



H.B. 550

127th General Assembly
(As Introduced)

Reps. Flowers and Driehaus, Hughes, Harwood, B. Williams, Sayre, Yuko, Chandler, Okey, Schneider, J. Otterman, Szollosi, Adams, Dolan, Lundy, Strahorn, Letson, Stebelton, Skindell, Hite, Combs, Brown, J. McGregor, Ujvagi, Zehringer, Uecker

BILL SUMMARY

- Extends until December 31, 2012 the period that a 32¢ per month wireless 9-1-1 charge must be billed to each wireless telephone number in the state.
- Changes how a wireless service provider or reseller collects the service charge payable by a subscriber of prepaid wireless service at the point of sale to be collected on the sale of initial airtime minutes and at the time of each later purchase of additional airtime minutes and if unable to track such transactions, on each point-of-sale transaction regardless of the number of separate airtime minute purchases that occur during the same month.
- Increases the total amount of disbursements to each county from the Wireless 9-1-1 Government Assistance Fund (to the extent that the Fund balance permits) to at least \$90,000 annually.
- Allows counties to use disbursements from the Fund for public education regarding enhanced 9-1-1 and eliminates a stipulation that the disbursements be used for costs consisting of additional training costs of the wireless enhanced 9-1-1 system over and above any costs incurred to provide wireline 9-1-1 service.
- Changes to November 30, 2011 the date by which the Coordinator must submit a report to the General Assembly that includes a review of the implementation and provision of wireless enhanced 9-1-1, a description of how Wireless 9-1-1 Government Assistance Fund disbursements have

been used, and recommendations for any changes in the amount of the wireless 9-1-1 charge.

- Requires the Ohio 9-1-1 Coordinator within the Public Utilities Commission (PUCO) to return to or credit a wireless service provider or reseller the amount of any remittances determined to be erroneously submitted by the provider or reseller.
- Expressly states, in the case of prepaid wireless services, that the provider or reseller is liable to the state for the service charges assessed, including those charges occurring through a third-party vendor or retail outlet selling the provider's or reseller's prepaid wireless services.
- Specifies that an audit conducted by the PUCO to determine whether a provider or reseller has failed to bill, collect, or remit the wireless 9-1-1 charge or has retained more than the authorized amount as a billing and collection fee is not limited to a sample of the provider's or reseller's billings, collections, remittances, or retentions for a representative period.
- Specifies that telephone companies must provide the Coordinator with such information as requested for the purposes of carrying out the Coordinator's duties and requires a telephone company and a subdivision operating public safety answering points of a 9-1-1 system to provide the Ohio 9-1-1 Council the information it needs to carry out all its duties.

CONTENT AND OPERATION

Introduction

9-1-1 service generally consists of a local government component and a telecommunications component. The services provided by local government consist of answering 9-1-1 emergency calls at a public safety answering point (PSAP) and dispatching appropriate emergency services. The telecommunications component consists of the transmission and appropriate routing of a 9-1-1 call to a PSAP. 9-1-1 service is provided in Ohio for both wireline and wireless service.¹ The Ohio Wireless Enhanced 9-1-1 Law establishes a mechanism to provide funds for wireless 9-1-1 service. The Law requires that wireless service providers and

¹ "Wireline service" generally refers to basic local exchange service transmitted through interconnected wires or cables. "Wireless service" includes cellular telephone service. (See R.C. 4931.40, not in the bill).

resellers² collect a monthly service charge from wireless subscribers that is remitted to the state and disbursed to the counties on a monthly basis.

Wireless 9-1-1 charge extension

(R.C. 4931.61 to 4931.63)

Current law imposes a 32¢ wireless 9-1-1 charge to fund such service on each wireless telephone number of a wireless service subscriber who has a billing address in this state. The charge is collected by wireless service providers and resellers of wireless service as a separate line item on each subscriber's monthly bill. The charges are remitted monthly to the Ohio 9-1-1 Coordinator within the Public Utilities Commission (PUCO). Except for a percentage (not to exceed 2%) that is deposited in the Wireless 9-1-1 Administrative Fund to be used to pay certain administrative costs of the PUCO related to wireless 9-1-1 service, charges are deposited to the credit of the Wireless 9-1-1 Government Assistance Fund. Current law requires the charge to expire on December 31, 2008. The bill extends the expiration date to December 31, 2012.

Wireless 9-1-1 charge for prepaid wireless service

(R.C. 4931.61(A)(1))

The bill changes current law regarding wireless 9-1-1 charges payable by a subscriber of prepaid wireless service to a wireless service provider or reseller. Currently, one of the ways that a wireless service provider or reseller collects the charge is at the point of sale and includes the purchasing of additional minutes by the subscriber along with any activation of these minutes. The bill changes this method of collection so that wireless service providers and resellers collect the charge at the point of sale of initial airtime minutes and at the time of each later purchase of additional airtime minutes. In addition, if the provider or reseller is unable to track such transactions, the provider or reseller must charge the 32¢ wireless 9-1-1 charge on each point-of-sale transaction, regardless of the number of separate airtime minute purchases that occur within the same month. The bill leaves unchanged the provisions permitting the charge to be collected from a subscriber's positive month-end account balance or from the wireless service provider or reseller based on a formula in current law.

² "Wireless service provider" means a facilities-based provider of wireless service to one or more end users in this state. (See R.C. 4931.40, not in the bill.) Though not defined in the Revised Code, Ohio Administrative Code section 4901:1-8-01(U) defines "wireless service reseller" as a nonfacilities-based provider of wireless service to one or more end users in this state.

Disbursements to counties

(R.C. 4931.64(B)(2))

The Ohio 9-1-1 Coordinator is responsible for determining, for each county with a final 9-1-1 plan for the provision of wireless enhanced 9-1-1, the number of wireless telephone numbers assigned to wireless service subscribers that have billing addresses in the county, determining each county's proportionate share of the Wireless 9-1-1 Government Assistance Fund for the ensuing calendar year, and making disbursements from the Wireless 9-1-1 Government Assistance Fund to county treasurers.³ Disbursements under current law are a proportionate share of the Fund balance based on the ratio between the number of wireless telephone numbers determined for the county by the Coordinator and the total number of wireless telephone numbers assigned to subscribers who have billing addresses within this state. Currently, to the extent the Fund balance permits, the disbursements to each county must total at least \$25,000 annually. The bill increases the disbursement total, to the extent that the Fund balance permits, to at least \$90,000 annually.

Purpose for disbursements

(R.C. 4931.65)

Disbursements to counties from the Fund must be used for specific purposes. The bill expands those purposes to include public education regarding enhanced 9-1-1. The bill eliminates as an eligible purpose any costs of training the staff of PSAPs to provide wireless enhanced 9-1-1 service, which costs consist of additional training costs of the 9-1-1 system over and above costs incurred to provide wireline 9-1-1.

Report to General Assembly

(R.C. 4931.70)

Current law requires the Ohio 9-1-1 Coordinator to submit a report to the General Assembly that contains both of the following: (1) a review of the implementation and provision of wireless enhanced 9-1-1 in the state and a description of how moneys disbursed from the Wireless 9-1-1 Government Assistance Fund have been used, and (2) a recommendation for the coming budget biennium of any change as to the amount of the wireless 9-1-1 charge and the

³ "Wireless enhanced 9-1-1" means a 9-1-1 system that, in providing wireless 9-1-1, has the capabilities of providing telephone number identification and, to the extent available, location information for wireless 9-1-1 calls.

basis for that recommendation. The bill extends the due date for this report from the first day of November preceding the 2007-2009 budget biennium (November 1, 2006) to November 30, 2011.

Return of overpayments

(R.C. 4931.62(A)(3))

Current law requires wireless service providers and resellers to remit wireless 9-1-1 charges to the Ohio 9-1-1 Coordinator. The bill adds a new provision requiring the Coordinator to return to, or credit against the next month's remittance of, a wireless service provider or reseller the amount of any remittances that the coordinator determines were erroneously submitted by the provider or reseller.

Liability to the state

(R.C. 4931.62(B))

Wireless service providers or resellers are liable to the state for the wireless 9-1-1 charge due if they fail to collect the charge from a subscriber of prepaid wireless service or fail to bill any other subscriber for the charge. The bill extends that liability, in the case of prepaid wireless services, to the amount assessed in the manner chosen by the provider collected either at the point of sale, from the month-end account balance, or pursuant to the formula set in current law. (See "**Wireless 9-1-1 charge for prepaid wireless service**" above.) Providers and resellers are also liable for charges that include those occurring through a third party vendor or retail outlet selling the provider's or reseller's prepaid wireless services.

Audits by PUCO

(R.C. 4931.62(C)(1))

Current law permits the PUCO to conduct an audit of a wireless service provider or reseller if the commission has reason to believe that a provider or reseller has failed to bill, collect, or remit the wireless 9-1-1 charge. The audit, under current law, may be of a sample of the provider's or reseller's billings, collections, remittances, or retentions for a representative period. The bill stipulates that the audit may include, but is not limited to, such a sample.

Information requirements

(R.C. 4931.66)

Current law requires a wireless service provider, the State Highway Patrol when it functions as a PSAP, and each subdivision operating one or more PSAPs for a countywide system providing wireless 9-1-1 to provide the Ohio 9-1-1 Coordinator with such information as the Coordinator requests for the purposes of carrying out the Coordinator's duties under the law including the collection of the wireless 9-1-1 charge and the provision of the report to the General Assembly (discussed above). The bill expands this requirement to include a telephone company, a term defined to include both a wireless service provider and a wireline service provider.

The bill also specifies that a subdivision operating one or more PSAPs of a 9-1-1 system must provide to the Ohio 9-1-1 Council such information as the Council requires for the purpose of carrying out its duties. This requirement differs from the requirement in current law that the information must be provided for the purpose of making any recommendations or report for the purpose of the Coordinator.

HISTORY

ACTION	DATE
Introduced	05-06-08

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