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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 449

02/11/2013 Authored by Simonson, Torkelson and Huntley

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy

03/14/2013 Adoption of Report: Amended and re-referred to the Committee on Taxes without further recommendation

1.1 A bill for an act
1.2 relating to public safety; modifying provisions relating to 911 funds to make
1.3 them available for statewide public safety radio communications; amending
1.4 Minnesota Statutes 2012, section 403.11, subdivision 1; proposing coding for
1.5 new law in Minnesota Statutes, chapter 403.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2012, section 403.11, subdivision 1, is amended to read:

1.8 Subdivision 1. **Emergency telecommunications service fee; account.** (a) Each
1.9 customer of a wireless or wire-line switched or packet-based telecommunications
1.10 service provider connected to the public switched telephone network that furnishes
1.11 service capable of originating a 911 emergency telephone call is assessed a fee based
1.12 upon the number of wired or wireless telephone lines, or their equivalent, to cover
1.13 the costs of ongoing maintenance and related improvements for trunking and central
1.14 office switching equipment for 911 emergency telecommunications service, to offset
1.15 administrative and staffing costs of the commissioner related to managing the 911
1.16 emergency telecommunications service program, to make distributions provided for in
1.17 ~~section~~ sections 403.112 and 403.113, and to offset the costs, including administrative and
1.18 staffing costs, incurred by the State Patrol Division of the Department of Public Safety in
1.19 handling 911 emergency calls made from wireless phones.

1.20 (b) Money remaining in the 911 emergency telecommunications service account
1.21 after all other obligations are paid must not cancel and is carried forward to subsequent
1.22 years and may be appropriated from time to time to the commissioner to provide financial
1.23 assistance to counties for the improvement of local emergency telecommunications
1.24 services. The improvements may include providing access to 911 service for
1.25 telecommunications service subscribers currently without access and upgrading existing

2.1 911 service to include automatic number identification, local location identification,
2.2 automatic location identification, and other improvements specified in revised county
2.3 911 plans approved by the commissioner.

2.4 (c) The fee may not be less than eight cents nor more than 65 cents a month until
2.5 June 30, 2008, not less than eight cents nor more than 75 cents a month until June 30, 2009,
2.6 not less than eight cents nor more than 85 cents a month until June 30, 2010, and not less
2.7 than eight cents nor more than 95 cents a month on or after July 1, 2010, for each customer
2.8 access line or other basic access service, including trunk equivalents as designated by
2.9 the Public Utilities Commission for access charge purposes and including wireless
2.10 telecommunications services. With the approval of the commissioner of management and
2.11 budget, the commissioner of public safety shall establish the amount of the fee within the
2.12 limits specified and inform the companies and carriers of the amount to be collected. When
2.13 the revenue bonds authorized under section 403.27, subdivision 1, have been fully paid or
2.14 defeased, the commissioner shall reduce the fee to reflect that debt service on the bonds is
2.15 no longer needed. The commissioner shall provide companies and carriers a minimum of
2.16 45 days' notice of each fee change. The fee must be the same for all customers.

2.17 (d) The fee must be collected by each wireless or wire-line telecommunications
2.18 service provider subject to the fee. Fees are payable to and must be submitted to the
2.19 commissioner monthly before the 25th of each month following the month of collection,
2.20 except that fees may be submitted quarterly if less than \$250 a month is due, or annually if
2.21 less than \$25 a month is due. Receipts must be deposited in the state treasury and credited
2.22 to a 911 emergency telecommunications service account in the special revenue fund. The
2.23 money in the account may only be used for 911 telecommunications services.

2.24 (e) This subdivision does not apply to customers of interexchange carriers.

2.25 (f) The installation and recurring charges for integrating wireless 911 calls into
2.26 enhanced 911 systems are eligible for payment by the commissioner if the 911 service
2.27 provider is included in the statewide design plan and the charges are made pursuant to
2.28 contract.

2.29 (g) Competitive local exchanges carriers holding certificates of authority from the
2.30 Public Utilities Commission are eligible to receive payment for recurring 911 services.

2.31 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases
2.32 made after December 31, 2010.

2.33 **Sec. 2. [403.112] PUBLIC SAFETY RADIO EQUIPMENT; FINANCIAL**
2.34 **ASSISTANCE.**

3.1 Subdivision 1. Fee. A portion of the fee collected under section 403.11 must be
3.2 used to fund the implementation and expansion of the regionwide public safety radio
3.3 communication system established under sections 403.21 to 403.40, in accordance with
3.4 the provisions of subdivision 2.

3.5 Subd. 2. Eligible recipients. (a) Any city or county, or group of cities or counties,
3.6 that has incurred costs for the implementation of the Allied Radio Matrix for Emergency
3.7 Response (ARMER) program is eligible to receive financial assistance equal to the
3.8 amount the county, or groups of counties, paid in sales tax for any products and services,
3.9 including, but not limited to, end user equipment used for construction, ownership,
3.10 operation, maintenance, and enhancement of the backbone system of the regionwide
3.11 public safety radio communication system established under sections 403.21 to 403.40.

3.12 (b) A county, or group of counties, is not eligible for financial assistance for products
3.13 and services purchased if those purchases were exempt from sales tax under section
3.14 297A.70, subdivision 8.

3.15 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases
3.16 made after December 31, 2010.