

LAK:ksm;

12/07/2012

1        **AN ACT to repeal** 256.35 (3) (a) 3. and 256.35 (3) (b), (c), (d), (e), (f), (g), (i) and (j);  
 2            **to renumber** 256.35 (1) (a); **to renumber and amend** 256.35 (3) (a) 2.; **to amend**  
 3            196.025 (6) (b) 1. and 2., 196.025 (6) (c) 3., 256.35 (3) (title), 256.35 (3) (a) 4.,  
 4            256.35 (3) (h) and 256.35 (6); and **to create** 256.35 (1) (am), (cp), (ct) and (em),  
 5            256.35 (3) (a) 2m. and 256.35 (3) (bm), (cm), (dm) and (em) of the statutes; **relating**  
 6            **to:** funding for the state 911 communications system.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**JOINT LEGISLATIVE COUNCIL PREFATORY NOTE:** This bill draft was prepared for the Joint Legislative Council’s Special Committee on 911 Communications.

This draft would direct that any revenue generated annually by the police and fire protection fee (s. 196.025 (6), stats.) in excess of the average of revenue generated by this fee during the 2010–11 and 2011–12 fiscal years, be deposited into the state 911 grant fund created under WLC: 0047/P1.

The draft would also revise the countywide 911 service fee under s. 256.35 (3), stats. Under current law, this fee may be imposed by counties to pay for 911 telecommunications costs associated with landline 911 service. The fee amount is established on a county–by–county basis subject to certain caps, which generally allows a fee of no more than \$0.40 per landline service connection per month. The draft would apply this fee statewide on all active communications service connections (voice or nonvoice) capable of accessing a public safety answering point. County imposition of the fee would no longer be required.

The fee would be capped and initially set at \$0.40 per month per connection for most types of connections. Adjustments to this fee could be made by direction of the state 911 council with approval of the governor.

**NOTE:** WLC: 0046/P1 directs that the fees collected under this subsection would be used to pay for a staff position at the public service

commission (PSC) and for the PSC's administrative costs associated with providing for state 911 telecommunications service. That draft limits these expenditures to no more than 1% of the collections from the fee. Fees collected under this subsection would also be used to pay for state 911 telecommunications service as provided for in contracts between the PSC and 911 service providers, and pursuant to price schedules filed with the PSC by communications providers. These telecommunications costs would include those associated with wireless and landline 911 service. Fees not used for these purposes would be transferred to the state 911 grant program proposed under WLC: 0047/P1.

1           **SECTION 1.** 196.025 (6) (b) 1. and 2. of the statutes are amended to read:

2           196.025 **(6)** (b) 1. Except as provided in subd. 2., a communications provider shall  
3 impose a monthly fee of \$0.75 on each communications service connection with an assigned  
4 telephone number, including a communication service provided via a voice over Internet  
5 protocol connection. If a communications provider provides multiple communications  
6 service connections to a subscriber, the communications provider shall impose a separate fee  
7 under this subdivision on each of the first 10 connections and one additional fee for each 10  
8 additional connections per billed account. A communications provider may list the fee  
9 separately from other charges on a subscriber's bill, and if a communications provider does  
10 so, the communications provider shall identify the fee as "police and fire protection fee," or,  
11 if the communications provider combines the fee with a ~~charge fee~~ imposed under s. 256.35  
12 (3) (bm), the communications provider shall identify the combined fee and charge as "charge  
13 for funding ~~countywide~~ state 911 systems plus police and fire protection fee." Any partial  
14 payment of a fee by a subscriber shall first be applied to any amount the subscriber owes the  
15 communications provider for communications service.

16           2. A communications provider that offers a prepaid wireless telecommunications plan,  
17 or a retailer that offers such a plan on behalf of a communications provider, shall impose a fee  
18 equal to \$0.38 on each retail transaction for such a plan that occurs in this state. A

1 communications provider or retailer may state the amount of the fee separately on a bill for  
2 the retail transaction, and if a communications provider or retailer does so, the  
3 communications provider or retailer shall identify the fee as “police and fire protection fee.”  
4 or, if the communications provider combines the fee with a fee imposed under s. 256.35 (3)  
5 (bm), the communications provider shall identify the combined fee and charge as “charge for  
6 funding state 911 systems plus police and fire protection fee”.

7 **SECTION 2.** 196.025 (6) (c) 3. of the statutes is amended to read:

8 196.025 (6) (c) 3. The commission and department shall deposit ~~all~~ the first  
9 [\$54,089,000] of fees remitted under subds. 1. and 2. annually into the police and fire  
10 protection fund. The commission and the department shall deposit fees remitted under subds.  
11 1. and 2. in excess of [\$54,089,000] into the state 911 grant fund.

**NOTE:** This provision of the draft would direct that all funding collected under the police and fire protection fee in excess of the average collected in the last 2 fiscal years be deposited in the state 911 grant fund proposed under WLC: 0047/P1. Collections under the police and fire protection fee were \$45,419,000 in 2009–10, \$51,897,000 in 2010–11, and \$56,281,000 in 2011–12.

12 **SECTION 3.** 256.35 (1) (a) of the statutes is renumbered 256.35 (1) (as).

13 **SECTION 4.** 256.35 (1) (am), (cp), (ct) and (em) of the statutes are created to read:

14 256.35 (1) (am) “911 service provider” means the entity that provides selective routing  
15 services and manages updates to the automatic location information database and master street  
16 address guide for a particular geographic area under contract with the public service  
17 commission.

18 (cp) “Communications provider” means a person that provides communications  
19 service.

1 (ct) "Communications service" means active voice or nonvoice communications  
2 service that is capable of accessing a public safety answering point.

3 (em) "Master street address guide" means a database of street names and address  
4 number ranges used to determine the proper public safety answering point to which to route  
5 a 911 call and the appropriate police, fire, ambulance, rescue, and medical services agencies  
6 to dispatch.

7 **SECTION 5.** 256.35 (3) (title) of the statutes is amended to read:

8 256.35 (3) (title) FUNDING FOR COUNTYWIDE SYSTEMS STATE 911 SYSTEM.

9 **SECTION 6.** 256.35 (3) (a) 2. of the statutes is renumbered 256.35 (1) (cx) and amended  
10 to read:

11 256.35 (1) (cx) "Costs" means the costs incurred by a ~~service supplier~~ communications  
12 provider or a 911 service provider after ~~August 1, 1987~~ the effective date of this subdivision  
13 [LRB inserts date], in installing and maintaining the trunking and central office equipment  
14 used only to operate a basic or sophisticated system and the ~~database~~ databases used only to  
15 operate a sophisticated system.

**NOTE:** This revision would include as recoverable costs all telecommunications costs incurred by 911 service providers and communications providers, as defined above.

16 **SECTION 7.** 256.35 (3) (a) 2m. of the statutes is created to read:

17 256.35 (3) (a) 2m. "Department" means the department of revenue.

18 **SECTION 8.** 256.35 (3) (a) 3. of the statutes is repealed.

**NOTE:** Under this draft, the term "service supplier" is no longer used. The entities that may recoup 911 telecommunications costs under this subsection are 911 service providers and communications providers.

19 **SECTION 9.** 256.35 (3) (a) 4. of the statutes is amended to read:

1           256.35 (3) (a) 4. “Service user” means any person who is provided ~~telephone service~~  
2           communications service by a ~~service supplier which includes access to a basic or sophisticated~~  
3           ~~system~~ communications provider.

4           **SECTION 10.** 256.35 (3) (b), (c), (d), (e), (f), (g), (i) and (j) of the statutes are repealed.

**NOTE:** These provisions currently allow counties to authorize a charge on exchange telephone service customers within the county and allow service providers to recoup the costs associated with landline 911 telecommunications service under countywide contracts.

5           **SECTION 11.** 256.35 (3) (bm), (cm), (dm) and (em) of the statutes are created to read:

6           256.35 (3) (bm) 1. ‘Fee imposed.’ Except as provided in subd. 2., a communications  
7           provider shall impose a monthly fee of [\$0.40], subject to any adjustment under par. (cm), on  
8           each communications service connection, including a communication service provided via a  
9           voice over Internet protocol connection. If a communications provider provides multiple  
10          communications service connections to a service user, the communications provider shall  
11          impose a separate fee under this subdivision on each of the first 10 connections and one  
12          additional fee for each 10 additional connections per billed account. A communications  
13          provider may list the fee separately from other charges on a service user’s bill, and if a  
14          communications provider does so, the communications provider shall identify the fee as “state  
15          911 fee” or, if the communications provider combines the fee with a fee imposed under s.  
16          196.025 (6), the communications provider shall identify the combined fees as “charge for  
17          funding state 911 systems plus police and fire protection fee”. Any partial payment of a fee  
18          by a service user shall first be applied to any amount the service user owes the communications  
19          provider for communications service.

**NOTE:** The police and fire protection fee is imposed on each communications service connection “with an assigned telephone number”. This draft would impose the state 911 fee on each

communications service connection, not necessarily only those with an assigned telephone number.

1           2. A communications provider that offers a prepaid wireless telecommunications plan,  
2 or a retailer that offers such a plan on behalf of a communications provider, shall impose a fee  
3 equal to [\$0.20], subject to any adjustment under par. (cm), on each retail transaction for such  
4 a plan that occurs in this state. A communications provider or retailer may state the amount  
5 of the fee separately on a bill for the retail transaction, and if a communications provider or  
6 retailer does so, the communications provider or retailer shall identify the fee as “police and  
7 fire protection fee”, or, if the communications provider combines the fee with a fee imposed  
8 under s. 196.025 (6), the communications provider shall identify the combined fees as “charge  
9 for funding state 911 systems plus police and fire protection fee”.

**NOTE:** This fee would be capped and initially set at \$0.40 per month per connection for most types of connections and \$0.20 per transaction for prepaid wireless service. Adjustments to this fee could be made by direction of the state 911 council with approval of the governor, as provided in the following paragraph.

10           (cm) If directed by the state 911 council under s. 16.9647 (2) (i), and if approved by the  
11 governor, the commission shall change the amount of the fee required under par. (bm). The  
12 commission shall not reduce the fee below the amount necessary to generate sufficient  
13 revenue for the appropriation under s. \_\_\_\_\_. The fee shall not be more than \$0.40 per  
14 communications service connection per month [adjust based on consumer price index]. No  
15 later than October 1 of each year the commission shall notify communications providers and  
16 sellers who offer prepaid wireless on behalf of communications providers of any adjustment  
17 to the fee required under par. (bm), and the adjustment shall be effective on January 1 of the  
18 following year.

1 (dm) 1. Except as provided in subd. 2., no later than the first calendar month following  
2 the calendar month in which a communications provider or retailer receives from a service  
3 user a fee imposed under par. (bm), the communications provider or retailer shall remit the fee  
4 to the commission.

5 2. The commission may contract with the department for the collection of fees imposed  
6 under par. (bm) 2. If the commission and department enter into such a contract, no later than  
7 the first calendar month following the calendar month in which a communications provider  
8 or retailer receives from a service user a fee imposed under par. (bm) 2., the communications  
9 provider or retailer shall remit the fee to the department.

10 (em) The commission may do any of the following:

11 1. Promulgate rules for administering this subsection.

12 2. Bring an action to collect any amount that is required to be remitted under par. (dm).

13 **SECTION 12.** 256.35 (3) (h) of the statutes is amended to read:

14 256.35 (3) (h) Every service user subject to and billed for a ~~charge~~ fee under this  
15 subsection is liable for that ~~charge~~ fee until the service user pays the ~~charge~~ fee to the ~~service~~  
16 ~~supplier~~ communications provider.

**NOTE:** The fees collected under this subsection would be used to pay for a staff position at the PSC, for the PSC's administrative costs associated with providing for state 911 telecommunications service, and to pay for state 911 telecommunications service. (See WLC: 0046/P1.) Fees not used for these purposes would be transferred to the state 911 grant program proposed under WLC: 0047/P1.

17 **SECTION 13.** 256.35 (6) of the statutes is amended to read:

18 256.35 (6) TELECOMMUNICATIONS UTILITY REQUIREMENTS. A telecommunications utility  
19 serving a public agency or group of public agencies which have established a sophisticated  
20 system under sub. (2) (e) shall provide by December 31, 1985, or upon establishing a system,

