

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 0311 Relating to Telecommunications Services
SPONSOR(S): Kallinger
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Subcommittee on Telecommunications	7 Y, 0 N	Holt	Liepshutz
2) Business Regulation			
3) Finance Tax			
4) Subcommittee on Transportation & Economic Development Approp			
5) Appropriations			

SUMMARY ANALYSIS

Abbreviated dialing arrangements are telephone numbers of less than the standard 7 or 10 digits. Among abbreviated dialing arrangements, "N11 codes" are 3-digit telephone numbers of which the first digit may be any digit other than 0 or 1, and the last two digits are both 1. The 3-1-1 code is traditionally used to provide three-digit dialing access to non-emergency and other governmental services, and the 9-1-1 code is used for emergencies. Currently in Florida, each county is permitted to collect a user fee on the telephone bills of each wireline telephone service customer within its county. The revenues from the 9-1-1 user fee are used only to pay the cost of the 9-1-1 system, including such things as equipment, computer and location database charges, limited administrative expenses, and a limited percentage of the salaries of the call-takers who answer 9-1-1 calls. The monthly fee in any county may not exceed \$.50, and section 365.171, F.S., requires that the 9-1-1 funds be maintained in a separate account and audited annually.

HB 311 amends s. 365.171, F.S., Emergency Telephone Number "911." The bill authorizes the PSC to establish rules for state telephone utilities to follow that are designed to encourage the imposition of a charge to payphone users when dialing 3-1-1, wherever economically practicable and in the public interest. The revenue collected from these calls goes to the telephone utilities for connection to the appropriate agency.

Expanded by the bill are the eligible expenses covered by revenues from the 9-1-1 fees. These additional expenses are also authorized for funding 2-year pilot programs that will end June 30, 2006, in counties with populations that exceed 750,000. The program expenditures are for those that improve the overall call-taking efficiency of an existing 9-1-1 system or reduce 9-1-1 emergency call processing time.

The bill further provides for a task force appointed by the Governor to review the latest enhancements in technology or systems with the potential to improve the overall efficiency of an existing 9-1-1 system or reduce 9-1-1 call processing time.

Local governments are authorized to shift some of the revenues which now directly fund 9-1-1 systems to fund 3-1-1 calling systems that will indirectly improve the call-taking efficiency and processing time of 9-1-1 systems.

The act takes effect upon becoming a law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0311a.br
DATE: March 25, 2004

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

1. The bill creates a task force appointed by the Governor to review new technology or systems that have the potential to improve the efficiency of the 9-1-1 system.
2. The bill authorizes the PSC to establish rules that encourage a fee on pay telephone calls made using the 3-1-1 system.

B. EFFECT OF PROPOSED CHANGES:

In February 1997, the Federal Communications Commission (FCC) issued its First Report and Order and Further Notice of Proposed Rulemaking, Order FCC 97-51. In the Order the FCC, who administers the N11 codes, proposed, among other things, that incumbent local exchange carriers be required to provide abbreviated dialing arrangements. "Abbreviated dialing arrangements" are telephone numbers of less than the standard 7 or 10 digits. Among abbreviated dialing arrangements, "N11 codes" are 3-digit telephone numbers of which the first digit may be any digit other than 0 or 1, and the last two digits are both 1. The 3-1-1 code is traditionally used to provide three-digit dialing access to non-emergency and other governmental services, and the 9-1-1 code is used for emergencies. According to FCC Order 97-51, the assignment of 3-1-1 would serve the public interest by making it easier for individuals to obtain service from state and local government, while also reducing the congestion on local 9-1-1 systems by off-loading non-emergency calls to alternative systems.

Currently in Florida, each county is permitted to collect a user fee on the telephone bills of each wireline telephone service customer within its county. The revenues from the 9-1-1 user fee are used only to pay the cost of the 9-1-1 system, including such things as equipment, computer and location database charges, limited administrative expenses, and a limited percentage of the salaries of the call-takers who answer 9-1-1 calls. The monthly fee in any county may not exceed \$.50, and 365.171, F.S., requires that the 9-1-1 funds be maintained in a separate account and audited annually.

HB 311 amends s. 365.171, F.S., Emergency Telephone Number "911." As a means of funding implementation of a 3-1-1 system, the bill requires the PSC to establish rules for state telephone utilities to follow that are designed to encourage the imposition of a fee on payphone users when dialing 3-1-1, wherever economically practicable and in the public interest.

The bill also expands the eligible expenses covered by revenues from the 9-1-1 fees to include the expenditure of funds to improve the call-taking efficiency and processing time of the 9-1-1 system. These expenses are also authorized for funding 2-year pilot programs that end June 30, 2006, in counties with populations in excess of 750,000. The program expenses are for improving the overall call-taking efficiency of an existing 9-1-1 system or reducing 9-1-1 emergency call processing time.

The bill provides for a task force appointed by the Governor to review the latest enhancements in technology or systems with the potential to improve the overall efficiency of an existing 9-1-1 system or reduce 9-1-1 call processing times.

The act takes effect upon becoming law.

C. SECTION DIRECTORY:

None

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill will require the expenditure of an undetermined amount to fund a Governor appointed task force to review the latest technological enhancements available to improve the efficiency of the 9-1-1 system.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

An indeterminate amount of revenue may be generated to fund 3-1-1 systems by the imposition of a pay telephone fee on calls accessing the 3-1-1 system if telephone utilities impose such fees pursuant to rules promulgated by the PSC.

2. Expenditures:

Local governments are authorized to shift some revenues which now directly fund 9-1-1 systems to fund 3-1-1 calling systems that will indirectly improve the call-taking efficiency and processing time of 9-1-1 systems.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Telephone utilities may realize the recovery of expenses associated with connecting 3-1-1 calls to appropriate agencies from the imposition of a fee imposed by such utilities on 3-1-1 calls made from pay telephones.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require cities or counties to expend funds or to take actions requiring the expenditure of funds.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes the PSC to establish rules for state telephone utilities that encourage the imposition of a fee for 3-1-1 calls made from pay telephones.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES