

RÉSUMÉ DIGEST

ACT 590 (HB 678)

2016 Regular Session

Carmody

Existing law details the intent of existing law relative to charges imposed on prepaid 911 services.

Prior law included definitions and multiple references that include the terms "wireless", "telecommunications", "wireless telecommunications service", and "service charges" relative to describing certain charges and services. New law removes these references and modifies the definitions included in prior law.

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

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

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

Existing law provides for the administration of prepaid wireless 911 service charges. New law amends a reference to a provision of existing law regarding the rights of a seller of prepaid 911 services. Prior law permitted a seller to deduct and retain all of the 2010 first quarter fees. Thereafter, the seller could deduct and retain 4% of prepaid wireless 911 service charges collected from consumers. New 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, new law makes only technical changes to the procedures established by existing law relative to the administration of prepaid 911 charges for the purpose of incorporating the terms defined in new law.

Prior law provided for limited liability relative to providers and sellers of prepaid wireless telecommunications service. New law makes changes to the provisions of prior law relative to liability for the purpose of incorporating the terms defined in new law.

Prior 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. New law makes only technical changes to the provisions of existing law relative to the exclusivity of the charge for the purpose of incorporating the terms defined in new law.

New 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 and prohibits diversion of the revenues for use by any other entity or for any other purpose other than those outlined in the existing law and new law.

New 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 pursuant to new law and a detailed accounting of such revenues. The 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))