



Ohio Legislative Service Commission

Bill Analysis

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Sub. H.B. 360*

129th General Assembly

(As Reported by S. Energy and Public Utilities)

Reps. Rosenberger, Butler, Murray, Grossman, J. Adams, Ruhl, Gonzales, Combs, Stautberg, Batchelder

BILL SUMMARY

- Reduces the monthly wireless 9-1-1 charge from 28¢ to 25¢, applies the charge only to nonprepaid wireless service subscribers in Ohio, and makes the charge permanent from the bill's effective date, which the bill provides is immediate.
- Eliminates the current wireless 9-1-1 charge imposed on prepaid wireless service subscribers from the bill's effective date, which the bill provides is immediate, until July 1, 2013.
- Imposes, effective July 1, 2013, a new wireless 9-1-1 charge on prepaid wireless service subscribers of 0.5% of the sales price for the service.
- Imposes the prepaid wireless 9-1-1 charge at the point of sale, requiring the sellers of prepaid wireless services to collect the charge.
- Requires sellers of prepaid wireless services, wireless service providers, and resellers to remit the prepaid and nonprepaid wireless 9-1-1 charges to the Tax Commissioner.
- Specifies that sellers of prepaid services are subject to sales-tax requirements regarding audits, assessments, appeals, enforcement, liability, and penalties, and transfers duties related to audits of providers and resellers of nonprepaid services from the Public Utilities Commission to the Tax Commissioner.

* This analysis was prepared before the report of the Senate Energy and Public Utilities Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

- Requires a seller of prepaid services to file remittances electronically using the Ohio Business Gateway, the Ohio Telefile System, or any other electronic means required by the Tax Commissioner, unless excused for good cause shown.
- Permits sellers of prepaid services to retain a 3% collection fee before remitting the prepaid charges.
- Excludes providers and sellers of prepaid wireless calling services from civil liability for activities or omissions with regard to a 9-1-1 system or for providing related assistance.
- Relieves providers of prepaid wireless service from liability to the state for any prepaid wireless 9-1-1 charge that was not collected or remitted.
- Requires the Tax Commissioner to provide all known sellers of prepaid services, wireless service providers, and resellers with notice of any increase or decrease in the amount of the prepaid or nonprepaid charge.
- Prohibits imposing the wireless 9-1-1 charge on a wireless life line service provider.
- Transfers authority over the wireless 9-1-1 charges to the Department of Public Safety and the Department of Taxation, with Taxation responsible for administering the collection of the charges and disbursement of the funds.
- Modifies the Wireless 9-1-1 Administrative Fund to permit the Department of Public Safety and the Department of Taxation to each receive 1% of the wireless 9-1-1 charges to cover their costs in carrying out their duties regarding 9-1-1 service.
- Requires the Tax Commissioner and the Director of Public Safety annually to transfer any excess amounts from their respective 1% allotments to the Wireless 9-1-1 Government Assistance Fund, which is the main fund for the deposit of the wireless 9-1-1 charges.
- Limits, on and after July 1, 2013, disbursements to counties from the Wireless 9-1-1 Government Assistance Fund to the level disbursed in 2012.
- Requires, after disbursements are made after July 1, 2013, that the balance of the remittances in the Wireless 9-1-1 Government Assistance Fund be deposited into the Next Generation 9-1-1 Fund, which is a custodial fund in the state treasury established by the bill.
- Requires the Treasurer of State to disburse money to counties from the Next Generation 9-1-1 Fund only on order of the Tax Commissioner according to

standards established by Statewide Emergency Services Internet Protocol Network Steering Committee.

- Changes the due date of the Steering Committee's initial report to the Speaker of the House, President of the Senate, and the Governor providing recommendations regarding development of a statewide emergency services network from November 15, 2012, to May 15, 2013.
- Requires the report recommendations to include a review of the current funding model for Ohio's 9-1-1 systems and permits the report to include a recommendation for a reduction in the wireless 9-1-1 charges modified and established by the bill.
- Requires the report recommendation regarding consolidation of operations of public safety answering points (PSAPs) in Ohio to also include recommendations for accelerating the consolidation of PSAP fund usage that the bill requires.
- Progressively limits the number of PSAPs in each county for which disbursements from the 9-1-1 charges may be used, ultimately limiting counties to three PSAPs in 2018 (or four PSAPs if the county includes a municipal corporation with a population of more than 175,000).
- Requires, not later than February 15, 2013, each Countywide 9-1-1 Planning Committee Chair, or designee, to report to the Steering Committee, certain geographic, demographic, statistical, expenditure, network, and other information, as required by the Steering Committee.
- Provides for the Steering Committee to penalize any county that does not make a timely report as described above by causing the suspension of disbursements from the Wireless 9-1-1 Government Assistance Fund.
- Requires, not later than January 1, 2014, that the Steering Committee adopt rules under the Administrative Procedure Act that establish technical and operations standards for PSAPs eligible to receive disbursements from the Wireless 9-1-1 Government Assistance Fund.
- Requires PSAPs to comply with the new Steering Committee standards not later than two years after the effective date of the rules.
- Prohibits disbursements to a county for PSAP costs from the Wireless 9-1-1 Government Assistance Fund or the Next Generation 9-1-1 Fund unless the PSAPs comply with the rules establishing the technical and operations standards.

- Requires the Steering Committee to establish guidelines for the Tax Commissioner to use when disbursing money to counties from the Next Generation 9-1-1 Fund, which guidelines must be consistent with the PSAP technical and operations standards and specify for what the funds may be used.
- Permits the Auditor of State to audit and review county expenditures of the disbursed funds to verify the money was used in accordance with the law.
- Requires the Tax Commissioner to determine the just, reasonable, and compensatory rates that telephone companies may charge for the telephone network portion of a basic or enhanced 9-1-1 system.
- Requires telephone companies to file the Tax Commissioner-set rates with the Public Utilities Commission.
- Requires the Department of Public Safety to determine whether a telephone company is capable of reasonably meeting the technical and economic requirements of providing the wireline telephone network portion of a countywide 9-1-1 system.
- Changes the composition of the Ohio 9-1-1 Council.
- Makes the Director of Public Safety responsible for appointing the Ohio 9-1-1 Coordinator and modifies the powers and duties of the Coordinator.
- Grants rule-making authority under the Administrative Procedure Act to the Tax Commissioner and the Director of Public Safety, to be exercised in consultation with each other, to carry out Ohio's 9-1-1 law.
- Recodifies all Revised Code sections addressing wireline and wireless 9-1-1 to Chapter 5507. of the Revised Code.
- Declares an emergency.

HISTORY

ACTION	DATE
Introduced	11-01-11
Reported, H. Public Utilities	03-28-12
Passed House (96-0)	05-15-12
Reported, S. Energy & Public Utilities	---

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