



House of Representatives

File No. 861

General Assembly

January Session, 2007

(Reprint of File Nos. 120 and 539)

Substitute House Bill No. 7270
As Amended by House Amendment
Schedules "A" and "B"

Approved by the Legislative Commissioner
May 21, 2007

AN ACT CONCERNING THE EMERGENCY 9-1-1 SURCHARGE, THE MISUSE OF THE E 9-1-1 SYSTEM AND THE EMERGENCY MANAGEMENT AND HOMELAND SECURITY COORDINATING COUNCIL.

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 has an account that has a positive
5 balance greater than or equivalent to the fee to fund the enhanced
6 emergency 9-1-1 program pursuant to section 16-256g of the general
7 statutes, as amended by this act.

8 (2) "Prepaid wireless telephone service" means a wireless telephone
9 service that is activated in advance by payment for a finite dollar
10 amount of service or for a finite set of minutes that terminate either
11 upon use by a subscriber and delivery by the wireless provider of an
12 agreed upon amount of service corresponding to the total dollar
13 amount paid in advance or within a certain period of time following
14 the initial purchase or activation, unless additional payments are

15 made.

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

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

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

27 Sec. 2. (NEW) (*Effective July 1, 2007*) Each active prepaid wireless
28 telephone service provider shall assess a fee against each subscriber to
29 fund the enhanced emergency 9-1-1 program in accordance with
30 section 16-256g of the general statutes, as amended by this act. Each
31 active prepaid wireless telephone service provider shall remit each
32 month to the office of the State Treasurer for deposit in the Enhanced
33 9-1-1 Telecommunications Fund, established pursuant to section 28-
34 30a of the general statutes one of the following: The fee described in
35 subdivision (1) of this section or the amount determined pursuant to
36 subdivision (2) of this section.

37 (1) Such fee shall be remitted based upon each prepaid wireless
38 telephone number or account associated with this state, for each
39 prepaid wireless telephone service subscriber that has a positive
40 balance greater than or equivalent to the fee to fund the enhanced
41 emergency 9-1-1 program pursuant to section 16-256g of the general
42 statutes, as amended by this act, as of the last day of each month. Such
43 fee shall be collected from the subscriber in any manner consistent
44 with the wireless telephone provider's existing operating or
45 technological abilities, such as subscriber address, location associated
46 with the MTN or other reasonable allocation method based upon

47 comparable relevant data. The fee or an equivalent number of minutes
48 may be deducted from the subscriber's account if direct billing is not
49 practicable. Collection of the fee by reduction of value or minutes from
50 the prepaid subscriber's account does not constitute a reduction in the
51 sales prices for purposes of the taxes that are collected at the point of
52 sale.

53 (2) An amount shall be remitted each month that is determined by
54 dividing the total of earned prepaid wireless telephone services
55 revenue received through the end of the month from the prepaid
56 wireless telephone service accounts with an assigned telephone
57 number associated with this state by forty and multiplying the result
58 by the amount of the fee.

59 Sec. 3. (NEW) (*Effective July 1, 2007*) Each VOIP service provider
60 shall assess a monthly fee against each subscriber to fund the enhanced
61 emergency 9-1-1 program in accordance with section 16-256g of the
62 general statutes, as amended by this act. Each such provider shall
63 comply with all of the requirements of 47 CFR 9 and chapter 518a of
64 the general statutes, provided the provisions of such chapter are not
65 addressed by, or not inconsistent with, federal law or regulations,
66 regarding the provision of enhanced 9-1-1 services in the state of
67 Connecticut. Such fee shall be collected from the subscriber in any
68 manner consistent with the voice over Internet protocol provider's
69 existing operating or technological abilities and remitted to the office
70 of the State Treasurer for deposit into the Enhanced 9-1-1
71 Telecommunications Fund established pursuant to section 28-30a of
72 the general statutes, not later than the fifteenth day of each month.

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

75 (a) By June first of each year, the Department of Public Utility
76 Control shall conduct a proceeding to determine the amount of the
77 monthly fee to be assessed against each subscriber of: [local] (1) Local
78 telephone service, [and each subscriber of] (2) commercial mobile radio

79 service, as defined in 47 CFR Section 20.3, (3) voice over Internet
80 protocol service, as defined in section 1 of this act, and (4) prepaid
81 wireless telephone service, as defined in section 1 of this act, to fund
82 the development and administration of the enhanced emergency 9-1-1
83 program. The department shall base such fee on the findings of the
84 Commissioner of Public Safety, pursuant to subsection (c) of section
85 28-24, taking into consideration any existing moneys available in the
86 Enhanced 9-1-1 Telecommunications Fund. The department shall
87 consider the progressive wire line inclusion schedule contained in the
88 final report of the task force to study enhanced 9-1-1
89 telecommunications services established by public act 95-318*. The
90 department shall not approve any fee greater than fifty cents per
91 month per access line nor shall it approve any fee that does not include
92 the progressive wire line inclusion schedule.

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

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

104 A telephone company or voice over Internet protocol service
105 provider, as defined in section 1 of this act, shall forward to any public
106 safety answering point or other answering point equipped for
107 enhanced 9-1-1 service the telephone number and street address of any
108 telephone used to place a 9-1-1 call, provided a voice over Internet
109 protocol service provider shall be in compliance with this section if the
110 provider complies with the requirements for forwarding such
111 information contained in 47 CFR 9 and chapter 518a provided the

112 provisions of such chapter are not addressed by, or are not inconsistent
113 with, federal law or regulations, regarding the provision of enhanced
114 9-1-1 service in the state of Connecticut. Subscriber information
115 provided in accordance with this section shall be used only for the
116 purpose of responding to emergency calls or for the investigation of
117 false or intentionally misleading reports of incidents requiring
118 emergency service. No telephone company or its agents and no voice
119 over Internet protocol service provider or its agents [of a telephone
120 company] shall be liable to any person who uses the enhanced 9-1-1
121 service established under sections 28-25, 28-25a, 28-25b, 28-26, 28-27,
122 28-27a, and 28-28, this section and sections 28-28b, 28-29, 28-29a and
123 28-29b for release of the information specified in this section or for any
124 failure of equipment or procedure in connection with enhanced 9-1-1
125 service.

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

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

132 Sec. 7. Subsection (b) of section 28-1b of the general statutes is
133 repealed and the following is substituted in lieu thereof (*Effective from*
134 *passage*):

135 (b) The council shall consist of: (1) The Commissioner of Emergency
136 Management and Homeland Security; the Secretary of the Office of
137 Policy and Management; the Commissioner of Public Safety; the
138 Commissioner of Public Health; the Commissioner of Mental Health
139 and Addiction Services; the Commissioner of Environmental
140 Protection; the Commissioner of Public Works; the Commissioner of
141 Transportation; the Adjutant General of the Military Department; the
142 chairperson of the Department of Public Utility Control; the Chief
143 Information Officer, as defined in section 4d-1; the State Fire

144 Administrator; or their designees; and (2) the following members
 145 appointed as follows: [not later than July 1, 2004:] Two municipal
 146 police chiefs, one appointed by the speaker of the House of
 147 Representatives and one appointed by the Governor; two municipal
 148 fire chiefs, one appointed by the president pro tempore of the Senate
 149 and one appointed by the Governor; one volunteer fire chief appointed
 150 by the minority leader of the Senate; one representative of the
 151 Connecticut Conference of Municipalities appointed by the majority
 152 leader of the Senate; one representative of the Council of Small Towns
 153 appointed by the minority leader of the House of Representatives;
 154 [one] two local or regional [civil preparedness director] emergency
 155 management directors, one appointed by the speaker of the House of
 156 Representatives and one designated, not later than July 1, 2007, by the
 157 president of the Connecticut Emergency Management Association; one
 158 local or regional health director appointed by the president pro
 159 tempore of the Senate; one emergency medical services professional
 160 appointed by the Governor; one nonprofit hospital administrator
 161 appointed by the majority leader of the House of Representatives; and
 162 one manager or coordinator of 9-1-1 public safety answering points
 163 appointed by the Governor. Each member appointed under this
 164 subdivision shall serve for a term of three years from July 1, 2004, or
 165 three years from the time of appointment if appointed after July 1,
 166 2004, or until a qualified successor has been appointed to replace such
 167 member. No member appointed under this subdivision shall receive
 168 any compensation for such member's service on the council.

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
Sec. 7	<i>from passage</i>	28-1b(b)

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	Significant	Significant
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 surcharge²monthly.

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 forty, 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.

House "A" makes changes to the calculation used to determine the amount of money that is deposited into the Enhanced 9-1-1 Telecommunications Fund. The amount deposited each month is calculated by dividing the total earned prepaid wireless telephone services revenue by forty (rather than fifty in the original bill), and multiplied by the amount of the 9-1-1 fee. Since the revenue is divided by forty rather than fifty, it is anticipated that House "A" will result in a revenue increase to the Enhanced 9-1-1 Telecommunications Fund.

As the number of prepaid wireless customers is unknown, the increase in revenue is indeterminate. House "A" makes various other changes, which are not anticipated to result in a fiscal impact.

House "B" makes changes to the membership of the State-Wide Emergency Management and Homeland Security Coordinating Council, and is not anticipated to result in a fiscal impact.

The Out Years

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 (as amended by House "A" and "B")******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 and active prepaid wireless telephone service providers providing E 911 services to comply with federal law, and with state law, provided the provisions in state law are not addressed in, or inconsistent with, federal law and regulations.

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.

The bill increases the number of emergency management officials on the State-wide Emergency Management and Homeland Security Coordinating Council from one to two.

*House Amendment "A" allows active prepaid wireless telephone service providers to use a mathematical formula to calculate fees to remit to the state treasurer and requires such providers to comply with state law provided state law is not inconsistent with federal law.

*House Amendment "B" increases the council membership.

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; upon passage for the council membership.

DEFINITIONS

Active Prepaid Wireless Telephone Service

Under the bill, "active prepaid wireless telephone service" is a prepaid wireless telephone service 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 each active prepaid wireless service provider pay a fee to the state treasurer for deposit in the Enhanced 9-1-1 Telecommunications Fund based on one of two schemes outlined in the bill.

One 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 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.

As an alternative to the above, the bill requires that, each month, an active prepaid wireless service provider remit an amount determined by dividing the total of earned prepaid wireless telephone services revenue received during the month from prepaid wireless telephone service accounts with an assigned telephone number associated with Connecticut by 40 and multiplying the result by the amount of the fee.

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.

EMERGENCY MANAGEMENT AND HOMELAND SECURITY COUNCIL

Under current law, this council includes one local or regional civil preparedness director appointed by the House speaker. The bill adds another and requires that, the Connecticut Emergency Management Association designate this member by July 1, 2007. It replaces the term “civil preparedness director” with “emergency management director” to conform to other statutes. Members serve three years from the time of appointment or until a successor is appointed.

The council advises the departments of Emergency Management and Homeland Security and Public Safety on emergency management and homeland security preparedness, policies, and responses, among other things.

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 fee 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)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 53 Nay 0 (05/01/2007)

Judiciary Committee

Joint Favorable

Yea 28 Nay 0 (05/04/2007)