

STORAGE NAME: h0513a.uco

DATE: March 17, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
UTILITIES AND COMMUNICATIONS
TRUST FUND RE-CREATION ANALYSIS**

BILL #: HB 0513

RELATING TO: Trust Funds

SPONSOR(S): Representative Logan

COMPANION BILL(S): SB 182(s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) UTILITIES AND COMMUNICATIONS YEAS 10 NAYS 0
 - (2) COMMUNITY AFFAIRS
 - (3) GOVERNMENT OPERATIONS
 - (4) GENERAL GOVERNMENT APPROPRIATIONS
 - (5)
-

I. SUMMARY:

The bill establishes a trust fund needed to implement HB 621, which has been filed to establish requirements for wireless enhanced 911 ("E911") consistent with Federal Communications Commission requirements.

The bill provides for administration of the fund and distribution of funds to counties and wireless providers for costs incurred to provide 911 or E911 services in compliance with federal requirements.

The bill requires the Auditor General to audit the fund and provide reports to the board created by HB 621.

The bill will take effect on July 1, 1999 provided that implementing legislation, is passed this session.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

House Bill 621 has been filed and provides for collection of a fee to fund wireless emergency 911 telephone service consistent with federal requirements. There is no trust fund to handle the wireless emergency 911 fees.

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 365.173, Florida Statutes is created to control the trust fund.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

The fund will be used according to specified criteria to fund wireless 911 and E911 services.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The source of revenue is a \$.50 monthly fee, authorized by HB 621, to be paid by wireless subscribers to fund 911 and E911 wireless service.

B. EFFECT OF PROPOSED CHANGES:

A trust fund is created that is needed to implement HB 621. The fund is to be used as follows:

- 44% is to be distributed to counties based on the total number of wireless subscriber billing addresses in each county for payment of recurring costs of providing 911 and E911 service and costs to comply with E911 requirements and subsequent rules related to the Federal Communications Commission ("FCC") Order on E911 issued in Docket No. 94-102 ("Order").

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- 54% is to be distributed in response to sworn invoices submitted by providers to reimburse such providers for the actual costs incurred to provide 911 or E911 service according to specified criteria. Up to 2% of the funds allocated to providers are to be retained by the board (created by HB 621) and applied to costs of administration of the fund.
- 2% of the fund is to be used to make monthly distributions to rural counties for the purpose of providing facilities, network and service enhancements, for providing assistance for 911 and E911 systems operated by rural counties. and for providing reimbursable loans and grants by the Department of Management Services for upgrading 911 systems.

The bill provides that if the total amount of moneys requested by providers for payment exceeds the amount in the fund in any month, providers will receive a pro rata share of moneys in the fund with the balance due to be carried forward until all approved payments are made.

The bill provides that it is the intent of the Legislature that all revenue from the wireless 911 fee be used as specified in existing Section 365.171(13)(a)6, Florida Statutes, which governs use of 911 fees by counties.

The Auditor General is to audit the fund and report to the board created by HB 621.

The bill will take effect on July 1, 1999, if implementing legislation passes this session.

C. STATUTE(S) AFFECTED:

Section 365.173, Florida Statutes, is created.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

Wireless telephone subscribers will pay a fee for the purpose of funding, through the trust fund created by this bill, the provisions of HB 621 with respect to wireless 911 and E911.

IV. COMMENTS:

HB 621 has been filed to establish a fee mechanism for wireless 911 and E911 service. An amendment is necessary to cross reference this bill to HB 621.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

An amendment passed which added a cross reference to House Bill 621 which is the substantive E911 bill.

VI. SIGNATURES:

COMMITTEE ON: UTILITIES AND COMMUNICATIONS

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