



House of Representatives

General Assembly

File No. 539

January Session, 2007

Substitute House Bill No. 7270

House of Representatives, April 19, 2007

The Committee on Energy and Technology reported through REP. FONTANA, S. of the 87th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE EMERGENCY 9-1-1 SURCHARGE AND MISUSE OF THE E 9-1-1 SYSTEM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2007*) As used in sections 1 to 3,
2 inclusive, of this act:

3 (1) "Active prepaid wireless telephone service" means a prepaid
4 wireless telephone service that (1) has been used by the subscriber not
5 earlier than the prior month to complete a telephone call for which the
6 subscriber's card or balance has been decreased, or (2) has an account
7 that has a positive balance greater than or equivalent to the fee to fund
8 the enhanced emergency 9-1-1 program pursuant to section 16-256g of
9 the general statutes, as amended by this act.

10 (2) "Prepaid wireless telephone service" means a wireless telephone
11 service that is activated in advance by payment for a finite dollar
12 amount of service or for a finite set of minutes that terminate either

13 upon use by a subscriber and delivery by the wireless provider of an
14 agreed upon amount of service corresponding to the total dollar
15 amount paid in advance or within a certain period of time following
16 the initial purchase or activation, unless additional payments are
17 made.

18 (3) "Mobile telephone number" or "MTN" means the telephone
19 number assigned to a wireless telephone at the time of activation.

20 (4) "Voice over Internet protocol service" or "VOIP" means a service
21 that has the following characteristics: (A) Enables real-time, two-way
22 voice communication; (B) requires a broadband connection from the
23 users' locations; (C) requires IP-compatible customer premises
24 equipment; and (D) allows subscribers generally to receive calls that
25 originate on the public switched telephone network and to terminate
26 calls on the public switched telephone.

27 (5) "Voice over Internet protocol service provider" or "VOIP service
28 provider" means a company that provides VOIP telephone service.

29 Sec. 2. (NEW) (*Effective July 1, 2007*) Each active prepaid wireless
30 telephone service provider shall assess a fee against each subscriber to
31 fund the enhanced emergency 9-1-1 program in accordance with
32 section 16-256g of the general statutes, as amended by this act. Such fee
33 shall be remitted based upon each prepaid wireless telephone number
34 or account associated with this state, for each prepaid wireless
35 telephone service subscriber that has a positive balance greater than or
36 equivalent to the fee to fund the enhanced emergency 9-1-1 program
37 pursuant to section 16-256g of the general statutes, as amended by this
38 act, as of the last day of each month and shall be collected from the
39 subscriber in any manner consistent with the wireless telephone
40 provider's existing operating or technological abilities, such as
41 subscriber address, location associated with the MTN or other
42 reasonable allocation method based upon comparable relevant data.
43 The fee or an equivalent number of minutes may be deducted from the
44 subscriber's account if direct billing is not practicable. Collection of the
45 fee by reduction of value or minutes from the prepaid subscriber's

46 account does not constitute a reduction in the sales prices for purposes
47 of the taxes that are collected at the point of sale. If a provider of active
48 prepaid wireless telecommunications service is unable to assess such
49 fee against each active telephone number or account, it shall remit each
50 month an amount determined by the total of earned prepaid wireless
51 telephone services revenue received through the end of each month,
52 divided by fifty dollars, multiplied by the amount of the fee. The fee
53 shall be remitted to the office of the State Treasurer for deposit in the
54 Enhanced 9-1-1 Telecommunications Fund, established pursuant to
55 section 28-30a of the general statutes.

56 Sec. 3. (NEW) (*Effective July 1, 2007*) Each VOIP service provider
57 shall assess a monthly fee against each subscriber to fund the enhanced
58 emergency 9-1-1 program in accordance with section 16-256g of the
59 general statutes, as amended by this act, and each such provider shall
60 comply with all of the requirements of 47 CFR 9 regarding the
61 provision of enhanced 9-1-1 services in the state of Connecticut. Such
62 fee shall be collected from the subscriber in any manner consistent
63 with the voice over Internet protocol provider's existing operating or
64 technological abilities and remitted to the office of the State Treasurer
65 for deposit into the Enhanced 9-1-1 Telecommunications Fund
66 established pursuant to section 28-30a of the general statutes, not later
67 than the fifteenth day of each month.

68 Sec. 4. Section 16-256g of the general statutes is repealed and the
69 following is substituted in lieu thereof (*Effective October 1, 2007*):

70 (a) By June first of each year, the Department of Public Utility
71 Control shall conduct a proceeding to determine the amount of the
72 monthly fee to be assessed against each subscriber of: [local] (1) Local
73 telephone service, [and each subscriber of] (2) commercial mobile radio
74 service, as defined in 47 CFR Section 20.3, (3) voice over Internet
75 protocol service, as defined in section 1 of this act, and (4) prepaid
76 wireless telephone service, as defined in section 1 of this act, to fund
77 the development and administration of the enhanced emergency 9-1-1
78 program. The department shall base such fee on the findings of the

79 Commissioner of Public Safety, pursuant to subsection (c) of section
80 28-24, taking into consideration any existing moneys available in the
81 Enhanced 9-1-1 Telecommunications Fund. The department shall
82 consider the progressive wire line inclusion schedule contained in the
83 final report of the task force to study enhanced 9-1-1
84 telecommunications services established by public act 95-318*. The
85 department shall not approve any fee greater than fifty cents per
86 month per access line nor shall it approve any fee that does not include
87 the progressive wire line inclusion schedule.

88 (b) Each telephone or telecommunications company providing local
89 telephone service, [and] each provider of commercial mobile radio
90 service, each provider of prepaid wireless telephone service and each
91 provider of voice over Internet protocol service shall assess against
92 each subscriber, the fee established by the department pursuant to
93 subsection (a) of this section, which shall be [deposited in] remitted to
94 the Office of State Treasurer for deposit into the Enhanced 9-1-1
95 Telecommunications Fund established pursuant to section 28-30a, not
96 later than the fifteenth day of each month.

97 Sec. 5. Section 28-28a of the general statutes is repealed and the
98 following is substituted in lieu thereof (*Effective July 1, 2007*):

99 A telephone company or voice over Internet protocol service
100 provider, as defined in section 1 of this act, shall forward to any public
101 safety answering point or other answering point equipped for
102 enhanced 9-1-1 service the telephone number and street address of any
103 telephone used to place a 9-1-1 call, provided a voice over Internet
104 protocol service provider shall be in compliance with this section if the
105 provider complies with the requirements for forwarding such
106 information contained in 47 CFR 9. Subscriber information provided in
107 accordance with this section shall be used only for the purpose of
108 responding to emergency calls or for the investigation of false or
109 intentionally misleading reports of incidents requiring emergency
110 service. No telephone company or its agents and no voice over Internet
111 protocol service provider or its agents [of a telephone company] shall

112 be liable to any person who uses the enhanced 9-1-1 service established
 113 under sections 28-25, 28-25a, 28-25b, 28-26, 28-27, 28-27a, and 28-28,
 114 this section and sections 28-28b, 28-29, 28-29a and 28-29b for release of
 115 the information specified in this section or for any failure of equipment
 116 or procedure in connection with enhanced 9-1-1 service.

117 Sec. 6. (NEW) (*Effective October 1, 2007*) (a) A person is guilty of
 118 misuse of the emergency 9-1-1 system when such person (1) dials or
 119 otherwise causes E 9-1-1 to be called for the purpose of making a false
 120 alarm or complaint, or (2) purposely reports false information which
 121 could result in the dispatch of emergency services.

122 (b) Misuse of the emergency 9-1-1 system is a class B misdemeanor.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007</i>	New section
Sec. 4	<i>October 1, 2007</i>	16-256g
Sec. 5	<i>July 1, 2007</i>	28-28a
Sec. 6	<i>October 1, 2007</i>	New section

Statement of Legislative Commissioners:

Sections 1 and 6 were rewritten for clarity. In the second sentence of section 2, "of minutes" was deleted for consistency.

ET *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Public Safety, Dept.	Enhanced 9-1-1 Telecommunications Fund - Revenue Gain	Indeterminate	Indeterminate
Correction, Dept.; Judicial Department (Probation)	GF - Cost/Savings	Potential	Potential
Judicial Dept.	GF - Revenue Impact	Minimal	Minimal
Various State Agencies	GF - Cost	Potential Minimal	Potential Minimal

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 08 \$	FY 09 \$
Various Municipalities	Cost	Potential Minimal	Potential Minimal

Explanation

The bill expands the monthly assessed fee on each telephone and commercial mobile radio service to include prepaid wireless service providers and voice over internet protocol (VOIP) services. The expansion of assessments is estimated to impact approximately 250,000 prepaid wireless lines, and over 82,000 VOIP customers¹, which will result in an indeterminate increase in revenue to the Enhanced 9-1-1 Telecommunications Fund. The VOIP customers will be assessed the current surcharge², monthly.

Prepaid wireless service providers will also be assessed the current monthly surcharge. However, if the provider is unable to assess the

¹ Vonage is the largest VOIP company in Connecticut.

² The FY 06 monthly fee was 37 cents.

fee against each number or account, the provider must pay an amount equal to its total prepaid services revenue received each month divided by \$50, multiplied by the current monthly surcharge. It is unknown how frequently providers will be unable to assess fees against their customers, and how the calculation contained in the bill will impact the amount of revenue collected.

To the extent that various state agencies and municipalities use prepaid wireless service providers or VOIP, a minimal cost may be incurred.

Additionally, the bill makes it a crime, punishable by up to six months' imprisonment and/or a fine of up to \$1,000, for any person to abuse the emergency 9-1-1 system. Any such offender is subject to harsher criminal penalties under current law provisions against the false reporting of an incident. The direction of the bill's net effect on criminal sentencing (and corresponding costs or savings) is uncertain. More offenders may be convicted since a broader range of criminal penalties would be available under the bill; however, some offenders could receive lighter sentences than under current law, which provides for up to one year imprisonment and/or a fine of up to \$2,000 for any violation of CGS 53a-180c (falsely reporting an incident in the second degree). In 2006, there were 192 offenses of falsely reporting an incident in the second degree which resulted in 65 convictions. It is unknown how many of these cases involved abuse of the emergency 9-1-1 system. It is anticipated that any revenue impact from criminal fines under the bill would be minimal.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

The revenue impact to the Enhanced 9-1-1 Telecommunications Fund will fluctuate depending on the rate of the assessment, which is

determined each May by the Department of Public Utility Control. Additionally, the revenue impact will fluctuate with the use of prepaid wireless services and voice over internet protocol.

OLR Bill Analysis**sHB 7270*****AN ACT CONCERNING THE EMERGENCY 9-1-1 SURCHARGE
AND MISUSE OF THE E 9-1-1 SYSTEM.*****SUMMARY:**

This bill establishes a crime of misusing the emergency 911 (E 911) system and makes violations a class B misdemeanor, punishable by a fine of up to \$1,000, imprisonment for up to six months, or both. A person is guilty of this crime if he or she (1) dials E 911 or causes it to be dialed in order to make a false alarm or complaint or (2) purposely reports false information that could result in the dispatch of emergency services.

By law, telephone companies must forward the telephone number and street address from which a 911 call is made to a safety answering point. The companies and their agents are immune from liability to the person making the call over the E 911 system for the release of this information. The bill extends these provisions to companies providing voice over internet protocol (VOIP) service (e.g., Vonage) and their agents but allows a VOIP provider to meet the forwarding requirement by complying with relevant federal law. It also requires VOIP providers to comply with federal law in providing E 911 service in the state.

By law, the Department of Public Utility Control must determine the amount of the monthly fee assessed against each telephone and commercial mobile radio services subscriber to fund the development and administration of the E 911 program. (Commercial mobile radio services include personal communications services (PCS), among others.) The bill extends this requirement to cover the VOIP and prepaid wireless service providers. It requires the VOIP and prepaid wireless telephone service providers to assess their subscribers the fee.

EFFECTIVE DATE: July 1, 2007, except for the provisions making misuse of E 911 a crime and the monthly fee assessments, which are effective October 1, 2007.

DEFINITIONS

Active Prepaid Wireless Telephone Service

Under the bill, “active prepaid wireless telephone service” is a prepaid wireless telephone service (1) used by the customer within the last month to complete a call for which the customer’s card or balance has been decreased or (2) that has an account balance that is at least equal to that E 911 charge imposed by the bill. A “prepaid wireless telephone service” is one activated in advance by payment for a set amount of service or for a number of minutes that terminate (1) when the customer uses them, based on a dollar amount paid in advance or (2) within a certain time after the initial purchase or activation, unless the customer makes additional payments.

VOIP

Under the bill, VOIP is a service that allows real-time two-way voice communication, generally allowing subscribers to make and receive calls using the public switched telephone network. The service requires a broadband connection and Internet-compatible customer premises and equipment.

FEES

The bill requires VOIP service providers to assess a monthly fee against each subscriber to fund the E 911 program in the same way as telephone companies. It requires that the fees be collected in any way consistent with the VOIP provider’s existing operating or technological abilities and submitted to the State Treasurer.

The bill requires that a prepaid wireless service provider pay a fee on each prepaid wireless telephone associated with Connecticut, for each wireless service customer that has a positive balance of minutes as of the last day of each month. The fee must be paid into the Enhanced 9-1-1 Telecommunications Fund. The fee can be collected

from subscribers in any way consistent with the provider's existing operating or technological abilities, such as customer address, location associated with the telephone number originally assigned to the telephone, or other reasonable allocation method based upon comparable relevant data. The fee or an equivalent number of minutes may be deducted from the prepaid subscriber's account if direct billing is not practicable. However, such deductions do not reduce the price of the service for the purposes of the sales tax.

Both types of providers must remit their fees by the 15th of each month for deposit in the Enhanced 9-1-1 Telecommunications Fund.

If the provider is unable to assess the fee by number or account, it must remit an amount determined by its total prepaid services revenue received each month divided by \$50, multiplied by the fee.

BACKGROUND

Related Law

By law (CGS §§ 53a-180 et seq.) falsely reporting an incident is a crime. The crime ranges from a class A misdemeanor to a class C felony, depending on the actions taken and their results.

Legislative History

The House referred the bill (File 120) to the Energy and Technology Committee on March 27. On April 3, the committee reported a substitute that (1) modified the definitions of VOIP and pre-paid wireless services, (2) allowed VOIP providers to meet the forwarding requirements by complying with federal law, (3) added the provision establishing the payment amount when a prepaid service provider cannot assess the against individual numbers on accounts, and (4) made minor changes.

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/06/2007)

Energy and Technology Committee

Joint Favorable Substitute

Yea 15 Nay 1 (04/03/2007)