

Finance, Revenue and Bonding Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6629

AN ACT CONCERNING THE COLLECTION AND REMITTANCE OF THE E 9-1-

Title: 1 FEE BY MARKETPLACE FACILITATORS.

Vote Date: 4/22/2021

Vote Action: Joint Favorable

PH Date: 3/17/2021

File No.:

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SPONSORS OF BILL:

The Finance, Revenue and Bonding Committee

REASONS FOR BILL:

This bill ensures that anyone who can access the states E911 system is contributing to the fee that is collected by updating Connecticut's tax code.

RESPONSE FROM ADMINISTRATION/AGENCY:

None offered.

NATURE AND SOURCES OF SUPPORT:

Abigail Jewett, Regional Vice President – AT&T supports this bill stating that the Public Act 12-153 that was passed in 2012, required that the 911 fee be collected from prepaid customers at the point of sale when customers purchase prepaid service from a 3rd party realtor. This law did not consider the sale of telecommunication services being sold through a marketplace facilitator and this bill will rectify that oversight so that all devices are capable of using the E 911 system and pay the fees that are associated with it.

Gerard Keegan, Vice President – CTIA supports this bill stating that since 2013, prepaid wireless telecommunications services have been required to collect the 911 fee at the point of sale on retail sale. Prepaid wireless users do not receive a monthly bill for their service, it is not possible for carriers to collect this fee through the bill and collect system that is applied to wireless and wireline service. This bill will ensure that marketplace facilitators follow the same collection and remittance requirements as sellers and other on-line sellers of prepaid wireless service.

David Lamendola, Director of Government Affairs for CT and NY – Verizon supports this bill stating that this bill will require a marketplace facilitator (a business or organization that contracts with third parties to sell goods and services on its platform and facilitates retail sales) to collect the 911 fee from the customer rather than having the fee fall on the wireless provider. Lamendola believes that passing this bill will enable CT to secure these fees and that this will make it a much more efficient transaction. Mr. Lamendola also states that companies such as amazon may oppose this saying that their system cannot collect this fee but there as been similar legislation that has passed in several other states.

NATURE AND SOURCES OF OPPOSITION:

None offered.

Reported by: Christina Pen

Date: 05/04/2021