

HCS HB 714 -- EMERGENCY SERVICES

SPONSOR: Lauer

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Telecommunications by a vote of 9 to 0. Voted "Do Pass with HCS" by the Select Committee on Utilities by a vote of 9 to 0.

This bill changes the laws regarding funding for emergency 911 services, administration of 911 funding, and the cooperation and contracting between emergency services providers.

MONTHLY FEE FOR COMMUNICATIONS SERVICES ENABLED TO CONTACT 911

The bill:

(1) Changes the name of the Wireless Service Provider Enhanced 911 Service Fund to the Missouri 911 Service Trust Fund;

(2) Authorizes counties, any city not within a county, and certain home rule cities to impose by order or ordinance a monthly fee, not to exceed \$1.50 per device, on subscribers of any communications service enabled to contact 911 solely for the purpose of funding 911 service in the county or city upon approval by the voters of the county or city. All revenue from this fee except for certain administrative and collection costs of the providers and the Department of Revenue will be deposited into the Missouri 911 Service Trust Fund to be remitted monthly by the Director of the Department of Revenue to the governing body of the county or city; the governing body will control the funds unless the county or city has established an elected board to administer the funds. The fee:

(a) Will be in lieu of the emergency telephone tax levy authorized under Section 190.305, RSMo, or the county sales tax authorized under Sections 190.292, 190.325, or 190.335 for funding the central dispatch of emergency services; and

(b) Will not be imposed upon prepaid wireless telecommunications service customers who will be subject to the charge imposed under Section 190.451;

(3) Prohibits a county or city from submitting a proposal to its voters for a fee of more than \$1 until the county or city receives approval for the fee amount from the Missouri 911 Service Board. Any subsequent proposed fee increase also must receive prior approval from the board and voters. A county or city seeking board approval to impose or increase a fee of more than \$1 must submit information specified in the bill to the board to justify the fee

amount;

(4) Prohibits counties from submitting a proposal to the voters of the county until it develops a plan for consolidation of emergency telephone service and submits the plan to the Missouri 911 Service Board. The plan must provide for the establishment of a joint emergency communications board as contemplated in Section 70.260. The Department of Revenue cannot remit any fees to a county of the third or fourth classification until it receives notice from the board that the county has filed a plan that is ready for implementation;

(5) Specifies one of the actions each third classification county that does not have a public agency as defined in Section 190.300 must take;

(6) Requires all 911 fees to be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended; and

(7) Requires all counties to submit the question of a tax on any communications device able to contact 911 to a vote of the county residents.

Currently, the only cities for which this fee is authorized is the City of St. Louis and the City of Sikeston.

STATEWIDE PREPAID WIRELESS EMERGENCY TELEPHONE SERVICE CHARGE

Beginning January 1, 2016, the bill imposes a statewide prepaid wireless emergency telephone service charge of 3% on each retail purchase of prepaid wireless telecommunications service, regardless of technology. The amount of the charge must be separately stated to the consumer on an invoice, receipt, or other similar document or otherwise disclosed. If the sale of a prepaid wireless device includes 10 or fewer minutes or \$5 or less of wireless telephone service, the seller can elect not to apply the service charge to the transaction. The bill specifies the types of retail transactions that will be deemed to have occurred in this state.

The amount of the service charge that is separately stated on an invoice, receipt, or other similar document cannot be included in the base for measuring any tax, fee, surcharge, or other charge imposed by the state, any political subdivision of the state, or any intergovernmental agency.

Beginning January 1, 2016, and ending on January 31, 2016, the seller will be allowed to retain 100% of the prepaid wireless emergency telephone service charges collected by the seller from

consumers. Beginning on February 1, 2016, a seller will be allowed to deduct and retain 3% of the prepaid service charges that are collected.

The bill specifies that a provider of wireless service must be entitled to the immunity and liability protections under Section 190.450. A seller that is not a wireless service provider must be entitled to the immunity and liability protections under Section 190.450, regardless of any state law regarding compliance with Federal Communications Commission Order 05-116.

The prepaid wireless emergency telephone service charge will be in addition to any other tax, fee, surcharge or other charge imposed by this state, any political subdivision of this state, or any intergovernmental agency for 911 funding purposes.

Ten percent of the remitted prepaid wireless emergency telephone service charges deposited in the Missouri 911 Service Trust Fund will be dedicated to the Missouri Regional Poison Information Center, not in excess of \$1 million in any 12-month period or in any one calendar year.

The board will set aside between 25% and 75% of the charges deposited into the fund to be remitted to non-charter counties in direct proportion to the amount of charges collected in each county. The board will set aside between 65% and 75% of the charges deposited into the fund to be remitted to charter counties and any city not within a county in direct proportion to the amount of charges collected in each county or city. The initial percentage rate set by the board may be adjusted after three years and every two years thereafter.

Lastly, the bill exempts certain commercial 911 mobile devices installed on vehicles from the bill unless that person has activated that device by subscribing to a commercial mobile emergency service.

MISSOURI 911 SERVICE BOARD

The bill establishes the Missouri 911 Service Board by changing the name of the Advisory Committee for 911 Service Oversight and repealing the provisions creating the Wireless Service Provider Enhanced 911 Advisory Board.

The number of board members is reduced from 16 to 14, and the composition of the board is changed. Additional new powers and responsibilities of the board are specified, including:

- (1) Electing the chair from its membership;

- (2) Designating a state 911 coordinator;
- (3) Applying for and receiving private and federal grants;
- (4) Administering and authorizing grants and loans to counties and cities that demonstrate a commitment to improving 911. The purpose of grants from the Missouri 911 Service Trust Fund include:
 - (a) Implementation of 911 services in counties currently without service;
 - (b) Promotion of consolidation where appropriate;
 - (c) Mapping and addressing all county locations;
 - (d) Ensuring primary access and texting abilities to 911 services for disabled residents; and
 - (e) Implementation of initial emergency medical dispatch services including pre-arrival medical instruction in counties where those services are not offered as of July 1, 2015;
- (5) Developing an application process including reporting and accountability requirements, withholding a portion of the grant until completion of a project and other measures to assure funds are used in accordance with the law and purpose of the grant, and conducting audits as deemed necessary;
- (6) Preparing and presenting a report to the Governor and General Assembly on the status of 911 services statewide every three years, including specific efforts to improve efficiency, cost effectiveness, and levels of service;
- (7) Conducting an annual survey of public safety answering points in Missouri to evaluate potential for improved services, coordination, and feasibility of consolidation;
- (8) Setting aside between 25% and 75% of the charges deposited in the service trust fund to be remitted to the counties in direct proportion to the amount of charges collected in each county. The board may adjust the initial percentage rate after three years and every two years thereafter;
- (9) Making and executing contracts or any other instruments and agreements necessary or convenient for the exercise of its powers and functions;
- (10) Retaining in its records proposed county plans developed

under a specified provision of the bill and notifying the Department of Revenue that the county has filed a plan that is ready for implementation;

(11) Approving a county proposal to impose a fee of more than \$1 under Section 190.450;

(12) Notifying certain communications service providers when the centralized database has been updated or a county or city has established or modified a tax or monthly fee at least 90 days prior to the effective date of the change. The Director of the Department of Revenue will be required to maintain a centralized database that will be available to the Missouri 911 Service Board specifying the current monthly fee or tax imposed by each county or city under Sections 190.292, 190.305, 190.325, 190.335, or 190.450. The database must be updated no less than 60 days prior to the effective date of any changes; and

(13) The bill prevents the Missouri 911 board established by the bill from setting rates of remitted prepaid wireless emergency telephone service charges below 25% for non-charter counties and not below 65% for charter counties and the City of St. Louis.

CONSOLIDATION, COOPERATION, AND CONTRACTING BETWEEN BOARDS

The bill authorizes any county, city, or 911 emergency services board established under Chapter 190 or under Section 321.243 to contract or cooperate with any other such board as provided in Sections 70.210 to 70.320. Contracting counties or boards may seek assistance and advice from the Missouri 911 service board established in Section 650.325 regarding terms of the joint contract and the administration and operation of the contracting counties, cities, and boards. The bill also provides that if certain emergency service boards consolidate, their existing boards will end on the 30th day after the appointment of the consolidated board.

If two or more counties, cities, 911 districts, or existing emergency communications entities desire to consolidate their emergency communications operations, a joint emergency communications entity may be established by the parties through an agreement identifying the conditions and provisions of the consolidation and the operation of the joint entity. The agreement must include the establishment of a joint governing body that may be comprised of the boards of the entities forming the agreement currently authorized by statute or an elected or appointed joint board authorized in Section 70.260, provided that the representation on the joint board of each of the entities forming the agreement must be equal. However, the bill provides that any

county which has one 911 service is presumed to be consolidated and that if certain emergency service boards consolidate, their existing boards will end on the 30th day after the appointment of the consolidated board.

After August 28, 2015, no public safety answering point operation may be established as a result of its separation from an existing public safety answering point operation without a study by and the approval of the Missouri 911 service board.

No provision of the bill can be construed to prohibit or discourage in any manner the formation of multi-agency or multi-jurisdictional public safety answering point operations.

The bill also specifies a procedure by which two or more publicly funded 911 central dispatch centers organized under Sections 190.327 to 190.329 or Section 190.335, upon voter approval, can consolidate into one 911 central dispatch center.

WIRELESS SERVICE PROVIDER ENHANCED 911

The bill repeals the provision authorizing the Office of Administration to impose, upon statewide voter approval, a wireless service provider enhanced 911 fee not to exceed 50 cents per wireless telephone number per month, and specifying the ballot language for the statewide fee.

FIRE PROTECTION DISTRICT BOARDS

The bill revises the term "lucrative office or employment" as it applies to a member of a fire protection district board of directors.

AUDITOR'S AUTHORITY TO CONDUCT PERFORMANCE AND FISCAL AUDITS

The bill allows the state auditor to conduct performance and fiscal audits of any board, dispatch center, joint emergency communications entity, or trust fund involving emergency 911 service

PROPOSERS: Supporters say that it is imperative that the state improve its 911 capabilities. Currently, 17 counties in Missouri do not have 911 service due to a lack of funds. This bill would create a funding mechanism to bring 911 service to those counties. Additionally, the most modern systems in the state are not up to date. The bill would begin to update these systems. Further, this bill would encourage consolidation of certain counties, cities, 911 districts, or other existing emergency communication entities which would reduce costs and bring 911 communication to undeserved areas.

Finally, the bill would begin the process of bringing a state-wide 911 system to the state.

Testifying for the bill were Representative Lauer; Michael D. Hall; Kevin Pratt, Western Missouri Fire Chiefs; April Tarrant, Jasper County Emergency Services; Kenneth R. Menges, Sheet Metal, Air, Rail and Transportation (SMART Transportation Division); SSM Health Care; Doc Kritzer, Missouri County Commissioners Association; City of Kansas City; Missouri Nurses Association; Ralph Hellebusch, Warren County Ambulance District/911 Dispatch; Missouri Municipal League; City Of Nevada; Vernon County Ambulance District; Centurylink; National Association Of Social Workers - Missouri Chapter; United Steelworkers District 11; Missouri AFL-CIO; American Heart Association; Missouri Farm Bureau; International Union Of Painters And Allied Trades; Michael J. Hasty, Missouri Police Chiefs Association; Pat Clutter, Missouri State Emergency Nurses Association; Stephen Hoskins, MOAPCO Association Of Public Safety Communications, Kansas City Police Dept.; Ambulance District Association Of Missouri; The Missouri Group; Missouri Retailers Association; Missouri Grocers Associations; Brotherhood Of Locomotive Engineers And Trainmen; David Klarica, Metro West Fire Protection District; P. Michael Snider, Northland Fire Chiefs Council, MAFC; Rance Duffy, Mo-NENA; Lisa Schlottach, Missouri 911 Directors Association; Jennifer Tyree-Taylor, RN; and Mid America Regional Council.

OPPONENTS: There was no opposition voiced to the committee.