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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - PUBLIC UTILITIES COMMISSION

Introduced By: Representatives Phillips, Morin, Casey, Solomon, and Ucci

Date Introduced: February 28, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-1-62 of the General Laws in Chapter 39-1 entitled "Public
2 Utilities Commission" is hereby amended to read as follows:

3 ~~39-1-62. E-911 Geographic Information System (GIS) and Technology Fund. E-911~~
4 **Geographic Information System (GIS).**

5 (a) Preamble. To allow the Rhode Island E-911 Emergency Telephone System agency to
6 associate latitude and longitude coordinates provided by wireless carriers with physical locations
7 throughout the state, the agency must establish and maintain a GIS database of street addresses
8 and landmarks. The database will allow local emergency response personnel to dispatch police,
9 fire and rescue personnel to a specific address or landmark of a cellular caller in the event the
10 caller is unaware of his or her location, or is physically unable to communicate it. Because more
11 than half of the 530,000 9-1-1 phone calls received in 2003 came from cellular phones, it is
12 critical that the GIS database be developed and maintained in order to improve caller location
13 identification and reduce emergency personnel response times.

14 (b) Definitions. As used in this section, the following terms have the following meanings:

15 (1) "System" means Emergency 911 Uniform Telephone System.

16 (2) "Agency" means Rhode Island 911 Emergency Telephone System.

17 (3) "Division" means the Division of Public Utilities and Carriers.

18 (4) "GIS ~~and Technology Fund~~" means the programs and funding made available to the
19 Emergency 911 Uniform Telephone System by the general assembly to assist in paying the costs

1 of the GIS database development project and GIS systems maintenance, which will enable the
2 system to locate cellular phone callers by geocoding all addresses and landmarks in cities and
3 towns throughout the state. GIS ~~and Technology Fund~~ also includes programs and funding to
4 create system redundancy, fund the construction of a new E-911 facility, and operate and
5 maintain other state-of-the-art equipment in public safety agencies.

6 ~~(5) "Prepaid wireless E911 telecommunications service" means a wireless~~
7 ~~telecommunications service that allows a caller to dial 911 to access the 911 system, which~~
8 ~~service must be paid for in advance and is sold in predetermined units or dollars of which the~~
9 ~~number declines with use in a known amount.~~

10 (c) Purpose. The purpose of the GIS ~~and Technology Fund~~ database shall be to:

11 (1) Implement and maintain a geographic information system database to assist in
12 locating wireless phone callers for emergency purposes in a manner consistent and in
13 coordination with the Rhode Island geographic information system administered by the Division
14 of Planning as provided for in § 42-11-10(g)(3); ~~and~~

15 (2) Create system redundancy to ensure the reliability of 9-1-1 service to the public; and

16 (3) Operate and maintain other state-of-the-art equipment in public safety agencies; ~~and~~

17 ~~(4) Fund the construction of a new E-911 facility.~~

18 (d) ~~Authority. The agency shall establish, by rule or regulation, an appropriate funding~~
19 ~~mechanism to recover from the general body of ratepayers the costs of funding GIS and~~
20 ~~technology projects.~~

21 ~~(1) The general assembly shall determine the amount of a monthly surcharge to be levied~~
22 ~~upon each wireless instrument, device or means including cellular, telephony, Internet, Voice~~
23 ~~Over Internet Protocol (VoIP), satellite, computer, radio, communication, data, or any other~~
24 ~~wireless instrument, device or means that has access to, connects with, interfaces with or is~~
25 ~~capable of delivering two-way interactive communications services to the Rhode Island E-911~~
26 ~~Uniform Emergency Telephone System. Prepaid wireless E911 telecommunications services shall~~
27 ~~not be included in this act, but shall be governed by chapter 21.2 of title 39. The agency will~~
28 ~~provide the general assembly with information and recommendations regarding the necessary~~
29 ~~level of funding to effectuate the purposes of this article. The surcharge shall be billed monthly~~
30 ~~by each wireless telecommunications services provider as defined in § 39-21.1-3, which shall not~~
31 ~~include prepaid wireless E911 telecommunications service, and shall be payable to the wireless~~
32 ~~telecommunications services provider by the subscriber of the telecommunications services. Each~~
33 ~~telecommunication services provider shall establish a special (escrow) account to which it shall~~
34 ~~deposit on a monthly basis the amounts collected as a surcharge under this section. The money~~

1 collected by each wireless telecommunication services provider shall be transferred within sixty
2 (60) days after its inception of wireless, cellular, telephony, Voice Over Internet Protocol (VoIP),
3 satellite, computer, Internet, or communications, information or data services in this state and
4 every month thereafter. Any money not transferred in accordance with this paragraph shall be
5 assessed interest at the rate set forth in § 44-1-7 from the date the money should have been
6 transferred. State, local and quasi-governmental agencies shall be exempt from the surcharge. The
7 surcharge shall be deposited in restricted receipt account, hereby created within the agency and
8 known as the GIS and Technology Fund, to pay any and all costs associated with the provisions
9 of subsection (c). Beginning July 1, 2007, the surcharge shall be deposited in the general fund as
10 general revenues to pay any and all costs associated with the provisions of subsection (c). The
11 GIS and Technology Fund restricted receipt account shall be terminated June 30, 2008. The
12 amount of the surcharge under this section shall not exceed thirty five cents (\$.35) per wireless
13 phone.

14 (2) The surcharge is hereby determined to be twenty six cents (\$.26) per wireless phone,
15 cellular, telephony, Voice Over Internet Protocol (VoIP), satellite, computer, data or data only
16 wireless lines or Internet communication or data instrument, device or means which has access to,
17 connects with, activates or interfaces with or any combination of the above with the Rhode Island
18 E-911 Uniform Emergency Telephone System per month and shall be in addition to the wireless
19 surcharge charged under § 39-21.1-14. The twenty six cents (\$.26) is to be billed to all wireless
20 telecommunication service providers, subscribers upon the inception of services.

21 (3) The amount of the surcharge shall not be subject to the sales and use tax imposed
22 under chapter 18 of title 44 nor be included within the gross earnings of the telecommunications
23 corporation providing telecommunications service for the purpose of computing the tax under
24 chapter 13 of title 44.

25 (4) [Deleted by P.L. 2010, ch. 23, art. 9, § 10].

26 (e) Administration. The division of taxation shall collect monthly from the wireless
27 telecommunications service providers as defined in § 39-21.1-3, and which shall not include
28 prepaid wireless E911 telecommunications service, the amounts of the surcharge collected from
29 their subscribers. The division of taxation shall deposit such collections in the general fund as
30 general revenues for use in developing and maintaining the geographic information system
31 database, creating system redundancy, funding the construction of a new E-911 facility and
32 operating and maintaining other state-of-the-art equipment for public safety agencies. The agency
33 is further authorized and encouraged to seek matching funds from all local, state, and federal
34 public or private entities and shall coordinate its activities and share all information with the state

1 ~~Division of Planning.~~

2 (f) ~~Effective date. The effective date of assessment for the GIS and Technology Fund~~
3 ~~shall be July 1, 2004.~~

4 (g) ~~Nothing in this section shall be construed to constitute rate regulation of wireless~~
5 ~~communications services carriers, nor shall this section be construed to prohibit wireless~~
6 ~~communications services carriers from charging subscribers for any wireless service or feature.~~

7 The agency will provide the general assembly with information and recommendations
8 regarding the necessary level of funding to effectuate the purposes of this section. Based on the
9 information and recommendations, the general assembly shall appropriate the necessary funds for
10 use in developing and maintaining the geographic system database, creating system redundancy,
11 funding the construction of a new E-911 facility and operating and maintaining other state-of-the-
12 art equipment for public safety agencies. The agency is further authorized and encouraged to seek
13 matching funds from all local, state and federal public or private entities and shall coordinate its
14 activities and share all information with the state division of planning.

15 (h) Except as otherwise provided by law, the agency shall not use, disclose or otherwise
16 make available call location information for any purpose other than as specified in subsection (c).

17 (i) The attorney general shall, at the request of the E-911 uniform emergency telephone
18 system division, or any other agency that may replace it, or on its own initiative, commence
19 judicial proceedings in the superior court against any telecommunication services provider as
20 defined in § 39-21.1-3(12) providing communication services to enforce the provisions of this
21 chapter.

22 SECTION 2. Sections 39-21.1-1 and 39-21.1-14 of the General Laws in Chapter 39-21.1
23 entitled "911 Emergency Telephone Number Act" are hereby amended to read as follows:

24 **39-21.1-1. Purpose.**

25 (a) The purpose of this chapter is to establish the number 911 as the primary emergency
26 telephone number for use in the state and to develop and improve emergency communications
27 procedures and facilities with the objective of reducing the response time to emergency calls for
28 law enforcement, fire, medical, rescue, and other emergency services.

29 (b) It is hereby declared by the general assembly that:

30 (1) Availability and type of 9-1-1 service in the state. The citizens of this state enjoy
31 enhanced 9-1-1 service where a public safety answering point (PSAP) telecommunicator receives
32 the 9-1-1 call, the pertinent information about the nature and location of the emergency by
33 questioning the caller, and confirms the telephone number and address of the calling party. E 9-
34 1-1 saves lives and property by helping emergency services personnel do their jobs more quickly

1 and efficiently.

2 (2) E 9-1-1 capabilities. E 9-1-1 information includes Automatic Location Identification
3 (ALI), which permits the prompt dispatch of emergency assistance to the street address of the
4 wireline phone. This capability is especially important where the caller is disoriented, disabled,
5 unable to speak or does not know his or her location. ALI also reduces the errors in reporting the
6 location of the emergency and in forwarding accurate information to emergency personnel.
7 Automatic Number Identification (ANI) allows the number of the calling party to be displayed at
8 the PSAP. With ANI, the PSAP can call back the party if the call is disconnected. The general
9 assembly finds that ALI and ANI are critical components of effective emergency services.

10 (3) Wireless 9-1-1 capabilities. Mobility, the primary advantage of wireless technologies,
11 creates complexities for providing E 9-1-1 service, necessitating special action for wireless E 9-1-
12 1 services.

13 (4) The need for wireless E 9-1-1 services. It has been reported that the total number of
14 wireless subscribers in the United States exceeds 42 million, and 9.6 million new subscribers
15 were added in 1995 alone. Currently, there are almost thirty thousand (30,000) new wireless
16 subscribers each day, amounting to a forty percent (40%) annual growth rate. Industry studies
17 report that a majority of new subscribers cite safety and security as a primary reason for
18 purchasing a mobile phone. These statistics underscore the growing popularity of mobile
19 communications. With this growth, wireless customers place a large and increasing portion of 9-
20 1-1 emergency calls received by PSAP's. In 1994 alone, almost eighteen million (18,000,000)
21 wireless calls were made nationwide to 9-1-1 and other public service numbers. It is in the health
22 and safety interests of the citizens of this state that wireless 9-1-1 services be enhanced to provide
23 critical ALI and ANI information.

24 (5) The FCC Mandate for Wireless E 9-1-1. In July, 1996, the Federal Communications
25 Commission (FCC) took several important steps to foster major improvements in the quality and
26 reliability of wireless 9-1-1 services (FCC Docket No. 94-102). The FCC directed wireless
27 carriers to deliver wireless E 9-1-1 information to PSAP's by April 1, 1998. The FCC also
28 directed that wireless carriers, by October 1, 2001, identify to the PSAP the latitude and longitude
29 of a mobile unit making an E 9-1-1 call within a radius of no more than one hundred twenty-five
30 (125) meters in sixty-seven percent (67%) of all cases.

31 (6) PSAP'S Ability to Receive Wireless E 9-1-1 Information. Currently, E 9-1-1 does not
32 have the necessary systems, facilities, and trained personnel to receive ANI and ALI on wireless
33 calls. It is in the health and safety interests of the citizens of this state that PSAP's have the
34 capability to receive and process wireless E 9-1-1 calls, and to require standards of quality of

1 service, performance of service, and technological compliance of all providers of
2 telecommunication services.

3 (7) Conditions for Providing Wireless E 9-1-1. The FCC mandate only applies if (a)
4 PSAP's capable of receiving and utilizing the data elements associated with the E 9-1-1 services
5 formally request such services from the wireless carriers in their jurisdiction and (b) a mechanism
6 for the recovery of costs relating to the provision of such services is available. The FCC left it to
7 each state to ensure that a mechanism is in place to permit carriers to recover costs associated
8 with providing E 9-1-1 services. The general assembly finds that it is in the public interest to
9 ensure that the conditions imposed by the FCC on wireless carriers to provide E 9-1-1 services
10 are met as soon as possible so that the citizens of this state will have more reliable and efficient
11 wireless emergency services.

12 ~~(8) The Need for a Funding Mechanism. Wireline Enhanced 9-1-1 services in the state
13 are funded by telephone subscribers. Wireless 9-1-1 services are not funded. Funding for
14 wireless E 9-1-1 service will be necessary to ensure PSAP's have the necessary systems to be
15 capable of receiving E 9-1-1 information from wireless carriers. Further, given the continued rise
16 in the use of wireless communications, PSAP's will experience increasing demand and incur
17 additional costs for ongoing operation and maintenance of the emergency 9-1-1 system. Wireless
18 carriers will incur costs to upgrade systems to be capable of meeting the FCC mandate and will
19 incur a continuous cost in providing E 9-1-1 information. The general assembly finds that the
20 principal purpose of wireless E 9-1-1 funding is for wireless carriers to recover the costs of
21 providing E 9-1-1 services and therefore to fulfill the FCC mandate.~~

22 ~~(9) Establishment and Purpose of an E 9-1-1 Emergency Services Fund. To ensure that
23 adequate and sustained funding for E 9-1-1 statewide emergency services exists so that wireless
24 and wireline E 9-1-1 systems can be implemented, maintained, and provided at optimum
25 technical levels, and E 9-1-1 services performed at optimum skill levels, the legislature finds that
26 it is necessary and proper to establish a "9-1-1 emergency services fund." The 9-1-1 emergency
27 services fund shall be the cost recovery mechanism for all E 9-1-1 service providers and shall
28 serve as the means through which PSAP upgrades, including upgrades required to receive E 9-1-1
29 information from wireless carriers may be implemented and maintained.~~

30 (10) Indemnification. Given the complexity of providing E 9-1-1 services, the general
31 assembly finds that it is appropriate to provide immunity from civil liability for landline and
32 wireless E 9-1-1 service providers. Further, the general assembly finds that to encourage
33 innovation in the provision of emergency services, it is in the public interest to also extend
34 immunity by statute to any person that provides equipment or services for the establishment,

1 maintenance, or operation of E 9-1-1 services. Immunity would not extend to willful or wanton
2 acts of misconduct by the E 9-1-1 service provider or its employees and agents.

3 **39-21.1-14. Funding.**

4 ~~(a) A monthly surcharge of one dollar (\$1.00) is hereby levied upon each residence and~~
5 ~~business telephone line or trunk or path and data, telephony, Internet, Voice Over Internet~~
6 ~~Protocol (VoIP) wireline, line, trunk or path in the state including PBX trunks and centrex~~
7 ~~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). The surcharge shall be billed by each~~
16 ~~telecommunication services provider at the inception of services and shall be payable to the~~
17 ~~telecommunication services provider by the subscriber of the services. A monthly surcharge of~~
18 ~~one dollar (\$1.00) is hereby levied effective July 1, 2002, on each wireless instrument, device or~~
19 ~~means including prepaid, cellular, telephony, Internet, Voice Over Internet Protocol (VoIP),~~
20 ~~satellite, computer, radio, communication, data or data only wireless lines or any other wireless~~
21 ~~instrument, device or means which has access to, connects with, or activates or interfaces or any~~
22 ~~combination thereof with the E 9 1 1 Uniform Emergency Telephone System. The surcharge~~
23 ~~shall be in addition to the surcharge collected under § 39 1 62 and shall be billed by each~~
24 ~~telecommunication services provider and shall be payable to the telecommunication services~~
25 ~~provider by the subscriber. Prepaid wireless telecommunications services shall not be included in~~
26 ~~this act, but shall be governed by chapter 21.2 of title 39. The E 911 Uniform Emergency~~
27 ~~Telephone System shall establish, by rule or regulation an appropriate funding mechanism to~~
28 ~~recover from the general body of ratepayers this surcharge.~~

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

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

1 ~~(d) The money collected by each telecommunication services provider shall be~~
2 ~~transferred within sixty (60) days after its inception of wireline, wireless, prepaid, cellular,~~
3 ~~telephony, Voice Over Internet Protocol (VoIP), satellite, computer, Internet, or communications~~
4 ~~services in this state and every month thereafter, to the division of taxation, together with the~~
5 ~~accrued interest and shall be deposited in the general fund as general revenue; provided, however,~~
6 ~~that beginning July 1, 2015, ten (10) percent of such money collected shall be deposited in the~~
7 ~~Information Technology Investment Fund established pursuant to § 42-11-2.5. Any money not~~
8 ~~transferred in accordance with this paragraph shall be assessed interest at the rate set forth in §~~
9 ~~44-1-7 from the date the money should have been transferred.~~

10 ~~(e) Every billed subscriber user shall be liable for any surcharge imposed under this~~
11 ~~section until it has been paid to the telephone common carrier or telecommunication services~~
12 ~~provider. Any surcharge shall be added to and may be stated separately in the billing by the~~
13 ~~telephone common carrier or telecommunication services provider and shall be collected by the~~
14 ~~telephone common carrier or telecommunication services provider.~~

15 ~~(f) Each telephone common carrier and telecommunication services provider shall~~
16 ~~annually provide the E-9-1-1 uniform emergency telephone system division or any other agency~~
17 ~~that may replace it, with a list of amounts uncollected together with the names and addresses of~~
18 ~~its subscriber users who can be determined by the telephone common carrier or~~
19 ~~telecommunication services provider to have not paid the surcharge.~~

20 ~~(g) Included within, but not limited to, the purposes for which the money collected may~~
21 ~~be used are rent, lease, purchase, improve, construct, maintenance, repair, and utilities for the~~
22 ~~equipment and site or sites occupied by the E-9-1-1 uniform emergency telephone system;~~
23 ~~salaries, benefits, and other associated personnel costs; acquisition, upgrade or modification of~~
24 ~~PSAP equipment to be capable of receiving E-9-1-1 information, including necessary computer~~
25 ~~hardware, software, and data base provisioning, addressing, and non-recurring costs of~~
26 ~~establishing emergency services; network development, operation and maintenance; data base~~
27 ~~development, operation, and maintenance; on premise equipment maintenance and operation;~~
28 ~~training emergency service personnel regarding use of E-9-1-1; educating consumers regarding~~
29 ~~the operations, limitations, role and responsible use of E-9-1-1; reimbursement to telephone~~
30 ~~common carriers or telecommunication services providers of rates or recurring costs associated~~
31 ~~with any services, operation, administration or maintenance of E-9-1-1 services as approved by~~
32 ~~the division; reimbursement to telecommunication services providers or telephone common~~
33 ~~carriers of other costs associated with providing E-9-1-1 services, including the cost of the design,~~
34 ~~development, and implementation of equipment or software necessary to provide E-9-1-1 service~~

1 ~~information to PSAP's, as approved by the division.~~

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

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

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

7 The agency will provide the general assembly with information and recommendations
8 regarding the necessary level of funding to effectuate the purposes of this section. Based on the
9 information and recommendations, the general assembly shall appropriate the necessary funds for
10 use in developing and maintaining the geographic system database, creating system redundancy,
11 funding the construction of a new E-911 facility and operating and maintaining other state-of-the-
12 art equipment for public safety agencies. The agency is further authorized and encouraged to seek
13 matching funds from all local, state and federal public or private entities and shall coordinate its
14 activities and share all information with the state division of planning.

15 SECTION 3. Chapter 39-21.2 of the General Laws entitled "Prepaid Wireless E911
16 Charge Act" is hereby repealed in its entirety.

17 ~~CHAPTER 39-21.2~~

18 ~~Prepaid Wireless E911 Charge Act~~

19 ~~**39-21.2-1. Short title.**~~

20 ~~This act may be cited as the "Prepaid Wireless E911 Charge Act of 2010."~~

21 ~~**39-21.2-2. Findings.**~~

22 ~~The legislature finds that:~~

23 ~~(1) Maintaining effective and efficient 911 systems across the state benefits all citizens;~~

24 ~~(2) 911 fees imposed upon the consumers of telecommunications services that have the~~
25 ~~ability to dial 911 are an important funding mechanism to assist state and local governments with~~
26 ~~the deployment of enhanced 911 services to the citizens of this state;~~

27 ~~(3) Prepaid wireless telecommunication services are an important segment of the~~
28 ~~telecommunications industry and have proven particularly attractive to low income, low volume~~
29 ~~consumers;~~

30 ~~(4) Unlike traditional telecommunications services, prepaid wireless telecommunications~~
31 ~~services are not sold or used pursuant to term contracts or subscriptions, and monthly bill are not~~
32 ~~sent to consumers by prepaid wireless telecommunication services providers or retail vendors;~~

33 ~~(5) Prepaid wireless consumers have the same access to emergency 911 services from~~
34 ~~their wireless devices as wireless consumers on term contracts, and prepaid wireless consumers~~

1 benefit from the ability to access the 911 system by dialing 911;

2 ~~(6) Consumers purchase prepaid wireless telecommunication services at a wide variety of~~
3 ~~general retail locations and other distribution channels, not just through service providers;~~

4 ~~(7) Such purchases are made on a "cash and carry" or "pay as you go" basis from~~
5 ~~retailers; and~~

6 ~~(8) To ensure equitable contributions to the funding 911 systems from consumers of~~
7 ~~prepaid wireless telecommunication services, the collection and payment obligation of charges to~~
8 ~~support E911 should be imposed upon the consumer's retail purchase of the prepaid wireless~~
9 ~~telecommunication service and should be in the form of single, statewide charge that is collected~~
10 ~~once at the time of purchase directly from the consumer, remitted to the state, and distributed to~~
11 ~~E911 authorities pursuant to state law.~~

12 **39-21.2-3. Definitions.**

13 For purposes of this act, the following terms shall have the following meanings:

14 ~~(1) "Consumer" means a person who purchase prepaid wireless telecommunications~~
15 ~~service in a retail transaction.~~

16 ~~(2) "Division" means the division of taxation.~~

17 ~~(3) "Prepaid wireless E911 charge" means the charge that is required to be collected by a~~
18 ~~seller from a consumer in the amount established under section 4 of this act.~~

19 ~~(4) "Prepaid wireless telecommunications service" means a wireless telecommunications~~
20 ~~service that allows a caller to dial 911 to access the 911 system, which service must be paid for in~~
21 ~~advance and is sold in predetermined units or dollars of which the number declines with use in a~~
22 ~~known amount.~~

23 ~~(5) "Provider" means a person that provides prepaid wireless telecommunications service~~
24 ~~pursuant to a license issued by the Federal Communications Commission.~~

25 ~~(6) "Retail transaction" means the purchase of prepaid wireless telecommunications~~
26 ~~service from a seller for any purpose other than resale.~~

27 ~~(7) "Seller" means a person who sells prepaid wireless telecommunications service to~~
28 ~~another person.~~

29 ~~(8) "Wireless telecommunications service" means commercial mobile radio service as~~
30 ~~defined by section 20.3 of title 47 of the code of Federal Regulations, as amended.~~

31 **39-21.2-4. Collection and remittance of E911 charge.**

32 (a) Amount of charge. The prepaid wireless E911 charge is hereby levied at the rate of
33 two and one half percent (2.5%) per retail transaction or, on and after the effective date of an
34 adjusted amount per retail transaction that is established under subsection (f) of this section, such

1 ~~adjusted amount.~~

2 ~~(b) Collection of charge. The prepaid wireless E911 charge shall be collected by the~~
3 ~~seller from the consumer with respect to each retail transaction occurring in this state. The~~
4 ~~amount of the prepaid wireless E911 charge shall be either separately stated on an invoice,~~
5 ~~receipt, or other similar document that is provided to the consumer by the seller, or otherwise~~
6 ~~disclosed to the consumer.~~

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

12 ~~(d) Liability for charge. The prepaid wireless E911 charge is the liability of the consumer~~
13 ~~and not of the seller or of any provider, except that the seller shall be liable to remit all prepaid~~
14 ~~wireless E911 charges that the seller collects from consumers as provided in § 39-21.2-5,~~
15 ~~including all such charges that the seller is deemed to collect where the amount of the charge has~~
16 ~~not been separately stated on an invoice, receipt, or other similar document provided to the~~
17 ~~consumer by the seller.~~

18 ~~(e) Exclusion of E911 charge from base of other taxes and fees. The amount of the~~
19 ~~prepaid wireless E911 charge that is collected by a seller from a consumer, if such amount is~~
20 ~~separately stated on an invoice, receipt, or other similar document provided to the consumer by~~
21 ~~the seller, shall not be included in the base for measuring any tax, fee, surcharge, or other charge~~
22 ~~that is imposed by this state, any political subdivision of this state, or any intergovernmental~~
23 ~~agency, including, but not limited to, the tax imposed under chapter 18 of title 44 nor be included~~
24 ~~within the telephone common carrier's gross earnings for the purpose of computing the tax under~~
25 ~~chapter 13 of title 44.~~

26 ~~(f) Re-setting of charge. The prepaid wireless E911 charge shall be proportionately~~
27 ~~increased or reduced, as applicable, upon any change to the state E911 charge on postpaid~~
28 ~~wireless telecommunications service under § 39-21.1-14 or subdivision 39-1-62(d)(2). The~~
29 ~~adjusted amount shall be determined by dividing the sum of the surcharges imposed under § 39-~~
30 ~~21.1-14 and subdivision 39-1-62(d)(2) by fifty dollars (\$50.00). Such increase or reduction shall~~
31 ~~be effective on the effective date of the change to the postpaid charge or, if later, the first day of~~
32 ~~the first calendar month to occur at least sixty (60) days after the enactment of the change to the~~
33 ~~postpaid charge. The division shall provide not less than thirty (30) days of advance notice of~~
34 ~~such increase or reduction on the division's website.~~

1 ~~(g) Bundled transactions. When prepaid wireless telecommunications service is sold with~~
2 ~~one or more other products or services for a single, non-itemized price, then the percentage~~
3 ~~specified in subsection (a) of this section shall apply to the entire non-itemized prices unless the~~
4 ~~seller elects to apply such percentage (1) If the amount of prepaid wireless telecommunications~~
5 ~~service is disclosed to the consumer as a dollar amount, such dollar amount, or (2) If the retailer~~
6 ~~can identify the portion of the price that is attributable to the prepaid wireless telecommunications~~
7 ~~service, by reasonable and verifiable standards from its books and records that are kept in the~~
8 ~~regular course of business for other purposes, including, but not limited to, non-tax purposes,~~
9 ~~such portion.~~

10 ~~However, if a minimal amount of prepaid wireless telecommunications service is sold~~
11 ~~with a prepaid wireless device for a single, non-itemized price, then the seller may elect not to~~
12 ~~apply the percentage specified in subsection (a) of this section to such transaction. For purposes~~
13 ~~of this paragraph, an amount of service denominated as ten (10) minutes or less, or five dollars~~
14 ~~(\$5.00) or less, is minimal.~~

15 **39-21.2-5. Administration of E911 charge.**

16 ~~(a) Time and manner of payment. Prepaid wireless E911 charges collected by sellers shall~~
17 ~~be remitted to the division at the times and in the manner provided by the streamlined sales and~~
18 ~~use tax as described in § 44-18.1-34. The division shall establish registration and payment~~
19 ~~procedures that substantially coincide with the registration and payment procedures that apply to~~
20 ~~the streamlined sales and use tax.~~

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

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

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

29 ~~(e) All fees collected pursuant to this section shall be deposited as general revenues.~~

30 **39-21.2-6. Liability.**

31 ~~No liability regarding 911 service. No provider or seller of prepaid wireless~~
32 ~~telecommunications service shall be liable for damages to any person resulting from or incurred~~
33 ~~in connection with the provision of, or failure to provide, 911 or E911 service, or for identifying,~~
34 ~~or failing to identify, the telephone number, address, location, or name associated with any person~~

1 ~~or device that is accessing or attempting to access 911 or E911 service.~~

2 ~~**39-21.2-7. Exclusivity of prepaid wireless E911 charge.**~~

3 ~~The prepaid wireless E911 charge imposed by this act shall be the only E911 funding~~
4 ~~obligation imposed with respect to prepaid wireless telecommunications service in this state, and~~
5 ~~no tax, fee, surcharge, or other charge shall be imposed by this state, any political subdivision of~~
6 ~~this state, or any intergovernmental agency, for E911 funding purposes, upon any provider,~~
7 ~~sellers, or consumer with respect to the sale, purchase, use, or provision of prepaid wireless~~
8 ~~telecommunications service.~~

9 SECTION 4. This act shall take effect on July 1, 2018.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - PUBLIC UTILITIES COMMISSION

1 This act would repeal the monthly surcharge and the prepaid wireless E-911 charge
2 assessed to fund the E-911 Geographic Information System (GIS) and replace the surcharge and
3 the prepaid wireless E-911 charge with a budget appropriation by the general assembly.

4 This act would take effect on July 1, 2018.

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