

By the Committee on Communications and Public Utilities; and
Senator Bennett

579-2295-07

1 A bill to be entitled

2 An act relating to wireless communications

3 funds; amending s. 365.173, F.S.; redesignating

4 the Wireless Emergency Telephone System Fund as

5 the "Emergency Communications Number E911

6 System Fund"; requiring that all revenues

7 derived from a fee levied by a county on local

8 exchange subscribers be paid into the State

9 Treasury by a specified date and that the

10 moneys be accounted for in a special fund;

11 providing a methodology for the distribution of

12 the funds; requiring counties to return money

13 to the fund under certain circumstances;

14 requiring a wireless provider to submit sworn

15 invoices in order to support claims for

16 reimbursement of allowable costs; requiring

17 that funds in the E911 system fund on a

18 specified date be returned to wireless

19 providers for costs incurred before a specified

20 date; providing procedures for reimbursement;

21 requiring the Auditor General to annually audit

22 the fund; providing an effective date.

23

24 Be It Enacted by the Legislature of the State of Florida:

25

26 Section 1. Section 365.173, Florida Statutes, is

27 amended to read:

28 365.173 ~~Wireless~~ Emergency Communications Number E911

29 ~~Telephone~~ System Fund.--

30 (1) All revenues derived from the ~~E911~~ fee levied on

31 subscribers under s. 365.172 must be paid by the board into

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1 | the State Treasury on or before the 15th day of each month.
2 | Such moneys must be accounted for in a special fund to be
3 | designated as the ~~Wireless~~ Emergency Communications Number
4 | E911 Telephone System Fund, a fund created in the Florida
5 | Enterprise Information State Technology Services Office, or
6 | other office as designated by the Secretary of Management
7 | Services, and, for accounting purposes, must be segregated
8 | into two separate categories:

9 | (a) The wireless category; and

10 | (b) The nonwireless category.~~and~~

11 |
12 | All moneys must be invested by the Chief Financial Officer
13 | pursuant to s. 17.61. All moneys in such fund are to be
14 | expended by the ~~State Technology~~ office for the purposes
15 | provided in this section and s. 365.172. These funds are not
16 | subject to s. 215.20.

17 | (2) As determined by the board pursuant to s.
18 | 365.172(8)(h), and subject to any modifications approved by
19 | the board pursuant to s. 365.172(6)(a)3. ~~or(8)(i)+(8)(e)~~, the
20 | moneys in the fund shall be distributed and used only as
21 | follows:

22 | (a) ~~Sixty-seven~~ Forty-four percent of the moneys in
23 | the wireless category shall be distributed each month to
24 | counties, based on the total number of service identifiers
25 | ~~wireless subscriber billing addresses~~ in each county, and
26 | shall be used exclusively for payment of:

27 | 1. Authorized expenditures ~~Recurring costs of~~
28 | ~~providing 911 or E911 service,~~ as specified in s. 365.172(9)
29 | ~~provided by s. 365.171(13)(a)6.~~

1 2. Costs to comply with the requirements for E911
2 service contained in the order and any future rules related to
3 the order.

4 (b) Ninety-seven percent of the moneys in the
5 nonwireless category shall be distributed each month to
6 counties based on the total number of service identifiers in
7 each county, and shall be used exclusively for payment of
8 authorized expenditures, as specified in s. 365.172(9).

9
10 Any county that receives funds under paragraphs (a) and (b)
11 ~~this paragraph~~ shall establish a fund to be used exclusively
12 for the receipt and expenditure of the revenues collected
13 under paragraphs (a) and (b) ~~this paragraph~~. All fees placed
14 in the fund and any interest accrued shall be used solely for
15 costs described in subparagraphs 1. and 2. The money collected
16 and interest earned in this fund shall be appropriated for
17 these purposes by the county commissioners and incorporated
18 into the annual county budget. The fund shall be included
19 within the financial audit performed in accordance with s.
20 218.39. A county may carry forward up to 20 ~~30~~ percent of the
21 total funds disbursed to the county by the board during a
22 calendar year for expenditures for capital outlay, capital
23 improvements, or equipment replacement, if such expenditures
24 are made for the purposes specified in subparagraphs(a) 1. and
25 2.; however, the 20-percent limitation does not apply to funds
26 disbursed to a county under s. 365.172(6)(a)3., and a county
27 may carry forward any percentage of the funds, except that any
28 grant provided shall continue to be subject to any condition
29 imposed by the board ~~this paragraph~~. In order to prevent an
30 excess recovery of costs incurred in providing E911 service, a
31 county that receives funds greater than the permissible E911

1 costs described in s.365.172(9), including the 20 percent
2 carryforward allowance, must return the excess funds to the
3 E911 board to be allocated under s. 365.172(6)(a).

4 ~~(c)(b)~~ Thirty Fifty four percent of the moneys in the
5 wireless category shall be distributed to wireless providers
6 in response to sworn invoices submitted to the board by
7 wireless providers to reimburse such wireless providers for
8 the actual costs incurred to provide 911 or E911 service,
9 including the costs of complying with the order. Such costs
10 include costs and expenses incurred by wireless providers to
11 design, purchase, lease, program, install, test, upgrade,
12 operate, and maintain all necessary data, hardware, and
13 software required to provide E911 service. ~~Up to 2 percent of~~
14 ~~the funds allocated to providers shall be retained by the~~
15 ~~board to be applied to costs and expenses incurred for the~~
16 ~~purposes of managing, administering, and overseeing the~~
17 ~~receipts and disbursements from the fund and other activities~~
18 ~~as defined in s. 365.172(6). Any funds retained for such~~
19 ~~purposes in a calendar year which are not applied to such~~
20 ~~costs and expenses by March 31 of the following year shall be~~
21 ~~distributed to providers pursuant to this paragraph. Each~~
22 wireless provider shall submit to the board, by August 1 of
23 each year, a detailed estimate of the capital and operating
24 expenses for which it anticipates that it will seek
25 reimbursement under this paragraph during the ensuing state
26 fiscal year. In order to be eligible for recovery during any
27 ensuing state fiscal year, a wireless provider must submit all
28 sworn invoices for allowable purchases made within the
29 previous calendar year no later than March 31 of the fiscal
30 year. By September 15 of each year, the board shall submit to
31 the Legislature its legislative budget request for funds to be

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

18 (d) Notwithstanding paragraphs (a) and (c), the amount
19 of money that remained in the wireless 911 system fund on
20 December 31, 2006, must be disbursed to wireless providers for
21 the recovery of allowable costs incurred in previous years
22 ending December 31, 2006. In order to be eligible for
23 recovered costs incurred under paragraph (c), a wireless
24 provider must submit sworn invoices to the board by December
25 31, 2007. The board must disburse the designated funds in the
26 wireless 911 system fund on or after January 1, 2008.

27 (e) One percent of the moneys in the fund shall be
28 retained by the board to be applied to costs and expenses
29 incurred for the purposes of managing, administering, and
30 overseeing the receipts and disbursements from the fund and
31 other activities as defined in s. 365.172(6). Any funds

1 retained for such purposes in a calendar year which are not
2 applied to such costs and expenses by March 31 of the
3 following year shall be redistributed as determined by the
4 board.

5 (f)(e) Two percent of the moneys in the fund shall be
6 used to make monthly distributions to rural counties for the
7 purpose of providing facilities and network and service
8 enhancements and assistance for the 911 or E911 systems
9 operated by rural counties and for the provision of
10 ~~reimbursable loans and~~ grants by the office to rural counties
11 for upgrading and replacing E911 ~~911~~ systems.

12 (g) Up to \$15 million of the existing 911 system fund
13 shall be available for distribution by the board in order to
14 prevent a loss to the counties in the ordinary and expected
15 time value of money caused by any timing delay in remittance
16 to the counties of wireline fees caused by the one-time
17 transfer of collecting wireline fees by the counties to the
18 board. All funds used from the carryforward shall be returned
19 to the fund from the actual remittance by the nonwireless
20 category.

21 (h) If the 911 system fund has funds remaining in it
22 on December 31 after disbursements have been made during the
23 calendar year immediately prior to December 31, the board may
24 disburse these excess funds in accordance with this
25 subsection.

26
27 The Legislature recognizes that the ~~wireless E911~~ fee
28 authorized under s. 365.172 ~~may~~ will not necessarily provide
29 the total funding required for establishing or providing the
30 E911 ~~911~~ service. It is the intent of the Legislature that all
31

1 revenue from the fee be used as specified in this subsection
2 ~~s. 365.171(13)(a)6.~~

3 (3) ~~Through fiscal year 2008-2009,~~ The Auditor General
4 shall annually audit the fund to ensure that moneys in the
5 fund are being managed in accordance with this section and s.
6 365.172. The Auditor General shall provide a report of the
7 annual audit to the board.

8 Section 2. This act shall take effect upon becoming a
9 law.

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11 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
12 COMMITTEE SUBSTITUTE FOR
13 Senate Bill 1200

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14 The committee substitute makes the following changes:

15 -Changes the term "account" to "categories."

16 -Adds a provision that requires counties to return excess
17 funds greater than the permissible E911 costs allowed in the
bill.

18 -Adds a requirement for wireless providers that all sworn
19 invoices for allowable purchases made in the previous calendar
year must be submitted before March 31 of the fiscal year to
be eligible for recovery.

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21 -Sets a time limit of December 31, 2007, for wireless
providers to submit invoices for recovery of any remaining
amounts in the wireless account as of December 31, 2006,
22 notwithstanding the other allowable wireless distributions in
the bill.

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24 -Sets aside \$15 million of the existing 911 system fund to
prevent loss to counties for any delays in remittance of
wireline fees during the transition of this bill's
25 requirements from existing law.

26 -Gives the Board discretion in disbursing the remaining funds.

27 -Makes certain technical corrections relating to references.

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