

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Mitchell

316-2089-02

1 A bill to be entitled
2 An act relating to emergency telephone number
3 "911"; amending s. 365.171, F.S.; revising the
4 distribution of the "911" fee; amending s.
5 365.172, F.S.; defining the term "statewide
6 programs"; providing for the duties of the
7 Wireless 911 Board; providing for accounting
8 services; providing for the administration of
9 the Wireless 911 Fee; amending s. 365.173,
10 F.S.; revising the distribution of funds;
11 providing for county funds; providing an
12 effective date.

13
14 Be It Enacted by the Legislature of the State of Florida:
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16 Section 1. Paragraphs (a) and (c) of subsection (13)
17 of section 365.171, Florida Statutes, are amended to read:

18 365.171 Emergency telephone number "911."--
19 (13) "911" FEE.--

20 (a) Following approval by referendum as set forth in
21 paragraph (b), or following approval by a majority vote of its
22 board of county commissioners, a county may impose a "911" fee
23 to be paid by the local exchange subscribers within its
24 boundaries served by the "911" service. Proceeds from the
25 "911" fee shall be used only for "911" expenditures as set
26 forth in subparagraph 6. The manner of imposing and
27 collecting said payment shall be as follows:

28 1. At the request of the county subscribing to "911"
29 service, the telephone company shall, insofar as is
30 practicable, bill the "911" fee to the local exchange
31 subscribers served by the "911" service, on an individual

1 access line basis, at a rate not to exceed 50 cents per month
2 per line (up to a maximum of 25 access lines per account bill
3 rendered). However, the fee may not be assessed on any pay
4 telephone in this state. A county collecting the fee for the
5 first time may collect the fee for no longer than 36 months
6 without initiating the acquisition of its "911" equipment.

7 2. Fees collected by the telephone company pursuant to
8 subparagraph 1. shall be returned to the county, less the
9 costs of administration retained by the company and the
10 required distribution to the State Technology Office pursuant
11 to paragraph (c). The county shall provide a minimum of 90
12 days' written notice to the telephone company prior to the
13 collection of any "911" fees.

14 3. Any county that currently has an operational "911"
15 system or that is actively pursuing the implementation of a
16 "911" system shall establish a fund to be used exclusively for
17 receipt and expenditure of "911" fee revenues collected
18 pursuant to this section. All fees placed in said fund, and
19 any interest accrued thereupon, shall be used solely for "911"
20 costs described in subparagraph 6. The money collected and
21 interest earned in this fund shall be appropriated for "911"
22 purposes by the county commissioners and incorporated into the
23 annual county budget. Such fund shall be included within the
24 financial audit performed in accordance with s. 218.39. A
25 report of the audit shall be forwarded to the office within 60
26 days of its completion. A county may carry forward on an
27 annual basis unspent moneys in the fund for expenditures
28 allowed by this section, or it may reduce its fee. However, in
29 no event shall a county carry forward more than 10 percent of
30 the "911" fee billed for the prior year. The amount of moneys
31 carried forward each year may be accumulated in order to allow

1 for capital improvements described in this subsection. The
2 carryover shall be documented by resolution of the board of
3 county commissioners expressing the purpose of the carryover
4 or by an adopted capital improvement program identifying
5 projected expansion or replacement expenditures for "911"
6 equipment and service features, or both. In no event shall
7 the "911" fee carryover surplus moneys be used for any purpose
8 other than for the "911" equipment, service features, and
9 installation charges authorized in subparagraph 6. Nothing in
10 this section shall prohibit a county from using other sources
11 of revenue for improvements, replacements, or expansions of
12 its "911" system. A county may increase its fee for purposes
13 authorized in this section. However, in no case shall the fee
14 exceed 50 cents per month per line. All current "911" fees
15 shall be reported to the office within 30 days of the start of
16 each county's fiscal period. Any fee adjustment made by a
17 county shall be reported to the office. A county shall give
18 the telephone company a 90-day written notice of such fee
19 adjustment.

20 4. The telephone company shall have no obligation to
21 take any legal action to enforce collection of the "911" fee.
22 The telephone company shall provide quarterly to the county a
23 list of the names, addresses, and telephone numbers of any and
24 all subscribers who have identified to the telephone company
25 their refusal to pay the "911" fee.

26 5. The county subscribing to "911" service shall
27 remain liable to the telephone company for any "911" service,
28 equipment, operation, or maintenance charge owed by the county
29 to the telephone company.

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1 As used in this paragraph, "telephone company" means an
2 exchange telephone service provider of "911" service or
3 equipment to any county within its certificated area.

4 6. It is the intent of the Legislature that the "911"
5 fee authorized by this section to be imposed by counties will
6 not necessarily provide the total funding required for
7 establishing or providing the "911" service. For purposes of
8 this section, "911" service includes the functions of database
9 management, call taking, location verification, and call
10 transfer. The following costs directly attributable to the
11 establishment and/or provision of "911" service are eligible
12 for expenditure of moneys derived from imposition of the "911"
13 fee authorized by this section: the acquisition,
14 implementation, and maintenance of Public Safety Answering
15 Point (PSAP) equipment and "911" service features, as defined
16 in the Florida Public Service Commission's lawfully approved
17 "911" and related tariffs and/or the acquisition,
18 installation, and maintenance of other "911" equipment,
19 including call answering equipment, call transfer equipment,
20 ANI controllers, ALI controllers, ANI displays, ALI displays,
21 station instruments, "911" telecommunications systems,
22 teleprinters, logging recorders, instant playback recorders,
23 telephone devices for the deaf (TDD) used in the "911" system,
24 PSAP backup power systems, consoles, automatic call
25 distributors, and interfaces (hardware and software) for
26 computer-aided dispatch (CAD) systems; salary and associated
27 expenses for "911" call takers for that portion of their time
28 spent taking and transferring "911" calls; salary and
29 associated expenses for a county to employ a full-time
30 equivalent "911" coordinator position and a full-time
31 equivalent staff assistant position per county for the portion

1 of their time spent administrating the "911" system; training
2 costs for PSAP call takers in the proper methods and
3 techniques used in taking and transferring "911" calls;
4 expenses required to develop and maintain all information (ALI
5 and ANI databases and other information source repositories)
6 necessary to properly inform call takers as to location
7 address, type of emergency, and other information directly
8 relevant to the "911" call-taking and transferring function;
9 and, in a county defined in s. 125.011(1), such expenses
10 related to a nonemergency "311" system, or similar
11 nonemergency system, which improves the overall efficiency of
12 an existing "911" system or reduces "911" emergency response
13 time for a 2-year pilot project that ends June 30, 2003.
14 However, no wireless telephone service provider shall be
15 required to participate in this pilot project or to otherwise
16 implement a nonemergency "311" system or similar nonemergency
17 system. The "911" fee revenues shall not be used to pay for
18 any item not listed, including, but not limited to, any
19 capital or operational costs for emergency responses which
20 occur after the call transfer to the responding public safety
21 entity and the costs for constructing buildings, leasing
22 buildings, maintaining buildings, or renovating buildings,
23 except for those building modifications necessary to maintain
24 the security and environmental integrity of the PSAP and "911"
25 equipment rooms.

26 7. It is the goal of the Legislature that enhanced
27 "911" service be available throughout the state. Expenditure
28 by counties of the "911" fees authorized by this section
29 should support this goal to the greatest extent feasible
30 within the context of local service needs and fiscal
31 capability. Nothing in this section shall be construed to

1 prohibit two or more counties from establishing a combined
2 emergency "911" telephone service by interlocal agreement and
3 utilizing the "911" fees authorized by this section for such
4 combined "911" service.

5 (c) Any county imposing a "911" fee in accordance with
6 the provisions of this subsection shall allow the telephone
7 company to retain as an administrative fee an amount equal to
8 1 percent of the total "911" fee collected by the telephone
9 company and to distribute 0.75 percent of the total "911" fee
10 collected by the telephone company to the office for funding
11 the statewide "911" system director functions provided in
12 subsection (5).

13 Section 2. Present paragraph (r) of subsection (3) of
14 section 365.172, Florida Statutes, is redesignated as
15 paragraph (s) and a new paragraph (r) is added to that
16 subsection, and paragraph (a) of subsection (5), paragraph (a)
17 of subsection (6), subsection (7), paragraphs (a) and (b) of
18 subsection (8), paragraph (d) of subsection (9), and paragraph
19 (b) of subsection (10) of that section are amended, to read:

20 365.172 Wireless emergency telephone number "E911."--

21 (3) DEFINITIONS.--As used in this section and ss.

22 365.173 and 365.174, the term:

23 (r) "Statewide programs" includes administration and
24 operations of the board; providing staff support for statewide
25 E911 service from the office; providing assistance to rural
26 counties for implementation or operating enhanced 911 service
27 within the county; providing for research and development of
28 issues related to defining the most cost effective and
29 efficient alternatives for implementation of enhancements to
30 the Florida 911 systems; providing for pilot projects, with
31 statewide implications, to improve the accuracy of the

1 information contained in the 911 ALI database, to reduce the
2 cost of database maintenance and to incorporate new
3 application capability into the data base (such as Local
4 Number Portability-LNP); and providing a source of funds to
5 encourage counties and providers to increase the deployment of
6 advanced features into the 911 systems operated in the state.

7 (5) THE WIRELESS 911 BOARD.--

8 (a) The Wireless 911 Board is established to
9 administer, with oversight by the office, the fee imposed
10 under subsection (8), including receiving revenues derived
11 from the fee; distributing portions of such revenues to
12 providers, counties, and the office; accounting for receipts,
13 distributions, and income derived by the funds maintained in
14 the fund; developing, managing and administering the
15 "statewide programs" to promote the efficient, effective, and
16 timely implementation of statewide enhanced 911 service;and
17 providing annual reports to the Governor and the Legislature
18 for submission by the office on amounts collected and
19 expended, the purposes for which expenditures have been made,
20 and the status of wireless E911 service in this state. In
21 order to advise and assist the office in carrying out the
22 purposes of this section, the board, which shall have the
23 power of a body corporate, shall have the powers enumerated in
24 subsection (6).

25 (6) AUTHORITY OF THE BOARD; ANNUAL REPORT.--

26 (a) The board shall:

- 27 1. Administer the E911 fee.
 - 28 2. Implement, maintain, and oversee the fund.
 - 29 3. Review and oversee the disbursement of the revenues
- 30 deposited into the fund as provided in s. 365.173. The board
31 may establish a schedule for implementing wireless E911

1 service by service area, and prioritize disbursements of
2 revenues from the fund to providers and rural counties as
3 provided in s. 365.173(2)(c) and (d)~~s. 365.173(2)(b) and (c)~~
4 pursuant to the schedule, in order to implement E911 services
5 in the most efficient and cost-effective manner.

6 4. Review documentation submitted by providers which
7 reflects current and projected funds derived from the E911
8 fee, and the expenses incurred and expected to be incurred, in
9 order to comply with the E911 service requirements contained
10 in the order for the purposes of:

11 a. Ensuring that providers receive fair and equitable
12 distributions of funds from the fund.

13 b. Ensuring that providers are not provided
14 disbursements from the fund which exceed the costs of
15 providing E911 service, including the costs of complying with
16 the order.

17 c. Ascertaining the projected costs of compliance with
18 the requirements of the order and projected collections of the
19 E911 fee.

20 d. Implementing changes to the allocation percentages
21 or reducing the E911 fee under paragraph (8)(c).

22 5. Review and approve or reject, in whole or in part,
23 applications submitted by providers for recovery of moneys
24 deposited into the fund.

25 6. Hire and retain employees for the purposes of
26 performing administrative functions for the board.

27 7. Make and enter into contracts, pursuant to chapter
28 287, and execute other instruments necessary or convenient for
29 the exercise of the powers and functions of the board.

30 8. Take all necessary and reasonable steps by July 1,
31 2000, to secure appropriate information and reports from

1 providers and otherwise perform all of the functions that
2 would be performed by an independent accounting firm prior to
3 completing the request-for-proposals process under subsection
4 (7).

5 9. Sue and be sued, and appear and defend in all
6 actions and proceedings, in its corporate name to the same
7 extent as a natural person.

8 10. Adopt, use, and alter a common corporate seal.

9 11. Elect or appoint the officers and agents that are
10 required by the affairs of the board.

11 12. The board may adopt rules under ss. 120.536(1) and
12 120.54 to implement this section and ss. 365.173 and 365.174.

13 13. Do all acts and things necessary or convenient to
14 carry out the powers granted in this section, including but
15 not limited to, consideration of emerging technology and
16 related cost savings.

17 (7) REQUEST FOR PROPOSALS FOR INDEPENDENT ACCOUNTING
18 FIRM.--

19 (a) The board shall issue a request for proposals as
20 provided in chapter 287 for the purpose of retaining an
21 independent accounting firm. The independent accounting firm
22 shall perform all material administrative and accounting tasks
23 and functions required for administering the E911 fee. The
24 request for proposals must include, but need not be limited
25 to:

26 1. A description of the scope and general requirements
27 of the services requested.

28 2. A description of the specific accounting and
29 reporting services required for administering the fund,
30 including processing checks and distributing funds as directed
31 by the board under s. 365.173.

1 3. A description of information to be provided by the
2 proposer, including the proposer's background and
3 qualifications and the proposed cost of the services to be
4 provided.

5 (b) The board shall establish a committee to review
6 requests for proposals which must include the statewide 911
7 system director, or his or her designee, and two members of
8 the board, one of whom is a county 911 coordinator and one of
9 whom represents the wireless telecommunications industry. The
10 review committee shall review the proposals received by the
11 board and recommend an independent accounting firm to the
12 board for final selection. By agreeing to serve on the review
13 committee, each member of the review committee shall verify
14 that he or she does not have any interest or employment,
15 directly or indirectly, with potential proposers which
16 conflicts in any manner or degree with his or her performance
17 on the committee.

18 (c) After July 1, 2003, the board may secure the
19 services of an independent accounting firm by an invitation to
20 bid, request for proposal, invitation to negotiate or
21 professional contracts already established at the Division of
22 Purchasing, Department of Management Services for certified
23 public accounting firms or the board may hire and retain
24 professional accounting staff to accomplish these functions.

25 (8) WIRELESS E911 FEE.--

26 (a)1. Each provider shall collect a monthly fee
27 imposed on each customer whose place of primary use is ~~service~~
28 ~~subscriber who has a service number that has a billing address~~
29 within this state. The rate of the fee shall be 50 cents per
30 month per each service number, beginning August 1, 1999. The
31 fee shall apply uniformly and be imposed throughout the state.

1 2. The Wireless 911 Fee imposed by this section shall
2 be administered in accordance with the Mobile
3 Telecommunications Sourcing Act, 4 U.S.C. ss. 116-126. For
4 purposes of this section, each of the terms and corresponding
5 definitions of those terms set forth in 4 U.S.C. s. 124 apply.

6 (b) The fee is established to ensure full recovery for
7 providers and for counties, over a reasonable period, of the
8 costs associated with developing and maintaining an E911
9 system on a technologically and competitively neutral basis
10 and to provide support for the functions of the statewide 911
11 system director as defined in s. 365.171(5).

12 (9) MANAGEMENT OF FUNDS.--

13 (d) Each provider shall deliver revenues from the fee
14 to the board within 60 days after the end of the month in
15 which the fee was billed. At the board's request, but not more
16 often than twice a year, together with a monthly report of the
17 number of ~~billing addresses~~ of wireless subscribers whose
18 place of primary use is in each county. A provider may apply
19 to the board for a refund of, or may take a credit for, any
20 fees remitted to the board which are not collected by the
21 provider within 6 months following the month in which the fees
22 are charged off for federal income tax purposes as bad debt.
23 The board may waive the requirement that the fees and number
24 of wireless subscribers with a place of primary use in each
25 county ~~billing addresses~~ be submitted to the board each month
26 and authorize a provider to submit the fees and number of
27 subscribers ~~billing addresses~~ quarterly if the provider
28 demonstrates that such waiver is necessary and justified.

29 (10) PROVISION OF SERVICES.--In accordance with the
30 order, a provider is not required to provide E911 service
31 until:

1 (b) Funds are available under s. 365.173(2)(c)~~s.~~
2 ~~365.173(2)(b)~~.

3 Section 3. Subsection (2) of section 365.173, Florida
4 Statutes, is amended to read:

5 365.173 Wireless Emergency Telephone System Fund.--

6 (2) Subject to any modifications approved by the board
7 pursuant to s. 365.172(8)(c), the moneys in the fund shall be
8 distributed and used only as follows:

9 (a) Forty-three and three-fourths ~~Forty-four~~ percent
10 of the moneys shall be distributed each month to counties,
11 based on the population of total number of wireless subscriber
12 billing addresses in each county as of June 30th of each year
13 as reported by the Florida Association of Counties, for
14 payment of:

15 1. Recurring costs of providing 911 or E911 service,
16 as provided by s. 365.171(13)(a)6.

17 2. Costs to comply with the requirements for E911
18 service contained in the order and any future rules related to
19 the order.

20
21 Any county that receives moneys pursuant to this paragraph
22 shall establish a fund to be used exclusively for receipt and
23 expenditure of the revenues collected pursuant to this
24 paragraph. All fees placed in the fund, and any interest
25 accrued thereupon, shall be used solely for costs described in
26 subparagraphs 1. and 2. The money collected and interest
27 earned in this fund shall be appropriated for these purposes
28 by the county commissioners and incorporated into the annual
29 county budget. Such fund shall be included within the
30 financial audit performed in accordance with s. 218.39. A
31 county may carry forward, for up to 3 successive calendar

1 ~~years, up to 30 percent of the total~~ funds disbursed to the
2 county by the board during a calendar year for expenditures
3 for capital outlay, capital improvements, or equipment
4 replacement, if such expenditures are made for the purposes
5 specified in this paragraph.

6 (b) Three-fourths of one percent of the moneys shall
7 be distributed each month to the office for support of the
8 functions of the statewide 911 system director as provided in
9 s. 365.171(5).

10 (c)(b) Fifty-three and one-half ~~Fifty-four~~ percent of
11 the moneys shall be distributed in response to sworn invoices
12 submitted to the board by providers to reimburse such
13 providers for the actual costs incurred to provide 911 or E911
14 service, including the costs of complying with the order. Such
15 costs include costs and expenses incurred by providers to
16 design, purchase, lease, program, install, test, upgrade,
17 operate, and maintain all necessary data, hardware, and
18 software required to provide E911 service. Two ~~Up to 2~~ percent
19 of the funds allocated to providers shall be ~~retained by the~~
20 ~~board to be~~ applied to costs and expenses incurred for the
21 purposes of managing, administering, and overseeing the
22 statewide programs. ~~receipts and disbursements from the fund.~~
23 ~~Any funds retained for such purposes in a calendar year which~~
24 ~~are not applied to such costs and expenses by March 31 of the~~
25 ~~following year shall be distributed to providers pursuant to~~
26 ~~this paragraph.~~ Beginning in state fiscal year 2000-2001, each
27 provider shall submit to the board, by August 1 of each year,
28 a detailed estimate of the capital and operating expenses for
29 which it anticipates that it will seek reimbursement under
30 this paragraph during the ensuing state fiscal year. By
31 September 15 of each year, the board shall submit to the

1 Legislature its legislative budget request for funds to be
2 allocated to providers under this paragraph during the ensuing
3 state fiscal year. The budget request shall be based on the
4 information submitted by the providers and estimated surcharge
5 revenues. Distributions of moneys in the fund by the board to
6 providers must be fair and nondiscriminatory. If the total
7 amount of moneys requested by providers pursuant to invoices
8 submitted to the board and approved for payment exceeds the
9 amount in the fund in any month, providers that have invoices
10 approved for payment shall receive a pro rata share of moneys
11 in the fund and the balance of the payments shall be carried
12 over to the following month or months until all of the
13 approved payments are made. The board may adopt rules
14 necessary to address the manner in which pro rata
15 distributions are made when the total amount of funds
16 requested by providers pursuant to invoices submitted to the
17 board exceeds the total amount of moneys on deposit in the
18 fund.

19 (d)(c) Two percent of the moneys shall be allocated
20 for statewide programs as defined in s. 365.172 ~~used to make~~
21 ~~monthly distributions to rural counties for the purpose of~~
22 ~~providing facilities and network and service enhancements and~~
23 ~~assistance for the 911 or E911 systems operated by rural~~
24 ~~counties and for the provision of reimbursable loans and~~
25 ~~grants by the office to rural counties for upgrading 911~~
26 ~~systems.~~

27
28 The Legislature recognizes that the wireless E911 fee
29 authorized under s. 365.172 will not necessarily provide the
30 total funding required for establishing or providing the 911
31

1 service. It is the intent of the Legislature that all revenue
2 from the fee be used as specified in s. 365.171(13)(a)6.

3 Section 4. This act shall take effect October 1, 2002.

4
5 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
6 COMMITTEE SUBSTITUTE FOR
7 SB 2198

8 The CS differs from the bill as filed in that it:

9 deletes the requirement that the board have an
10 independent accounting firm audit the board's financial
11 status and provide a copy to the Auditor General if the
12 board hires staff to assist the board;

13 restates that proceeds from the E911 fee may be used to
14 support the functions of the statewide 911 director;

15 implements the Auditor General's recommendations that
16 the Legislature amend s. 365.173, F.S., to require the
17 counties to establish a fund to be used exclusively to
18 account for the receipt and expenditure of E911 fee
19 revenues, and to address the disposition of E911 fee
20 revenues received by counties when those revenues are
21 not used in the current calendar year or when carried
22 forward and not used within three successive calendar
23 years.