## [As Amended by House Committee of the Whole]

**As Amended by House Committee** 

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Session of 2001

## **HOUSE BILL No. 2034**

By Committee on Utilities

1-11

AN ACT concerning emergency telephone systems; relating to **extension of such systems to include wireless service and cable telephony service; providing for** financing thereof; **establishing a wireless enhanced 9-1-1 advisory board;** amending K.S.A. 12-5303 and K.S.A. 2000 Supp. 12-5301, 12-5302, 12-5304 and 12-5308 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2000 Supp. 12-5301 is hereby amended to read as follows: 12-5301. As used in this act, unless the context otherwise requires:

- (a) "Emergency 9-1-1 telephone service" means a telephone system utilizing a *the* single three-digit number "9-1-1" for reporting police, fire, medical or other emergency situations;
- (b) "Emergency telephone tax" means a tax to finance the operation of *an* emergency telephone service; *system*.
- (c) "Exchange access Access facilities" means all facilities provided by the service supplier for the facility which provides local telephone exchange access or cable telephony access to a service user;
- (d) "Tariff rate" means the rate or rates billed by a an exchange telephone service supplier and as stated in the service supplier's tariffs, approved by the state corporation commission which represent the service supplier's recurring charges for exchange access facilities or their equivalent, exclusive of all taxes, fees, licenses or similar charges whatsoever.
- (e) "Public agency" means any city, county, municipal corporation, public district or public authority located in whole or in part within this state which provides or has authority to provide fire fighting, law enforcement, ambulance, emergency medical or other emergency services.
- (f) "Governing body" means the board of county commissioners of a county or the governing body of a city.
  - (g) "Person" means any individual, firm, partnership, copartnership,

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joint venture, association, cooperative organization, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state department, commission, board, bureau or fraternal organization, nonprofit organization, estate, trust, business or common law trust, receiver, assignee for the benefit of creditors, trustee or trustee in bankruptcy or any other service user;

- (h) "Service supplier" means any person providing exchange telephone services service, cable telephony service or wireless service to any service user in this state.
- (i) "Service user" means any person who is provided exchange telephone service or wireless, cable telephony service or wireless service in this state.
- (j) "Wireless carrier" means any common, private or other radio carrier licensed by the federal communications commission to provide two-way voice or text radio service in this state which provides interconnection to the public switched telephone network and access to a 24-hour answering point;.
- (k) "Wireless service" means a two-way voice or text radio service provided by a wireless carrier; and.
  - (l) "PSAP" means public safety answering point.
- (m) "Emergency telephone system" means 9-1-1 telephone service and the system for processing reports made by use of such service and for dispatching responders in response to such reports.
- (n) "Place of primary use" has the meaning provided by and shall be determined in accordance with the federal mobile telecommunications sourcing act (P.L. 106 252).
- Sec. 2. K.S.A. 2000 Supp. 12-5302 is hereby amended to read as follows: 12-5302. (a) In addition to other powers for the protection of the public health and welfare, a governing body may provide for the operation of an emergency telephone service and may pay for it by imposing an emergency telephone tax for such service in those portions of the governing body's jurisdiction for which emergency telephone service has been contracted. The governing body system and may do such other acts as are expedient for the protection and preservation of the public health and welfare and are necessary for the operation of the emergency telephone system. To pay for the system, the governing body is hereby authorized by ordinance in the case of cities and by resolution in the case of counties to impose such an emergency telephone tax in those portions of the governing body's jurisdiction for which emergency 9-1-1 telephone service has been contracted. The tax may be imposed either on only exchange telephone service or on both exchange telephone service and wireless service. The amount of such tax shall not exceed \$.75 per month per exchange access line or its equivalent for exchange telephone service,

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**\$.75** per month per cable telephony access line or its equivalent for cable telephony service or \$.75 per month per wireless connection for wireless service.

- (b) Within 60 days of the publication of a resolution by a county adopted pursuant to subsection (a) there may be filed with the county election officer of the county a petition signed by not less than 5% of the registered voters of the county, and within 60 days of publication of an ordinance adopted pursuant to subsection (a) there may be filed with the county election officer of the county in which the city is located a petition signed by not less than 5% of the registered voters of the city, in either such case requesting that the question of the installation and operation of an emergency telephone service system and imposition of tax therefor be submitted to the qualified voters of the county. Upon determination of the sufficiency of such petition and certification thereof by the county election officer, the proposition shall be submitted to the qualified voters of the county or city as the case may be at the next primary or general election of county officers following by not less than 60 days the certification of such petition. If a majority of the votes cast at such election are for the installation and operation of an emergency telephone service system and imposition of tax therefor, or if no protest petition is filed within the time hereinbefore prescribed, the governing body may provide for the installation and operation of such service system and impose such tax. If a tax is imposed on the effective date of this act or thereafter, any proposed increase in the amount of the tax or imposition of the tax on wireless service shall be subject to the protest petition provided in this subsection. The extension of the tax to cable telephony service or wireless service shall not be subject to such protest petition. The proceeds of the tax shall be utilized to pay for the operation of the emergency telephone service system as set forth in subsection (b) of K.S.A. 12-5304, and amendments thereto, and may be imposed at any time subsequent to execution of a contract with the provider of such 9-1-1 telephone service at the discretion of the governing body. The collection of such tax may begin at the time determined to be necessary to generate revenue in an amount necessary to pay the nonrecurring expenses of establishing the emergency telephone service system. Any interest earned on revenue derived from such tax shall be used to pay the expenses authorized by K.S.A. 12-5304, and amendments thereto. Such tax shall not be imposed until after the expiration of the protest period or until after approved at an election if a sufficient protest petition is filed.
- (c) As an alternative to the procedure provided in subsection (b), the governing body may submit, on its own initiative, the proposal to establish an emergency telephone service system to the qualified voters of the city or county for approval. Any such election shall be called and held in the

manner provided by the general bond law.

- (d) Such tax(1) The emergency telephone tax on exchange telephone service and cable telephony service shall be imposed only upon exchange access lines or cable telephony access lines, or their equivalent. No such tax shall be imposed upon more than 100 exchange access facilities or their equivalent per person per location.
- (2) The emergency telephone tax on wireless service shall be imposed only upon wireless connections for which the place of primary use customer's billing address is within the portions of the governing body's jurisdiction for which 9-1-1 telephone service has been contracted.
- (e) Every billed service user shall be liable for any tax imposed under this act until it has been paid to the service supplier. Wireless service users shall be exempt from the emergency telephone tax.
- (f) The duty to collect any tax imposed under authority of this act from a service user shall commence at such time as specified by the governing body. Taxes imposed under authority of this act and required by it to be collected by the service supplier shall be added to and may be stated separately in the billings to the service user.
- (g) The service supplier shall have no obligation to take any legal action to enforce the collection of any tax imposed under authority of this act. The service supplier shall provide annually the governing body with a list of amounts uncollected along with the names and addresses of those service users which carry a balance that can be determined by the service supplier to be nonpayment of any tax imposed under authority of this act.
- (h) Any tax imposed under authority of this act shall be collected insofar as practicable at the same time as, and along with, the charges for the tariff rate or other rates of the service supplier in accordance with the regular billing practice of the service supplier.
- (i) No tax shall be imposed pursuant to this section on a wireless connection used for remote control purposes and capable of accessing only one number.
- Sec. 3. K.S.A. 12-5303 is hereby amended to read as follows: 12-5303. (a) Any tax imposed under authority of this act and the amounts required to be collected are due quarterly. The amount of tax collected in one calendar quarter by the service supplier shall be remitted to the governing body no later than sixty 60 days after the close of a calendar quarter. On or before the sixtieth day of each calendar quarter following, a return for the preceding quarter shall be filed with the governing body in such form as the governing body and service supplier shall agree. The service supplier required to file the return shall deliver the return together with a remittance of the amount of the tax payable to the office of the governing body. The service supplier shall maintain records of the amount of any tax collected pursuant to action in accord with this act.

Such records shall be maintained for a period of one year from the time the tax is collected.

- (b) From every remittance to the governing body made on or before the date when the same becomes due, the service supplier required to remit the same shall be entitled to deduct and retain, as an administrative fee, an amount equal to two percent (2%) 2% thereof. Other costs in curred by the service supplier may be recovered in accordance with: (1) Amounts included in the tariff rate of the supplier, in the case of exchange telephone service suppliers; and (2) amounts negotiated between the service supplier and the governing body, in the case of wireless service suppliers. Other costs which are incurred by a service supplier and are not recovered through tariff rates or customer charges of the supplier may, at the discretion of the governing body, be recovered, subject to negotiation with the governing body, but any recovery of such other costs shall be made equally available to exchange telephone service suppliers, cable telephony service suppliers and wireless service suppliers.
- (c) At least once each calendar year, the governing body shall establish a tax rate, not to exceed the amount authorized, that together with any surplus revenues carried forward will produce sufficient revenues to fund the expenditures authorized by this act. Amounts collected in excess of that necessary within a given year shall be carried forward to subsequent years. The governing body shall make its determination of such tax rate each year no later than September 1 and shall fix the new rate to take effect commencing with the first billing period of each customer on or following the next January 1. Immediately upon making its determination and fixing the rate, the governing body shall publish in its minutes the new rate, and it shall notify by registered mail every service supplier at least ninety (90) 90 days before such new rate will become effective. The governing body may at its own expense require an annual audit of the service supplier's books and records concerning the collection and remittance of the tax authorized by this act.
- (d) Nothing in this act shall be construed to prevent a service supplier from contracting with another entity to carry out the service supplier's duties under this act with regard to collection and remittence of any tax imposed pursuant to this act.
- (e) Notwithstanding any other provision of law, no proprietary information submitted to a public agency by a wireless carrier service supplier pursuant to this section shall be subject to subpoena or otherwise released to any person other than to the submitting wireless carrier service supplier, without the express permission of the wireless service carrier service supplier. General information collected from wireless carriers service suppliers pursuant to this section shall only be released or

published in aggregate amounts which do not identify or allow identification of numbers of subscribers or revenues attributable to a specific wireless carrier service supplier.

- Sec. 4. K.S.A. 2000 Supp. 12-5304 is hereby amended to read as follows: 12-5304. (a) Any governing body imposing the tax authorized by K.S.A. 12-5302, and amendments thereto, may contract directly with the provider of the emergency *9-1-1* telephone service or may contract and cooperate with any public agency or with other states or their political subdivisions or with any association or corporation for their political subdivisions or with any association or corporation for the administration of *the* emergency telephone *service system* as provided by law.
- (b) Funds collected from tax imposed pursuant to K.S.A. 12-5302, and amendments thereto, shall be spent solely to pay for any or all of the following: (1) The monthly recurring charges billed by the service supplier for the emergency 9-1-1 telephone service; (2) initial installation, service establishment; and nonrecurring start-up charges billed by the service supplier for the emergency 9-1-1 telephone service; (3) charges for capital improvements and equipment or other physical enhancements to the emergency telephone system; or (4) the acquisition and installation of road signs designed to aid in the delivery of emergency service.; (5) engineering, architectural and construction costs attributable to the emergency telephone system; or (6); or (5) costs of training PSAP personnel to provide effective service to all users of the emergency telephone system, including users who have communications disabilities.
- (c) A governing body that imposes an emergency telephone tax on both exchange telephone service and wireless service may expend the tax revenue on the emergency telephone system without regard to whether the source of the revenue is the tax on exchange telephone service or wireless service.
- (c) A governing body shall maintain a separate accounting of emergency telephone tax revenues and expenditures based on whether they are attributable to telephone exchange service, cable telephony service or wireless service but the governing body may expend such revenues without regard to whether they are attributable to telephone exchange service, cable telephony service or wireless service.
- (d) A governing body that imposes an emergency telephone tax on wireless service shall implement phase 1 of wireless enhanced 911 service, as defined by the federal communications commission on the effective date of this act, [: (1) Within 60 months after the date such tax is first imposed, if the governing body is the county commission of a county having a population of less than 75,000 or if the governing body is the governing body of a city located in

such a county; or (2)] within 24 months after the date such tax is first imposed [if the governing body is the county commission of a county having a population of 75,000 or more or if the governing body is the governing body of a city located in such a county]. If such service is not implemented within that time, imposition of the emergency telephone tax on wireless service shall be suspended until such time as phase 1 of wireless enhanced 911 service is implemented.

- Sec. 5. K.S.A. 2000 Supp. 12-5308 is hereby amended to read as follows: 12-5308. (a) A public agency or a wireless carrier shall not **No public agency or service supplier shall** be liable for any form of damages resulting directly or indirectly from the total or partial failure of any transmission to an emergency telephone service.
- (b) Notwithstanding any other provision of law, in no event shall any wireless carrier, or its officers, employees, assigns or agents, be liable for any form of civil damages or criminal liability which directly or indirectly results from, or is caused by, an act or omission in the development, design, installation, operation, maintenance, performance or provision of 9-1-1 telephone service or other emergency wireless two—and three digit wireless numbers, unless such act or omission constitutes gross negligence, recklessness or intentional misconduct. Nor shall any wireless carrier No service supplier, or its officers, employees, assigns, or agents, be liable for any form of civil damages or criminal liability or agents, shall be liable for any form of damages which directly or indirectly results result from, or is are caused by, the release of subscriber information to any public agency as required to implement the provisions of this act unless the release constitutes gross negligence, recklessness or intentional misconduct.
- (c) Each service supplier shall design, maintain and operate the supplier's facilities so as to maximize direct delivery of each 9-1-1 call to the PSAP of the jurisdiction in which the 9-1-1 call is placed.
- New Sec. 6. (a) There is hereby established a wireless enhanced 9-1-1 advisory board.
  - (b) The board shall consist of:
- (1) Six members, one each designated by the following: The Kansas association of counties, the league of Kansas municipalities, the Kansas highway patrol, the Kansas association of fire chiefs, the Kansas association of chiefs of police and the Kansas emergency medical services board;
- (2) one person with a communications disability designated by the Kansas commission for the deaf and hard of hearing; and
  - (3) three members appointed by the governor to represent the

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## general public;

- (4) four members appointed by the governor, one each to represent the following: Large wireline telephone companies, rural independent telephone companies, cable telephony companies and wireless service providers.
- (c) The board shall elect annually one member to serve as chairperson and one member to serve as vice-chairperson.

The board shall meet at least once in each calendar quarter and at such other times as may be necessary upon call of the chairperson or upon written request of a majority of the members of the board.

- (d) The board shall assist and advise local governments and PSAP operators in the implementation and operation of wireless enhanced 9-1-1 services, including, but not limited to, policy, training and education.
- Sec. <del>6.</del> **7.** K.S.A. 12-5303 and K.S.A. 2000 Supp. 12-5301, 12-5302, 12-5304 and 12-5308 are hereby repealed.
- Sec. 7.8. This act shall take effect and be in force from and after its publication in the statute book.