

## HOUSE SUMMARY OF SENATE AMENDMENTS

**HB 678**

**2016 Regular Session**

**Carmody**

TELECOMMUNICATIONS: Provides for the assessment of a surcharge fee on prepaid 911 services

### Synopsis of Senate Amendments

1. Makes technical changes.
2. Reduces from four percent to two percent the amount that a seller may deduct and retain from a retail transaction whereby a consumer purchases a prepaid service that provides access to 911.
3. Makes the financial records of each 911 district subject to audit pursuant to certain provisions of present law and requires each district to submit an annual report to the legislative auditor.
4. Makes proposed law effective on October 1, 2016.

### Digest of Bill as Finally Passed by Senate

Present law details the intent of present law.

Present law includes definitions and multiple references that include the terms "wireless", "telecommunications", "wireless telecommunications service", and "service charges" relative to describing certain charges and services. Proposed law removes these references and modifies the definitions included in present law.

Proposed law removes the definitions of "wireless communications service" and "product".

Proposed law enumerates definitions to include the terms "prepaid 911 charge" and "prepaid service". Proposed law effectually broadens the scope of present law to make certain services that provide access to 911 subject to the prepaid 911 charge.

Present law provides procedures for the collection and remittance of prepaid wireless telecommunications 911 service charges. Present law imposes a prepaid wireless telecommunications 911 service charge in the amount of 2% of the amount of the per retail transaction. Proposed law imposes a prepaid 911 charge. Further, proposed law increases the amount of the charge from 2% to 4% of the amount of the per retail transaction. Otherwise, proposed law makes only technical changes to the procedures established by present law relative to the collection and remittance of the prepaid 911 charges for the purpose of incorporating the terms defined in proposed law.

Present law provides for limited liability relative to providers and sellers of prepaid wireless telecommunications service. Proposed law makes only technical changes to the provisions of present law relative to liability for the purpose of incorporating the terms defined in proposed law.

Present law provides that the prepaid wireless E911 charge shall be the exclusive funding obligation imposed with respect to prepaid wireless telecommunications service in this state. Proposed law makes only technical changes to the provisions of present law relative to the exclusivity of the charge for the purpose of incorporating the terms defined in proposed law.

Proposed law requires all revenues collected from the assessment of 911 surcharge fees to be used for the sole purpose of providing 911 emergency response communications services and operations. Prohibits diversion of the revenues for use by any other entity or for any other purpose other than those outlined in the present law and proposed law.

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Present law includes definitions and multiple references that include the terms "wireless", "telecommunications", "wireless telecommunications service", and "service charges" relative to describing certain charges and services. Proposed law removes these references and modifies the definitions included in present law.

Proposed law removes the definitions of "wireless communications service" and "product".

Proposed law enumerates definitions to include the terms "prepaid 911 charge" and "prepaid service". Proposed law effectually broadens the scope of present law to make certain services that provide access to 911 subject to the prepaid 911 charge.

Present law provides procedures for the collection and remittance of prepaid wireless telecommunications 911 service charges. Present law imposes a prepaid wireless telecommunications 911 service charge in the amount of 4% of the amount of the per retail transaction. Proposed law imposes a prepaid 911 charge. Otherwise, proposed law makes only technical changes to the procedures established by present law relative to the collection and remittance of the prepaid 911 charges for the purpose of incorporating the terms defined in proposed law.

Present law provides for the administration of prepaid wireless 911 service charges. Proposed law amends a reference to a provision of present law regarding the rights of a seller of prepaid 911 services and proposed law allows any seller to deduct and retain half of the 2016 fourth quarter's fees and thereafter to retain 2% of the prepaid charges. Otherwise, proposed law makes only technical changes to the procedures established by present law relative to the administration of prepaid 911 charges for the purpose of incorporating the terms defined in proposed law.

Present law provides for limited liability relative to providers and sellers of prepaid wireless telecommunications service. Proposed law makes only technical changes to the provisions of present law relative to liability for the purpose of incorporating the terms defined in proposed law.

Present law provides that the prepaid wireless E911 charge shall be the exclusive funding obligation imposed with respect to prepaid wireless telecommunications service in this state. Proposed law makes only technical changes to the provisions of present law relative to the exclusivity of the charge for the purpose of incorporating the terms defined in proposed law.

Proposed law requires all revenues collected from the assessment of 911 surcharge fees to be used for the sole purpose of providing 911 emergency response communications services and operations. Prohibits diversion of the revenues for use by any other entity or for any other purpose other than those outlined in the present law and proposed law.

Proposed law provides that the financial records of each district shall be audited. In addition, each district shall submit an annual report to the legislative auditor which includes information on the revenues derived from the service charge authorized by this Section and a detailed accounting of such revenues. Such report shall include a report on the status of implementation of wireless E911 service.

Effective October 1, 2016.

(Amends R.S. 33:9109.1(A) through (D), (F), and (G); adds R.S. 33:9109.2; repeals R.S. 33:9109.1(B)(9))