shall be deposited in the general fund; provided, however, that, ten percent (10%) of~~
30 ~~money collected from the first response surcharge shall be deposited in the information~~
31 ~~technology investment fund established pursuant to § 42-11-2.5.~~ Any money not transferred in
32 accordance with this paragraph shall be assessed interest at the rate set forth in § 44-1-7 from the
33 date the money should have been transferred.

34 (e) Every billed subscriber-user shall be liable for any surcharge imposed under this

1 section until it has been paid to the telephone common carrier or telecommunication services
2 provider. Any surcharge shall be added to and shall be stated separately in the billing by the
3 telephone common carrier or telecommunication services provider and shall be collected by the
4 telephone common carrier or telecommunication services provider.

5 (f) Each telephone common carrier and telecommunication services provider shall
6 annually provide the E-911 uniform emergency telephone system division or any other agency
7 that may replace it, with a list of amounts uncollected together with the names and addresses of
8 its subscriber-users who can be determined by the telephone common carrier or
9 telecommunication services provider to have not paid the E-911 surcharge.

10 (g) Included within, but not limited to, the purposes for which the money collected from
11 the E-911 surcharge may be used are rent, lease, purchase, improvement, construction,
12 maintenance, repair, and utilities for the equipment and site or sites occupied by the E-911
13 uniform emergency telephone system; salaries, benefits, and other associated personnel costs;
14 acquisition, upgrade, or modification of PSAP equipment to be capable of receiving E-911
15 information, including necessary computer hardware, software, and database provisioning,
16 addressing, and non-recurring costs of establishing emergency services; network development,
17 operation, and maintenance; database development, operation, and maintenance; on-premise
18 equipment maintenance and operation; training emergency service personnel regarding use of E-
19 911; educating consumers regarding the operations, limitations, role, and responsible use of E-
20 911; reimbursement to telephone common carriers or telecommunication services providers of
21 rates or recurring costs associated with any services, operation, administration, or maintenance of
22 E-911 services as approved by the division; reimbursement to telecommunication services
23 providers or telephone common carriers of other costs associated with providing E-911 services,
24 including the cost of the design, development, and implementation of equipment or software
25 necessary to provide E-911 service information to PSAP's, as approved by the division.

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

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

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

31 SECTION 2. Section 39-21.2-4 of the General Laws in Chapter 39-21.2 entitled "Prepaid
32 Wireless Charge Act" is hereby amended to read as follows:

33 **39-21.2-4. E-911 surcharge.**

34 (a) Amount of charge. The prepaid wireless E-911 charge is hereby levied at the rate of

1 two and one-half percent (2.5%) per retail transaction or, on and after the effective date of an
2 adjusted amount per retail transaction that is established under subsection (f) of this section, such
3 adjusted amount. If the public utilities commission shall determine that the funds collected
4 pursuant to this chapter and chapter 21.2 of title 39 exceed what is needed to operate the E-911
5 uniform emergency telephone system, it may authorize a reduction in the surcharge authorized by
6 this section.

7 (b) Collection of charge. The prepaid wireless charge shall be collected by the seller from
8 the consumer with respect to each retail transaction occurring in this state. The amount of the
9 prepaid wireless charge shall be either separately stated on an invoice, receipt, or other similar
10 document that is provided to the consumer by the seller, or otherwise disclosed to the consumer.

11 (c) Application of charge. For purposes of subsection (b) of this section, a retail
12 transaction that is effected in person by a consumer at a business location of the seller shall be
13 treated as occurring in this state if that business location is in this state, and any other retail
14 transaction shall be treated as occurring in this state if the retail transaction is treated as occurring
15 in this state for purposes of chapter 18 of title 44.

16 (d) Liability for charge. The prepaid wireless charge is the liability of the consumer and
17 not of the seller or of any provider, except that the seller shall be liable to remit all prepaid
18 wireless charges that the seller collects from consumers as provided in § 39-21.2-5, including all
19 such charges that the seller is deemed to collect where the amount of the charge has not been
20 separately stated on an invoice, receipt, or other similar document provided to the consumer by
21 the seller.

22 (e) Exclusion of charge from base of other taxes and fees. The amount of the prepaid
23 wireless charge that is collected by a seller from a consumer, if such amount is separately stated
24 on an invoice, receipt, or other similar document provided to the consumer by the seller, shall not
25 be included in the base for measuring any tax, fee, surcharge, or other charge that is imposed by
26 this state, any political subdivision of this state, or any intergovernmental agency, including, but
27 not limited to, the tax imposed under chapter 18 of title 44 nor be included within the telephone
28 common carrier's gross earnings for the purpose of computing the tax under chapter 13 of title 44.

29 (f) [Deleted by P.L. 2019, ch. 88, art. 2, § 9].

30 (g) Bundled transactions. When prepaid wireless telecommunications service is sold with
31 one or more other products or services for a single, non-itemized price, then the percentage
32 specified in subsection (a) of this section shall apply to the entire non-itemized prices unless the
33 seller elects to apply such percentage (1) If the amount of prepaid wireless telecommunications
34 service is disclosed to the consumer as a dollar amount, such dollar amount, or (2) If the retailer

1 can identify the portion of the price that is attributable to the prepaid wireless telecommunications
2 service, by reasonable and verifiable standards from its books and records that are kept in the
3 regular course of business for other purposes, including, but not limited to, non-tax purposes,
4 such portion.

5 However, if a minimal amount of prepaid wireless telecommunications service is sold
6 with a prepaid wireless device for a single, non-itemized price, then the seller may elect not to
7 apply the percentage specified in subsection (a) of this section to such transaction. For purposes
8 of this paragraph, an amount of service denominated as ten (10) minutes or less, or five dollars
9 (\$5.00) or less, is minimal.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- 911 EMERGENCY TELEPHONE
NUMBER ACT -- PREPAID WIRELESS E-911 CHARGE ACT

- 1 This act would eliminate first responder surcharges from the 911 Emergency Telephone
- 2 Number Act.
- 3 This act would take effect upon passage.

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