

HCS HB 334 -- EMERGENCY COMMUNICATIONS SERVICE

SPONSOR: Lauer

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Utilities by a vote of 12 to 1. Voted "Do Pass" by the Committee on Rules- Administrative Oversight by a vote of 10 to 3.

This bill changes the laws regarding funding for emergency 911 services, administration of 911 funding, Missouri 911 Service Board, and the cooperation and contracting between emergency services providers.

MISSING PERSON REPORTS

The bill adds information on guardians to the form for filing a missing persons report under Section 43.401, RSMo.

MONTHLY FEE FOR COMMUNICATIONS SERVICES ENABLED TO CONTACT 911

The bill:

(1) Changes the name of the Wireless Service Provider Enhanced 911 Service Fund to the Missouri 911 Service Trust Fund (Section 190.420); and

(2) Authorizes counties, any city not within a county, and certain home rule cities to impose by order or ordinance a monthly fee, not to exceed \$1.50 per device, on subscribers of any communications service or owner of any device enabled to contact 911 solely for the purpose of funding 911 service in the county or city upon approval by the voters. Revenue from this fee except for certain administrative and collection costs of the providers and the Department of Revenue will be deposited into the Missouri 911 Service Trust Fund to be remitted monthly by the Director of the Department of Revenue to the governing body of the county or city.

The fee:

(a) Will be in lieu of the emergency telephone tax levy authorized under Section 190.305, or the county sales tax authorized under Sections 190.292, 190.325, or 190.335 for funding the central dispatch of emergency services; and

(b) Will not be imposed upon prepaid wireless telecommunications service customers who will be subject to the charge imposed under Section 190.451 (Section 190.450);

(3) Prohibits a county or city from submitting a proposal to its voters for a fee of more than \$1 until approved by the Missouri 911 Service Board. Any subsequent proposed fee increase also must receive prior approval from the board and voters (Section 190.450);

(4) Prohibits a county from submitting a proposal to the voters of the county until all providers of emergency telephone service and public safety answering point operations within the county are consolidated into one public agency and develops a plan for consolidation of emergency telephone service. The Department of Revenue cannot remit any fees to a county of the third or fourth classification until it receives notice from the board that the county has filed a plan that is ready for implementation. These provisions cannot apply to a county with a charter form of government where all public safety answering points within the county utilize a common 911 communication service implemented by the appropriate local and county agencies prior to August 28, 2017 (Section 190.450);

(5) Allows a third classification county operating joint or shared emergency telephone service to submit to the voters a proposal to impose the fee to support joint operations and further consolidation. These provisions cannot apply to a county with a charter form of government where all public safety answer points within the county utilize a common 911 communication service implemented by the appropriate agencies prior to August 28, 2017 (Section 650.330);

(6) Requires counties including a portion of Kansas City to enter into an agreement with Kansas City regarding the equitable sharing of revenue before submitting a proposal to impose the authorized 911 service fee to the voters; and

(7) Requires all 911 fees to be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended (Section 190.450).

Currently, the only cities for which this fee is authorized are the City of St. Louis and the City of Sikeston.

COUNTY COMMISSION OVERSIGHT OF EMERGENCY SERVICES

Currently, members of emergency service boards are appointed by the county commission upon an affirmative vote of a telephone tax. This bill provides that county commissions may also appoint board members at the request of municipalities and other political subdivisions that have contracted for emergency services.

STATEWIDE PREPAID WIRELESS EMERGENCY TELEPHONE SERVICE CHARGE

Beginning January 1, 2018, the bill imposes a statewide prepaid wireless emergency telephone service charge of 3% on each retail purchase of a prepaid wireless telecommunications service. The amount of the charge must be separately stated to the consumer on an invoice, receipt, or other similar document or otherwise disclosed.

The amount of the service charge cannot be included in the base for measuring any tax, fee, surcharge, or other charge imposed by the state, any political subdivision of the state, or any intergovernmental agency.

Beginning January 1, 2018, and ending on January 31, 2018, the seller must be allowed to retain 100% of the prepaid wireless emergency telephone service charges collected by the seller. Beginning on February 1, 2018, a seller must be allowed to deduct and retain 3% of the prepaid service charges. The first \$800,150 in service charges collected after February 1, 2018 will be collected into general revenue for the purpose of reimbursing the Department of Revenue's expenses in administering the 911 service trust fund.

The board must set aside between 25% and 75% of the charges deposited into the fund to be remitted to non-charter counties in direct proportion to the amount of charges collected in each county. The board must set aside between 65% and 75% of the charges to be remitted to charter counties and any city not within a county in direct proportion to the amount of charges collected in each county or city. The initial percentage rate set by the board may be adjusted after three years and every two years thereafter. However, at no point can the board set rates that fall below 25% for counties without a charter form of government and 65% for counties with a charter form of government and any city not within a county.

The prepaid wireless emergency telephone service charge must be in addition to any other tax, fee, surcharge, or other charge imposed by this state, any political subdivision of this state, or any intergovernmental agency for 911 funding purposes.

If, after one year following the enactment of the fee the county has not complied with the plan, then the authority to impose the fee must be null and void unless a one-time six month extension is granted by the Missouri 911 Service Board (Section 190.450).

CONSOLIDATION, COOPERATION, AND CONTRACTING BETWEEN BOARDS

The bill authorizes any county, city, or 911 emergency services

board established under Chapter 190 or under Section 321.243 to contract or cooperate with any other board as provided in Sections 70.210 to 70.320. Any contracting county or board may seek assistance and advice from the Missouri 911 Service Board regarding terms of the joint contract and the administration and operation of the contracting counties, cities, and boards.

After August 28, 2017, no public safety answering point operation may be established as a result of its separation from an existing public safety answering point operation without a study by and the approval of the Missouri 911 Service Board.

The bill also specifies a procedure by which two or more publicly funded 911 central dispatch centers organized under Sections 190.327 to 190.329 or Section 190.335, upon voter approval, can consolidate into one 911 central dispatch center.

If a county is considered consolidated as defined in Section 190.300, it must provide a plan for consolidation of emergency telephone service for all police, fire, and EMS within the consolidated area.

The Director of the Department of Revenue must maintain a centralized database that must be made available to the Missouri 911 Service Board specifying the current monthly fee or tax imposed by each county or city which must be updated no less than 60 days prior to the effective date of the establishment or modification of any monthly fee or tax (Section 190.455).

MISSOURI 911 SERVICE BOARD

The bill changes the name of the Advisory Committee for 911 Service Oversight to the Missouri 911 Service Board and repeals the provisions creating the Wireless Service Provider Enhanced 911 Advisory Board (Section 650.325).

The number of board members is reduced from 16 to 15, and the composition of the board is changed. Additional new powers and responsibilities of the board are specified in the bill.

(1) Administering and authorizing grants and loans to counties and a specified home rule city that can demonstrate a financial commitment to improving 911 services by providing at least a 50% match and demonstrate the ability to operate and maintain ongoing 911 services;

(2) Developing an application process including reporting and accountability requirements, withholding a portion of the grant until completion of a project, and other measures to assure funds

are used in accordance with the law and purpose of the grant, and conducting audits as deemed necessary (Section 650.330);

(3) Preparing and presenting a report to the Governor and General Assembly on the status of 911 services statewide every three years, including specific efforts to improve efficiency, cost effectiveness, and levels of service (Section 650.330);

(4) Conducting and reviewing an annual survey of public safety answering points in Missouri to evaluate potential for improved services, coordination, and feasibility of consolidation (Section 650.330);

(5) Setting the percentage rate of the prepaid wireless emergency telephone service charges to be remitted to a county or city as specified in the bill (Section 650.330);

(6) Making and executing contracts or any other instruments and agreements necessary or convenient for the exercise of its powers and functions (Section 650.330);

(7) Approving a proposal to impose a fee of more than \$1 under Section 190.450 (Section 650.330);

(8) Retaining in its records proposed county plans developed under a specified provision of the bill and notifying the Department of Revenue that the county has filed a plan that is ready for implementation (Section 650.330); and

(9) Notifying certain communications service providers when the centralized database has been updated or a county or city has established or modified a tax or monthly fee at least 90 days prior to the effective date of the change (Section 650.330).

The bill allows any county or a specified home rule city to submit an application for loan funds or other financial assistance to the board for the purpose of financing all or a portion of the costs incurred in implementing a 911 communications service project as specified in the bill (Section 650.335).

This bill requires entities located in multiple counties that are entering into a service agreement to provide written notice to the Missouri 911 Service Board if they choose to locate a 911 dispatch center in a county other than a county with the lowest average wage from the set of counties that the contracting entities are located within. The bill exempts the Taney County 911 Board from an election requirement to choose new members if a new funding source is used by the board and adds one member to the Missouri 911 Service Board from the Governor's Council on Disability.

STATE AUDITOR'S AUTHORITY TO CONDUCT PERFORMANCE AND FISCAL AUDITS

The bill authorizes the State Auditor to conduct performance and fiscal audits of any board, dispatch center, joint emergency communications entity, or trust fund involving emergency 911 service (Section 1).

WIRELESS SERVICE PROVIDER ENHANCED 911

The bill repeals the provision authorizing the Office of Administration to impose, upon statewide voter approval, a wireless service provider enhanced 911 fee not to exceed 50 cents per wireless telephone number per month and specifying the ballot language for the statewide fee (Section 190.430).

This bill is similar to SCS HCS HB 1904 (2016).

PROPOSERS: Supporters say that the bill provides a flexible framework for the consolidation of 911 public safety programs, which will in turn improve emergency response times, and will help provide 911 service in under-served areas of the state.

Testifying for the bill were Representative Lauer; Mid-America Regional Council; P. Michael Snider, City of Liberty; Opeoluwa Sotonwa, Missouri Commission for the Deaf; Rance Duffy, Missouri National Emergency Number Association; Scott M. Cason, 911 Directors Organization; Roger Martin, Missouri Association of APCO; Missouri Nurses Association; Greater Kansas City Chamber of Commerce; Jackson County Legislature; American Heart Association; Brian Froelke; Missouri State Council of Firefighters; Missouri Police Chiefs Association; Missouri Municipal League; Centurylink; City Of Nevada; National Association of Social Workers - Mo Chapter; Donald "Doc" Kritzer; James Simpson, City of Liberty; Dymond E. (Gene) Bradley, Missouri Ambulance Association; Lydia Dearmont, Holt County Sheriff's Office; Scott Roy, Ambulance District Association Missouri; Missouri Cable Telecommunications Association; Frank Foster, EMS Legal Services; and Missouri Association of Counties.

OPPOSERS: There was no opposition voiced to the committee.