AN ACT

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:

SECTION 1. Section 39-21.1-14 of the General Laws in Chapter 39-21.1 entitled “911 Emergency Telephone Number Act” is hereby amended to read as follows:

(a)(1) A monthly E-911 surcharge of fifty cents ($0.50) is hereby levied upon each residence and business telephone line or trunk or path and data, telephony, internet, voice over internet protocol (VoIP) wireline, line, trunk or path in the state including PBX trunks and centrex equivalent trunks and each line or trunk serving, and upon each user interface number or extension number or similarly identifiable line, trunk, or path to or from a digital network (such as, but not exclusive of, integrated services digital network (ISDN), Flexpath, or comparable digital private branch exchange, or connecting to or from a customer-based or dedicated telephone switch site (such as, but not exclusive of, a private branch exchange (PBX)), or connecting to or from a customer-based or dedicated central office (such as, but not exclusive of, a centrex system but exclusive of trunks and lines provided to wireless communication companies) that can access to, connect with, or interface with the Rhode Island E-911 uniform emergency telephone system (RI E-911). In each instance where a surcharge is levied pursuant to this subsection (a)(1) there shall also be a monthly first response surcharge of fifty cents ($0.50).

The surcharges shall be billed by each telecommunication services provider at the inception of services and shall be payable to the telecommunication services provider by the
subscriber of the services.

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

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

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

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

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

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

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

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

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

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

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


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

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

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

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

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

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

(g) Bundled transactions. 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 subsection (a) of this section shall apply to the entire non-itemized prices unless the
seller elects to apply such percentage (1) If the amount of prepaid wireless telecommunications
service is disclosed to the consumer as a dollar amount, such dollar amount, or (2) If the retailer
can identify the portion of the price that is attributable to the prepaid wireless telecommunications
service, by reasonable and verifiable standards from its books and records that are kept in the
regular course of business for other purposes, including, but not limited to, non-tax purposes,
such portion.

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

SECTION 3. This act shall take effect upon passage.
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

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This act would eliminate first responder surcharges from the 911 Emergency Telephone Number Act.

This act would take effect upon passage.