

SENATE BILL 1051

E4, C5

8lr1187

By: **Senator Kagan**

Introduced and read first time: February 5, 2018

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Safety – 9–1–1 Emergency Telephone System – Trust Fund and Fees**
3 **(Carl Henn’s Law)**

4 FOR the purpose of authorizing the Emergency Number Systems Board to use the 9–1–1
5 Trust Fund to reimburse counties for certain costs of a certain enhanced 9–1–1
6 system under certain circumstances; altering the method for calculating the 9–1–1
7 fee and a certain additional fee; and generally relating to 9–1–1 service.

8 BY repealing and reenacting, with amendments,
9 Article – Public Safety
10 Section 1–308, 1–310, and 1–311
11 Annotated Code of Maryland
12 (2011 Replacement Volume and 2017 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

Article – Public Safety

16 1–308.

17 (a) There is a 9–1–1 Trust Fund.

18 (b) The purposes of the 9–1–1 Trust Fund are to:

19 (1) reimburse counties for the cost of enhancing a 9–1–1 system;

20 **(2) IF FUNDS ARE AVAILABLE, REIMBURSE COUNTIES, AT THE**
21 **DISCRETION OF THE SECRETARY, FOR CAPITAL AND OPERATING COSTS OF AN**
22 **ENHANCED 9–1–1 SYSTEM, INCLUDING NEXT GENERATION 9–1–1 SERVICES;**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ~~[(2)] (3)~~ pay contractors in accordance with § 1-306(b)(12) of this subtitle;
2 and

3 ~~[(3)] (4)~~ fund the coordinator position and staff to handle the increased
4 duties related to wireless enhanced 9-1-1 service under § 1-305 of this subtitle, as an
5 administrative cost.

6 (c) The 9-1-1 Trust Fund consists of:

7 (1) money from the 9-1-1 fee collected and remitted to the Comptroller
8 under § 1-310 of this subtitle;

9 (2) money from the additional charge collected and remitted to the
10 Comptroller under § 1-311 of this subtitle;

11 (3) money from the prepaid wireless E 9-1-1 fee collected and remitted to
12 the Comptroller under § 1-313 of this subtitle; and

13 (4) investment earnings of the 9-1-1 Trust Fund.

14 (d) Money in the 9-1-1 Trust Fund shall be held in the State Treasury.

15 (e) The Secretary shall administer the 9-1-1 Trust Fund, subject to the
16 guidelines for financial management and budgeting established by the Department of
17 Budget and Management.

18 (f) The Secretary shall direct the Comptroller to establish separate accounts in
19 the 9-1-1 Trust Fund for the payment of administrative expenses and for each county.

20 (g) (1) Any investment earnings shall be credited to the 9-1-1 Trust Fund.

21 (2) The Comptroller shall allocate the investment income among the
22 accounts in the 9-1-1 Trust Fund, prorated on the basis of the total fees collected in each
23 county.

24 1-310.

25 (a) This section does not apply to prepaid wireless telecommunications service.

26 (b) Each subscriber to switch local exchange access service or CMRS or other
27 9-1-1-accessible service shall pay a 9-1-1 fee.

28 (c) The 9-1-1 fee is ~~[25 cents per month,]~~:

29 (1) (I) FOR A SUBSCRIBER WITH FEWER THAN 3 LINES, 25 CENTS

1 PER MONTH;

2 (II) FOR A SUBSCRIBER WITH AT LEAST 3 LINES BUT FEWER
3 THAN 6 LINES, 50 CENTS PER MONTH;

4 (III) FOR A SUBSCRIBER WITH AT LEAST 6 LINES BUT FEWER
5 THAN 11 LINES, 75 CENTS PER MONTH;

6 (IV) FOR A SUBSCRIBER WITH AT LEAST 11 LINES BUT FEWER
7 THAN 26 LINES, \$2.50 PER MONTH;

8 (V) FOR A SUBSCRIBER WITH AT LEAST 26 LINES BUT FEWER
9 THAN 51 LINES, \$5 PER MONTH;

10 (VI) FOR A SUBSCRIBER WITH AT LEAST 51 LINES BUT FEWER
11 THAN 201 LINES, \$6.25 PER MONTH; AND

12 (VII) FOR A SUBSCRIBER WITH AT LEAST 201 LINES, \$12.50 PER
13 MONTH; AND

14 (2) payable when the bill for the telephone service or CMRS or other
15 9-1-1-accessible service is due.

16 (d) (1) The Public Service Commission shall direct each telephone company to
17 add the 9-1-1 fee to all current bills rendered for switched local exchange access service in
18 the State.

19 (2) Each telephone company:

20 (i) shall act as a collection agent for the 9-1-1 Trust Fund with
21 respect to the 9-1-1 fees;

22 (ii) shall remit all money collected to the Comptroller on a monthly
23 basis; and

24 (iii) is entitled to credit, against the money from the 9-1-1 fees to be
25 remitted to the Comptroller, an amount equal to 0.75% of the 9-1-1 fees to cover the
26 expenses of billing, collecting, and remitting the 9-1-1 fees and any additional charges.

27 (3) The Comptroller shall deposit the money remitted in the 9-1-1 Trust
28 Fund.

29 (e) (1) Each 9-1-1 service carrier shall add the 9-1-1 fee to all current bills
30 rendered for CMRS or other 9-1-1-accessible service in the State.

1 (2) Each 9-1-1 service carrier:

2 (i) shall act as a collection agent for the 9-1-1 Trust Fund with
3 respect to the 9-1-1 fees;

4 (ii) shall remit all money collected to the Comptroller on a monthly
5 basis; and

6 (iii) is entitled to credit, against the money from the 9-1-1 fees to be
7 remitted to the Comptroller, an amount equal to 0.75% of the 9-1-1 fees to cover the
8 expenses of billing, collecting, and remitting the 9-1-1 fees and any additional charges.

9 (3) The Comptroller shall deposit the money remitted in the 9-1-1 Trust
10 Fund.

11 (4) The Board shall adopt procedures for auditing surcharge collection and
12 remittance by CMRS providers.

13 (5) On request of a CMRS provider, and except as otherwise required by
14 law, the information that the CMRS provider reports to the Board shall be confidential,
15 privileged, and proprietary and may not be disclosed to any person other than the CMRS
16 provider.

17 (f) Notwithstanding any other provision of this subtitle, the 9-1-1 fee does not
18 apply to an intermediate service line used exclusively to connect a CMRS or other
19 9-1-1-accessible service, other than a switched local access service, to another telephone
20 system or switching device.

21 (g) A CMRS provider that pays or collects 9-1-1 fees under this section has the
22 same immunity from liability for transmission failures as that approved by the Public
23 Service Commission for local exchange telephone companies that are subject to regulation
24 by the Commission under the Public Utilities Article.

25 1-311.

26 (a) This section does not apply to prepaid wireless telecommunications service.

27 (b) In addition to the 9-1-1 fee, the governing body of each county, by ordinance
28 or resolution enacted or adopted after a public hearing, may impose an additional charge
29 to be added to all current bills rendered for switched local exchange access service or CMRS
30 or other 9-1-1-accessible service in the county.

31 (c) (1) The additional charge imposed by a county may not exceed [75 cents
32 per month per bill]:

33 **(I) FOR A SUBSCRIBER WITH FEWER THAN 3 LINES, 75 CENTS**
34 **PER MONTH;**

1 (II) FOR A SUBSCRIBER WITH AT LEAST 3 LINES BUT FEWER
2 THAN 6 LINES, \$1.50 PER MONTH;

3 (III) FOR A SUBSCRIBER WITH AT LEAST 6 LINES BUT FEWER
4 THAN 11 LINES, \$2.25 PER MONTH;

5 (IV) FOR A SUBSCRIBER WITH AT LEAST 11 LINES BUT FEWER
6 THAN 26 LINES, \$7.50 PER MONTH;

7 (V) FOR A SUBSCRIBER WITH AT LEAST 26 LINES BUT FEWER
8 THAN 51 LINES, \$15 PER MONTH;

9 (VI) FOR A SUBSCRIBER WITH AT LEAST 51 LINES BUT FEWER
10 THAN 201 LINES, \$18.75 PER MONTH; AND

11 (VII) FOR A SUBSCRIBER WITH AT LEAST 201 LINES, \$37.50 PER
12 MONTH.

13 (2) The amount of the additional charges may not exceed a level necessary
14 to cover the total eligible maintenance and operation costs of the county.

15 (d) The additional charge continues in effect until repealed or modified by a
16 subsequent county ordinance or resolution.

17 (e) After imposing, repealing, or modifying an additional charge, the county shall
18 certify the amount of the additional charge to the Public Service Commission.

19 (f) The Public Service Commission shall direct each telephone company that
20 provides service in a county that imposed an additional charge to add, within 60 days, the
21 full amount of the additional charge to all current bills rendered for switched local exchange
22 access service in the county.

23 (g) Within 60 days after a county enacts or adopts an ordinance or resolution that
24 imposes, repeals, or modifies an additional charge, each 9-1-1 service carrier that provides
25 service in the county shall add the full amount of the additional charge to all current bills
26 rendered for CMRS or other 9-1-1-accessible service in the county.

27 (h) (1) Each telephone company and each 9-1-1 service carrier shall:

28 (i) act as a collection agent for the 9-1-1 Trust Fund with respect
29 to the additional charge imposed by each county;

30 (ii) collect the money from the additional charge on a county basis;
31 and

1 (iii) remit all money collected to the Comptroller on a monthly basis.

2 (2) The Comptroller shall deposit the money remitted in the 9-1-1 Trust
3 Fund account maintained for the county that imposed the additional charge.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
5 1, 2018.