- 1 HB7
- 2 133396-1
- 3 By Representative Millican
- 4 RFD: Boards, Agencies and Commissions
- 5 First Read: 07-FEB-12
- 6 PFD: 09/15/2011

133396-1:n:07/12/2011:JMH\*/th LRS2011-4047 1 2 3 4 5 6 7 Under existing law, a single statewide 8 SYNOPSIS: wireless E-911 charge is paid into a fund 9 10 administered by the Commercial Radio Service Board 11 and distributed, in part, to local emergency 12 communication districts. Wireline 911 charges are 13 set and collected by each communications district for operation of the district and vary by district. 14 This bill would create a statewide E-911 15 Board to replace the existing Commercial Mobile 16 17 Radio Service Board. This bill would provide that 18 the board would establish and collect a single 19 statewide emergency telephone service charge to be paid into an E-911 Fund replacing all other 20 21 existing wireline and wireless E-911 charges. This 22 bill would provide new procedures for the 23 collection of the emergency service charge from prepaid wireless consumers at the point of sale. 24 25 This bill would provide for distribution to local communications districts and commercial mobile 26 27 radio service providers.

1 This bill would provide guidelines for 2 commercial mobile radio service providers to receive reimbursement for the costs associated with 3 4 implementing Phase II enhanced E-911 compliance and for other expenses related to providing E-911 5 6 service. 7 This bill would create a Permanent Oversight Commission on 911 and would provide for the duties 8 of the commission. 9 10 11 A BILL 12 TO BE ENTITLED 13 AN ACT 14 15 Relating to E-911 services, to amend Sections 11-98-1, 11-98-2, 11-98-4, 11-98-5, 11-98-6, 11-98-7, and 16 17 11-98-9, Code of Alabama 1975; to add Sections 11-98-4.1, 11-98-5.2, 11-98-5.3, 11-98-13, 11-98-13.1, and 11-98-14 to 18 the Code of Alabama 1975, to create a single, statewide 19 emergency service charge applicable to all voice services 20 21 provided within the state; to create a statewide 911 Board, 22 which shall replace and supersede the existing Commercial Mobile Radio Service (CMRS) Board and which would be 23 24 responsible for establishing and collecting an emergency 25 telephone service charge; to distribute the funds collected 26 from the service charge to communications districts and CMRS 27 providers; to establish a Permanent Oversight Commission and

1	to provide for the membership and duties of the commission;
2	and to repeal Sections 11-98-5.1, 11-98-7.1, and 11-98-8, Code
3	of Alabama 1975.
4	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
5	Section 1. Sections 11-98-1, 11-98-2, and 11-98-4,
6	Code of Alabama 1975, are amended to read as follows:
7	"§11-98-1.
8	" <u>(a)</u> As used in this chapter, the following words
9	and terms have the following meanings, unless the context
10	clearly indicates otherwise:
11	"(1) AUTOMATIC NUMBER IDENTIFICATION. An enhanced
12	911 service capability that enables the automatic display of
13	the 10-digit telephone number used to place a 911 call. The
14	term includes pseudo-automatic number identification, which
15	means an enhanced 911 service capability that enables
16	identification of the subscriber.
17	"(2) CMRS. Commercial mobile radio service under
18	Sections 3(27) and 332(d) of the Federal Telecommunications
19	Act of 1996, 47 U.S.C. §151 et seq., and the Omnibus Budget
20	Reconciliation Act of 1993, Pub. L. 103-66, Aug. 10, 1993, 107
21	Stat. 312. The term includes the term wireless and service
22	provider by any wireless real time two-way voice communication
23	device, including radio-telephone communications used in
24	cellular telephone service, personal communication service, or
25	the functional or competitive equivalent of a radio-telephone
26	communications line used in cellular telephone service, a
27	personal communication service, or a network radio access

line. The term does not include service whose customers do not 1 have access to 911 or to an enhanced 911-like service, to a 2 communications channel suitable only for data transmission, to 3 a wireless roaming service or other non-local radio access 4 line service, or to a private telecommunications system. 5 "(3) CMRS CONNECTION. Each mobile telephone number 6 7 assigned to a CMRS subscriber with a place of primary use in 8 Alabama. 9 "(4) CMRS PROVIDER. A person or entity that provides 10 CMRS. (1) (5) CREATING AUTHORITY. The municipal governing 11 12 body of any municipality or the governing body of any county that, by passage of a resolution or ordinance, creates a 13 14 communication district within its respective jurisdiction in accordance with this chapter. 15 "(6) DISTRIBUTION FORMULA. The percentage of the 16 17 total state population residing in a district, compared to the total state population residing in all districts statewide, 18 based upon the latest census data or estimates compiled by or 19 for the Alabama Department of Economic and Community Affairs. 20 21 "(2)(7) DISTRICT. The <u>A</u> communication district 22 created pursuant to this chapter. 23 "(3) E911. Enhanced universal emergency number 24 service or enhanced 911 service which is a telephone exchange 25 communications service whereby a public safety answering point 26 (PSAP) designated by the customer may receive telephone calls 27 dialed to the telephone number 911. E911 service includes

1 lines, facilities, and equipment necessary for answering, 2 transferring, and dispatching public emergency telephone calls originated by persons within the serving area who dial 911 but 3 4 E911 service does not include dial tone first which may be made available by the service provider based on the ability to 5 recover the costs associated with its implementation and 6 consistent with tariffs filed with and approved by the Alabama 7 Public Service Commission. 8

9 "(4) EXCHANGE ACCESS FACILITIES. All lines, provided
 10 by the service suppliers for local exchange service, as
 11 defined in existing general subscriber services tariffs.

12 "(5) PRIVATE SAFETY AGENCY. Any other for-profit or 13 not-for-profit entity providing emergency fire, ambulance, 14 rescue, emergency management, or emergency medical services. "(8) ENHANCED 911, E-911, or E-911 SYSTEM. An 15 emergency telephone system that directs 911 calls to 16 17 appropriate public safety answering points by selective routing based on the geographical location from which the call 18 originated, that provides the capability for automatic number 19 identification, and the features that the Federal 20 Communications Commission may require in the future. Such 21 22 system may include lines, facilities, and equipment necessary for answering, transferring, and dispatching public emergency 23 telephone calls originated by persons within the service area 24 who dial 911 but does not include dial tone first which may be 25 made available by the service provider based on the ability to 26 27 recover the costs associated with its implementation and, to

- the extent required by law, consistent with tariffs with and 1 approved by the Alabama Public Service Commission. 2 "(9) FCC ORDER. The order of the Federal 3 Communications Commission, FCC Docket No. 94-102, adopted on 4 June 12, 1996, and released on July 26, 1996. 5 "(10) OTHER ORIGINATING SERVICE PROVIDER. An entity 6 7 other than a voice communication service provider that delivers real-time communication between a person needing 8 assistance and an E-911 system. 9 10 "(11) PHASE II ENHANCED 911. An enhanced 911 system that identifies the location of all 911 calls by longitude and 11 12 latitude in conformance with accuracy requirements established 13 by the Federal Communications Commission. "(12) PLACE OF PRIMARY USE. The street address 14 representative of where the customer's use of the mobile 15 telecommunications service primarily occurs, which must be: 16 17 "a. The residential street address or the primary business street address of the customer. 18 "b. Within the licensed service areas of the CMRS 19 20 provider. 21 "(6)(13) PUBLIC SAFETY AGENCY. An agency of the 22 State of Alabama, or a functional division of a political 23 subdivision, that provides fire fighting, rescue, natural or man-caused disaster, or major emergency response, law 24
- 25 enforcement, ambulance, or emergency medical services.

"(7) SERVICE SUPPLIER. Any person providing exchange
 telephone service to any service user throughout the county or
 municipality.

4 "(8) SERVICE USER. Any person, not otherwise exempt
5 from taxation, who is provided exchange telephone service in
6 the municipality or county.

7 "(9) TARIFF RATE. The rate or rates billed by a
8 service supplier as stated in the service supplier's tariffs
9 and approved by the Alabama Public Service Commission, which
10 represent the service supplier's recurring charges for
11 exchange access facilities, exclusive of all taxes, fees,
12 licenses, or similar charges whatsoever.

"(10) UNIFORM APPLICATION. The rate to be charged or
 applied by the communication district to the exchange access
 rate charged to business and residential access lines.

"(14) STATEWIDE 911 BOARD or 911 BOARD. The
 statewide 911 Board established pursuant to Section 11-98-4.1.
 "(15) STATEWIDE 911 CHARGE. The Statewide 911 Charge
 created pursuant to Section 11-98-5.

20 "<u>(16) SUBSCRIBER. A person who purchases a voice</u>
 21 <u>communications service and is able to receive it or use it</u>
 22 periodically over time.

"(17) TECHNICAL PROPRIETARY INFORMATION. Technology
 descriptions, technical information, or trade secrets,
 including the term trade secrets as defined by the Alabama
 Trade Secrets Act of 1987, Chapter 27 of Title 8, and the
 actual or developmental costs thereof which are developed,

1	produced, or received internally by a voice communications
2	service provider or by its employees, directors, officers, or
3	agents.
4	"(18) VOICE COMMUNICATIONS SERVICE. Any of the
5	<u>following:</u>
б	"a. The transmission, conveyance, or routing of
7	real-time, two-way voice communications to a point or between
8	<u>or among points by or through any electronic, radio,</u>
9	satellite, cable, optical, microwave, wireline, wireless, or
10	other medium or method, regardless of the protocol used.
11	"b. The ability to receive and terminate voice calls
12	to and from the public switched telephone network.
13	"c. Interconnected VoIP service, as that term is
14	defined by 47 C.F.R. § 9.3.
15	"d. Such other services to which the statewide 911
16	charge is applied pursuant to Section 11-98-4.1(e)(8).
17	"(19) VOICE COMMUNICATIONS SERVICE PROVIDER. An
18	entity that provides voice communications service to a
19	subscriber in the State of Alabama.
20	"(b) The terms department, prepaid retail,
21	transaction, prepaid wireless telephone service, and prepaid
22	wireless consumer shall have those meanings ascribed to them
23	<u>in Section 11-98-5.3.</u>
24	"\$11-98-2.
25	"The creating authority may by ordinance or
26	resolution, as may be appropriate, create within its
27	respective jurisdiction <del>communications</del> districts composed of

1 the territory lying wholly within the municipality or of any 2 part or all of the territory lying wholly within the county. The districts shall be political and legal subdivisions of the 3 4 state, with power to sue and be sued in their corporate names and to incur debt and issue bonds. The bonds shall be 5 6 negotiable instruments and shall be solely the obligations of 7 the district and not the State of Alabama. The bonds and the income thereof shall be exempt from all taxation in the State 8 9 of Alabama. The bonds shall be payable out of the income, 10 revenues, and receipts of the district. The bonds shall be authorized and issued by resolution or ordinance of the 11 12 creating authority of the district and shall be of such series, bear such date or dates, mature at such time or times, 13 14 not to exceed 30 years from issuance, bear interest at such rate or rates, be in such denominations, be in such form, 15 without coupon or fully registered without coupon, carry such 16 17 registration and exchangeability privileges, be payable in such medium of payment and at such place or places, be subject 18 to such terms of redemption, and be entitled to the priorities 19 on the income, revenues, and receipts of the district as the 20 21 resolution or ordinance may provide.

"All bonds shall contain a recital that they are issued pursuant to this chapter, which recitals shall be conclusive that they have been duly authorized pursuant to this chapter.

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26 "$11-98-4.
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1 "(a) When any district is created, the creating 2 authority may appoint a board of commissioners composed of seven members to govern its affairs, and shall fix the 3 4 domicile of the board of commissioners at any point within the district. In the case of county districts, after the 5 expiration of the terms of the members of the board of 6 7 commissioners holding office on May 23, 2000, there may be at least one member of the board of commissioners from each 8 county commission district if the number of the county 9 10 commission does not exceed seven, unless a resolution dated before January 1, 2000, was passed by a county commission 11 12 establishing an appointment process different from this section or as otherwise provided by the enactment of a local 13 14 act after May 23, 2000. The members of the board of 15 commissioners shall be qualified electors of the district, two of whom shall be appointed for terms of two years, three for 16 17 terms of three years, and two for terms of four years, dating from the date of the adoption of the resolution or ordinance 18 creating the district. Thereafter, all appointments of the 19 members shall be for terms of four years. 20

"(b) The board of commissioners shall have complete and sole authority to appoint a chairman and any other officers it may deem necessary from among the membership of the board of commissioners.

"(c) A majority of the board of commissioners
membership shall constitute a quorum and all official action
of the board of commissioners shall require a quorum.

1 "(d) The board of commissioners may employ such 2 employees, experts, and consultants as it deems necessary to 3 assist the board of commissioners in the discharge of its 4 responsibilities to the extent that funds are made available.

5 "(e) In lieu of appointing a board of commissioners, 6 the governing body of the creating authority may serve as the 7 board of commissioners of the district, in which case it shall 8 assume all the powers and duties of the board of commissioners 9 as provided in this chapter.

10 "(f) In addition to other authority and powers 11 necessary to establish, operate, maintain, and replace an 12 emergency communication system, the board of commissioners 13 shall have the following authority:

14 "(1) To sue and be sued, to prosecute, and defend 15 civil actions in any court having jurisdiction of the subject 16 matter and of the parties.

17 "(2) To acquire or dispose of, whether by purchase, 18 sale, gift, lease, devise, or otherwise, property of every 19 description that the board may deem necessary, consistent with 20 this section, and to hold title thereto.

"(3) To construct, enlarge, equip, improve,
maintain, and operate all aspects of an emergency
communication system consistent with subsection (i) (a) of
Section 11-98-5 11-98-6.

"(4) To borrow money for any of its purposes.
"(5) To provide for such liability and hazard
insurance as the board <u>of commissioners</u> may deem advisable to

include inclusion and continuation, or both, of district
 employees in state, county, municipal, or self-funded
 liability insurance programs.

4 "(6) To enter into contracts or agreements with
5 public or private safety agencies for dispatch services when
6 such terms, conditions, and charges are mutually agreed upon,
7 unless otherwise provided by local law.

8 "(7) To make grants to smaller municipalities for
9 dispatching equipment and services.

10 "(g) The board of commissioners may elect to form a 11 nonprofit, public corporation with all of the powers and 12 authority vested in such political and legal entities. The 13 certificate of incorporation shall recite, in part:

"(1) That this is a nonprofit, public corporation
and is a political and legal subdivision of the State of
Alabama as defined in this chapter.

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"(2) The location of its principal office.

"(3) The name of the corporation.

19 "(4) That the governing body is the board of 20 commissioners.

21 "(h) Any other provisions of this chapter
22 notwithstanding, the board of commissioners shall present to
23 the creating authority for approval the acquisition,
24 disposition, or improvements to real property.

"(i) In addition to the provisions of subdivision
(5) of subsection (f), each employee or official of the
district who receives funds or is involved in the disbursement

of funds in any manner shall be bonded in an amount not less than the amount of total funds received by the district in the prior fiscal year. The bonds shall be paid for by the district, and a copy shall be on file at the offices of the district and at the office of the judge of probate of the county in which the district is incorporated."

7 Section 2. Section 11-98-4.1 is added to the Code of
8 Alabama 1975, to read as follows:

9

§11-98-4.1.

10 (a) There is created a statewide 911 Board comprised 11 of 13 members that shall reflect the racial, gender, 12 geographic, urban/rural, and economic diversity of the state. 13 The 911 Board shall be created effective July 1, 2011, and 14 until the effective date of the statewide 911 charge pursuant 15 to Section 11-98-5, with the cooperation of the CMRS Board, shall plan for the implementation of the statewide 911 charge 16 17 and the distribution of the revenues as provided herein. The reasonable administrative expenses incurred by the 911 Board 18 prior to the implementation of the statewide 911 charge may be 19 deducted from the existing CMRS Fund. Upon the effective date 20 21 of the new statewide 911 charge, the 911 Board shall replace and supersede the CMRS Board formerly created pursuant to this 22 23 chapter, and the CMRS Fund shall be incorporated into, and considered part of, the 911 Fund. 24

(b) The 13 members of the 911 Board, each of whom
shall serve for a term of four years, shall be appointed by
the Governor as follows:

1 (1) Seven members recommended by the Alabama 2 Association of 911 Districts, one from each of the seven congressional districts, with each district representative 3 4 recommended selected by vote of the Alabama Association of 911 Districts members from that congressional district. The 5 6 initial appointments shall include the three district 7 representatives on the CMRS Board who shall serve through March 31, 2013, and a member from the first, third, fifth, and 8 seventh Congressional Districts as provided herein. Following 9 10 the March 31, 2013, expiration of the terms of the district representatives drawn from the CMRS Board, the Governor shall 11 12 appoint a member recommended by the Association of 911 13 Districts from each of the second, fourth, and sixth 14 Congressional Districts, it being the intent of this section 15 that each of the seven district representatives on the board be from a different Congressional District, as such districts 16 17 exist on the effective date of the act adding this section.

18 (2) Two members recommended by CMRS providers19 licensed to do business in Alabama.

20 (3) Two members recommended by incumbent local
21 exchange carriers operating in Alabama, who shall not be from
22 the same local exchange carrier.

(4) Two members recommended by cable companies that
provide interconnected VoIP services in Alabama, who shall not
be from the same cable company.

26 (c) For purposes of the initial board appointments,
27 (1) five members of the board shall be appointed for a

1 four-year term; (2) four members for a three-year term; (3) 2 the three members of the CMRS Board who are appointed pursuant to Section 11-98-4.1(b)(1) to terms ending on March 31, 2013; 3 4 and (4) the remaining member for a two-year term. Thereafter, board members shall serve staggered terms of four years. In 5 6 the event of a vacancy, a vacancy shall be filled for the 7 balance of the unexpired term in the same manner as the original appointment. Any vacancy occurring on the 911 Board, 8 whether for an expired or unexpired term, shall be filled by 9 10 appointment as soon as practicable after a vacancy occurs, 11 whether for an expired or unexpired term.

12 (d) For all terms expiring after July 1, 2014, 13 appointments made by the Governor shall be subject to 14 confirmation by the Senate as provided in this subsection. 15 Appointments made at times when the Senate is not in session shall be effective immediately ad interim and shall serve 16 17 until the Senate acts on the appointment as provided herein. Any appointment made by the Governor while the Senate is in 18 session shall be submitted to the Senate not later than the 19 third legislative day following the date of the appointment. 20 21 Any appointment made while the Senate is not in session shall 22 be submitted not later than the third legislative day 23 following the reconvening of the Legislature. In the event the 24 Senate fails or refuses to act on the appointment, the person whose name was submitted shall continue to serve until action 25 26 is taken on the appointment by the Senate.

(e) The statewide 911 Board shall have the following
 powers and duties:

(1) To develop a 911 State Plan. In fulfilling this 3 4 duty, the 911 Board shall monitor trends in voice communications service technology and in enhanced 911 service 5 technology, investigate and incorporate Geographical 6 7 Information Systems (GIS) mapping and other resources into the plan, and formulate recommended strategies for the efficient 8 and effective delivery of enhanced 911 service. In addition, 9 10 the board, in conjunction with the Permanent Oversight Commission and utilizing the information developed by the 11 12 Department of Examiners of Public Accounts pursuant to Section 11-98-13.1, shall study the operational and financial 13 14 condition of the current 911 systems within the State of 15 Alabama and publish a report detailing the same; study the rates charged for wireline 911 services and make adjustments 16 17 to the rates as provided in this chapter; recommend a long-term plan for the most efficient and effective delivery 18 of 911 services in Alabama over both the long- and short-term; 19 20 recommend any legislation necessary to implement the long-term 21 plan; and report its recommendations to the Oversight 22 Commission no later than February 1, 2013.

23 (2) To administer the 911 Fund and the monthly
24 statewide 911 charge authorized by Section 11-98-5.

25 (3) To distribute revenue in the 911 Fund in26 accordance with this chapter.

(4) To establish policies and procedures, adopted in
 accordance with the Alabama Administrative Procedure Act, to
 fund advisory services and training for districts and to
 provide funds in accordance with these policies and procedures
 to the extent funds are available.

6 (5) To make and enter into contracts and agreements 7 necessary or incidental to the performance of its powers and 8 duties under this chapter and to use revenue available to the 9 911 Board under Section 11-98-5 for administrative expenses to 10 pay its obligations under the contracts and agreements.

11 (6) To accept gifts, grants, or other money for the12 911 Fund.

13 (7) To undertake its duties in a manner that is
14 competitively and technologically neutral as to all voice
15 communications service providers.

(8) To adopt rules in accordance with the Alabama 16 17 Administrative Procedure Act to implement this chapter; to establish the statewide 911 charge; and, in response to 18 technological changes, apply, collect, and remit the statewide 19 911 charge, without duplication, to service connections of 20 21 other originating service providers, subject to the provisions 22 applicable to voice communications service providers under 23 this chapter. This authority does not include the regulation of any enhanced 911 service, such as the establishment of 24 technical standards. 25

26 (9) To take other necessary and proper action to27 implement this chapter.

Section 3. Section 11-98-5, Code of Alabama 1975, is
 amended to read as follows:

3

"§11-98-5.

4 "(a)(1) The board of commissioners of the district 5 may, when so authorized by a vote of a majority of the persons voting within the district, in accordance with law, levy an 6 7 emergency telephone service charge in an amount not to exceed five percent of the maximum tariff rate charged by any service 8 9 supplier in the district, except that in counties with 10 populations of less than 25,000 as determined by the most recent population census, the board of commissioners may, when 11 12 so authorized by a vote of a majority of the persons voting 13 within the district, in accordance with law, levy an emergency 14 telephone service charge in an amount not to exceed two 15 dollars (\$2). The governing body of the municipality or county may, upon its own initiative, call the special election. Any 16 17 service charge shall have uniform application and shall be imposed throughout the entire district, to the greatest extent 18 possible, in conformity with availability of such service in 19 any area of the district. The district shall have service on 20 21 line no later than 36 months from the start of collections or 22 suspend all collections until the district provides the 23 service and shall refund all collections made during this 36 24 month period of time.

25 "(2) On and after January 1, 1992, the board of
 26 commissioners, once so authorized by a vote of a majority of
 27 the persons voting in the district to levy an emergency

1 telephone service charge, may implement any rate of the
2 emergency telephone service charge permitted under this
3 section, as it may be amended from time to time, without
4 further authorization.

5 "(b) If the proceeds generated by an emergency telephone service charge exceed the amount of moneys necessary 6 7 to fund the district, the board of commissioners shall, by ordinance or resolution, as provided in this chapter, reduce 8 9 the service charge rate to an amount adequate to fund the district. In lieu of reducing the service charge rate, the 10 11 board of commissioners may suspend the service charge, if the 12 revenues generated therefrom exceed the district's needs. The 13 board of commissioners may, by resolution or ordinance, 14 reestablish the original emergency telephone service charge rate, or lift the suspension thereof, if the amount of moneys 15 16 generated is not adequate to fund the district.

17 "(c) An emergency telephone service charge shall be imposed only upon the amount received from the tariff rate for 18 exchange access lines. If there is no separate exchange access 19 20 charge stated in the service supplier's tariffs, the board of commissioners shall determine a uniform percentage not in 21 22 excess of 85 percent of the tariff rate for basic exchange 23 telephone service that shall be deemed to be the equivalent of 24 tariff rate exchange access lines, until the service supplier 25 establishes the tariff rate. No service charge shall be 26 imposed upon more than 100 exchange access facilities per 27 person, per location. Every billed service user shall be

1 liable for any service charge imposed under this subsection 2 until it has been paid to the service supplier. The duty of the service supplier to collect the service charge shall 3 4 commence upon the date of its implementation, which shall be 5 specified in the resolution calling the election. That emergency telephone service charge shall be added to and may 6 7 be stated separately in the billing by the service supplier to the service user. 8

9 "(d) The service supplier shall have no obligation to take any legal action to enforce the collection of any 10 11 emergency telephone service charge. The service supplier shall 12 quarterly provide the board of commissioners with a list of 13 the amount uncollected, together with the names and addresses 14 of those service users who carry a balance that can be 15 determined by the service supplier to be nonpayment of the 16 service charge. The service charge shall be collected at the 17 same time as the tariff rate according to the regular billing practice of the service supplier. Good faith compliance by the 18 service supplier shall constitute a complete defense to any 19 20 legal action or claim that may result from the service 21 supplier's determination of nonpayment or the identification 22 of service users, or both.

"(e) The amounts collected by the service supplier
attributable to any emergency telephone service charge shall
be due monthly. The amount of service charge collected in one
calendar month by the service supplier shall be remitted to
the district no later than 30 days after the close of a

1 calendar month. On or before the thirtieth day after the close 2 of a calendar month, a return, in the form the board of commissioners and the service supplier agree upon, shall be 3 4 filed with the district, together with a remittance of the 5 amount of service charge collected payable to the district. The service supplier shall maintain records of the amount of 6 7 the service charge collected for a period of at least two years from the date of collection. The board of commissioners 8 9 may, at its expense, require an annual audit of the service supplier's books and records with respect to the collection 10 11 and remittance of the service charge. From the gross receipts 12 to be remitted to the district, the service supplier shall be 13 entitled to retain an administrative fee in an amount equal to 14 one percent.

15 "(f) In order to provide additional funding or 16 additional real or personal property for the district, the 17 district or county or municipal governing body may receive 18 federal, state, county, or municipal real or personal property 19 and funds, as well as real or personal property and funds from 20 private sources, and may expend the funds or use the property 21 for the purposes of this chapter.

"(g) With the agreement of the service supplier and the creating authority, two or more communication districts, or cities, or counties, or a city and a county in another communication district may agree to cooperate, to the extent practicable, to provide funding and service to their respective areas, and a single board of commissioners of not more than seven members may be appointed to conduct the
 affairs of the entities involved.

"(h) A district may expend available funds to 3 4 establish a common address and location identification program 5 and to establish the emergency service number data base to facilitate efficient operation of the system. The governing 6 7 body and the E-911 board of the county or city affected shall jointly be responsible for purchasing and installing the 8 9 necessary signs to properly identify all roads and streets in the district. 10

11 "(i) Funds generated from emergency telephone 12 service charges shall be used to establish, operate, maintain, 13 and replace an emergency communication system that may, 14 without limitation, consist of the following:

"(1) Telephone communications equipment to be used
 in answering, transferring, and dispatching public emergency
 telephone calls originated by persons within the service area
 who dial 911.

19 "(2) Emergency radio communications equipment and 20 facilities necessary to transmit and receive "dispatch" calls.

"(3) The engineering, installation, and recurring
 costs necessary to implement, operate, and maintain an
 emergency communication system.

24 "(4) Facilities to house E-911 services as defined
 25 in this chapter, with the approval of the creating authority,
 26 and for necessary emergency and uninterruptable power supplies
 27 for the systems.

1	" <u>(a) A single, monthly statewide 911 charge shall be</u>
2	imposed on each active voice communications service connection
3	in Alabama that is technically capable of accessing a 911
4	system. For CMRS providers, the statewide 911 charge shall be
5	levied on each CMRS connection with a primary place of use in
6	the State of Alabama. The statewide 911 charge is payable by
7	the subscriber to the voice communications service provider.
8	Except as otherwise provided in this chapter, the voice
9	communications service provider shall list the statewide 911
10	charge separately from other charges on the bill and the
11	charge shall be collected according to the regular billing
12	practice of the voice communications service provider. The
13	statewide 911 charge collected under this section shall not be
14	subject to taxes or charges levied on or by the voice
15	communications service provider nor shall the charges and fees
16	be considered revenue of the voice communications service
17	provider for any purposes. Partial payments made by a
18	subscriber are applied first to the amount owed for voice
19	communications service. The 911 Board shall collect from each
20	voice communications service provider the monthly statewide
21	911 charges prescribed herein. The statewide 911 charge shall
22	be developed by the 911 Board at an amount calculated to
23	produce annual total revenues equal to the annual 911 fees
24	collected by or on behalf of districts and governmental bodies
25	as of September 30, 2011, plus an amount equal to any other
26	taxpayer funding of E-911 systems by counties or
27	municipalities in areas where no separate 911 fee is imposed.

1	The statewide 911 charge shall be uniformly applied and shall
2	be imposed throughout the state, and shall replace all other
3	911 fees or 911 taxes. The 911 Board shall certify that the
4	initial statewide 911 charge adopted herein is reasonably
5	calculated so as not to result in an increase in the fees or
б	<u>taxes paid by Alabama consumers to support 911 services on a</u>
7	statewide basis as of the date of its implementation. The
8	board shall submit the recommended statewide 911 charge to the
9	Permanent Oversight Commission for review and approval no
10	later than March 1, 2012. The Permanent Oversight Commission
11	may reject the recommended statewide 911 charge only upon a
12	finding of non-compliance with this chapter by an affirmative
13	vote of six of its members. Failure of the Permanent Oversight
14	Commission to take such action within 30 days of submission
15	shall result in the rate being deemed approved for
16	implementation on October 1, 2012, without the need for
17	further action. Should the Permanent Oversight Commission
18	reject the recommended statewide 911 charge, it shall specify
19	the basis for its rejection to the board, which shall give
20	such findings due consideration and make any necessary changes
21	to the rate within 30 days. The statewide 911 charge
22	established by the board following such second review shall
23	not be subject to further review by the Permanent Oversight
24	Commission and shall take effect automatically on October 1,
25	<u>2012.</u>
26	"(b) A voice communications service provider shall

27 remit the statewide 911 charge collected by it under this

1	section to the 911 Board, utilizing such electronic or paper
2	reporting forms that may be adopted by the 911 Board by rule.
3	The provider shall remit the collected charges by the end of
4	the calendar month following the month the provider received
5	the charges from its subscribers. A voice communications
6	service provider may deduct and retain from the statewide 911
7	charges it receives from its subscribers and remits to the 911
8	<u>Board an administrative allowance in an amount equal to one</u>
9	percent. The voice communications service provider shall
10	maintain records of the amount of the statewide 911 fees
11	collected for a period of at least two years from the date of
12	collection. Good faith compliance by the voice communications
13	service supplier with this chapter shall constitute a complete
14	defense to any legal action or claim that may result from the
15	voice communications service provider's determination of
16	nonpayment or the identification of service users, or both.
17	"(c) Subject to succeeding provisions of this
18	subsection:
19	" <u>(1) The 911 Board, from time to time, shall</u>
20	increase or decrease the rate of the statewide 911 charge so
21	as to produce revenues in amounts sufficient, in the judgment
22	of the 911 Board, to satisfy all requirements of this chapter.
23	" <u>(2) The 911 Board, not later than October 1 in the</u>
24	year 2017 and each fifth year thereafter, shall compare the
25	rate of growth, determined as a percentage, in the 911 Fund
26	for the five-year period ending on such October 1, and the
27	rate of growth, determined as a percentage, in the Consumer

Price Index for Urban Consumers (CPI-U) for such five-year
 period and, if the rate of growth in the 911 Fund is less than
 the rate of growth in the CPI-U, shall increase the rate of
 the statewide 911 charge by the amount equal to the difference
 between the two rates of growth.

"(3) Any adjustments to the statewide 911 charge 6 7 pursuant to this subsection shall follow the same procedures, standards, and deadlines provided in subsection (a) for review 8 of the initial statewide 911 charge, with the exception that 9 the adjustment shall be effective at a date set by the board 10 at least 90 days after, as applicable, the expiration of the 11 12 time period for action by the Permanent Oversight Committee on 13 the adjustment or the board's action in adopting a final 14 adjustment following action by the Permanent Oversight Committee. In addition, the 911 Board, not less than 90 days 15 prior to the effective date of any such increase or decrease 16 17 in the rate of the statewide 911 charge, shall notify each voice communications service provider and CMRS provider of 18 such increase or decrease, as the case may be. Notwithstanding 19 the preceding provisions of this subsection to the contrary, 20 21 in no event shall the revenues produced by the statewide 911 22 charge exceed the amounts deemed by the 911 Board to be 23 necessary to satisfy the requirements of this chapter. 24 "(d) A voice communications service provider has no 25 obligation to take any legal action to enforce the collection 26 of the statewide 911 charge billed to a subscriber. The 911 27 Board may initiate a collection action, and reasonable costs

and attorney's fees associated with that collection may be 1 assessed against the subscriber. A voice communications 2 service provider shall quarterly report to the 911 Board the 3 amount of the provider's uncollected service charges. The 911 4 Board may request, to the extent permitted by federal and 5 state privacy laws, the name, address, and telephone number of 6 7 a subscriber who refuses to pay the statewide 911 charge. "(e) No district may impose a service charge or 8 other fee on a subscriber to support a 911 system. 9 10 "(f) At any time after October 1, 2013, should the 911 Board determine that the revenues allocated to CMRS 11 12 providers under Section 11-98-5.2(b)(7) for reimbursement to CMRS providers exceed those necessary to meet funding 13 14 requirements, it may distribute any excess revenues in accordance with Section 11-98-5.2(b)(1). 15 Section 4. Sections 11-98-5.2 and 11-98.5.3 are 16 17 added to the Code of Alabama 1975, to read as follows: §11-98-5.2. 18 (a) Effective October 1, 2012, the 911 Fund shall be 19 created as an insured interest-bearing account into which the 20 21 911 Board shall deposit all revenues derived from the service 22 charge levied on voice communications service providers under 23 this chapter. The revenues deposited into the 911 Fund shall 24 not be monies or property of the state and shall not be 25 subject to appropriation by the Legislature. The 911 Board shall administer the fund and shall credit the 911 Fund all 26

revenues received. The fund and revenues generated by the fund
 may only be used as provided in this chapter.

(b) Effective October 1, 2012, there shall first be 3 4 deducted, no more than one time during each calendar month, from the total amount of the statewide 911 charges paid over 5 6 to the 911 Board during such month, a sum not to exceed one 7 percent of the total amount, to be applied by the 911 Board exclusively for payment of administrative expenses theretofore 8 incurred by it. The balance of the total amount of the 9 10 statewide 911 charges paid over to the 911 Board during each calendar month shall be deposited into the 911 Fund and shall 11 12 be apportioned and distributed in accordance with the succeeding provisions of this subsection. 13

14 (1) There shall be distributed each month among all then existing districts, from the moneys then on deposit in 15 the 911 Fund, an aggregate amount equal to the sum of a. 80 16 17 percent of the portion of the statewide 911 charges remitted to the 911 Board with respect to the month by CMRS providers, 18 plus b. 100 percent of the portion of the statewide 911 19 charges remitted to the 911 Board with respect to the month by 20 21 all voice communications service providers, not including any 22 CMRS providers.

(2) There shall be paid each month to each then
existing district, out of the amount described in subdivision
(1), one-twelfth of the sum of the base distribution amount
defined, as applicable, in subdivisions (3) and (4), plus the
per capita distribution amount defined in subdivision (5).

1 (3) The term base distribution amount, as used in 2 this section with respect to any district and except as provided in subdivision (4), means the average dollar amount 3 4 per annum of emergency telephone service charges, if any, received by the district during the period of three 5 6 consecutive fiscal years ending on September 30, 2011; 7 provided, that, if at any time during the three-year period the district increased the rate of the emergency telephone 8 service charge then levied by it, then the base distribution 9 10 amount shall be the average dollar amount per annum of the service charges received by the district during the full 11 12 fiscal year or years, as the case may be, in which the 13 increased rate was in effect, provided further, that if the 14 district first levied any such service charge, or if the district increased the rate of the charge, during the fiscal 15 year ending on September 30, 2011, then the total dollar 16 17 amount of the emergency telephone service charges with respect to the fiscal year shall be deemed to be the amount received 18 by the district on an annualized basis. For any county or 19 municipal district that was funding an E-911 system on 20 21 September 30, 2011, without a separate 911 fee, the base 22 amount shall be the product of: That amount determined by the 23 board to be the county or municipality's funding of its E-911 24 system for purposes of calculation of the initial statewide rate under Section 11-98-5(a), multiplied by a fraction, the 25 numerator of which is the total wireline 911 fees paid to all 26 27 districts as of September 30, 2011, and the denominator of

which is the total wireline and wireless 911 fees determined
 by the board to have been paid to all districts and the CMRS
 Board for the same period.

(4)a. Any district that has, prior to March 1, 2011, 4 entered into one or more contracts, including, without 5 6 limitation, any lease, lease-purchase, or purchase agreement 7 or contract, to acquire equipment utilized or to be utilized as part of a single, comprehensive, countywide radio system to 8 be operated within the boundaries of the district, no later 9 10 than December 31, 2011, may provide the 911 Board a copy of a pro forma financial statement setting forth revenue and 11 12 expense projections demonstrating the ability of the district 13 to pay all principal and interest maturing or coming due with 14 respect to any contracts, and any bonds or other obligations issued or incurred by the district to evidence the borrowing 15 of money by the district in connection with the planning, 16 17 acquisition, construction, and equipment of the countywide radio system, and other system costs. Such revenue projections 18 shall set forth the district's annualized revenues that would 19 be included in the base distribution amount as calculated in 20 21 subdivision (3), for the fiscal year of the district ending on 22 September 30, 2011, or any fiscal year thereafter during which 23 the contracts, bonds, or other obligations are expected to be outstanding and unpaid, and the amount received by the 24 25 district during the fiscal year ending September 30, 2011, 26 from the CMRS Fund. The pro forma statement shall be 27 accompanied by such supporting information as may be

reasonably requested by the 911 Board, whose review shall be limited to the accuracy and reasonableness of the revenue and expense projections contained therein solely for the purposes of this subsection and which shall not extend to the approval or disapproval of any projects authorized by the district under existing law.

7 b. For a district meeting the requirements of this subdivision, the base distribution amount for the district, 8 9 during any fiscal year or years in which the contracts, bonds, or other obligations outstanding and unpaid, shall be 10 increased by the difference, if any, between the revenue 11 12 projections shown in the pro forma financial statement and the base distribution amount as calculated under subdivision (3), 13 14 and the district's per capita distribution amount, as defined 15 in subdivision (5), shall be reduced by an amount equal to the difference, with the amount of the reduction added to the 16 17 amount available for payment to other districts under subdivision (5). 18

(5) The term per capita distribution amount, as used
in this section with respect to any district, means the
district's pro rata share, computed according to the
distribution formula, of the amount described in subdivision
(1) that remains after payment in full of the aggregate base
distribution amounts required to be paid to all districts.

(6) Notwithstanding the preceding provisions of this
subsection, there shall never be paid to any district, during
any fiscal year, from the moneys deposited into the 911 Fund,

1 an amount less than the sum of the total dollar amount of 2 emergency telephone service charges, if any, received by the district during the fiscal year of the district ending on 3 September 30, 2011, and the amount received by the district 4 during the fiscal year from the CMRS Fund as it existed during 5 6 the fiscal year; provided, that if the district levied an 7 emergency telephone service charge during only a portion of the fiscal year ending on September 30, 2011, then the dollar 8 amount from those charges shall be the total dollar amount of 9 10 the service charges received during the fiscal year, divided by the number of months, including fractional portions of a 11 month or months, during which the service charge was in 12 effect, multiplied by 12. For any county or municipal district 13 14 that was funding an E-911 system on September 30, 2011, 15 without a separate 911 fee, there shall never be paid from the moneys deposited into the 911 Fund, during any fiscal year, an 16 17 amount less than the sum that amount determined by the board to be the county or municipality's funding of its E-911 system 18 for purposes of calculation of the initial statewide rate 19 under this section for the same period. 20

(7) Except as otherwise provided in subdivision (6), there shall be set aside and deposited each month, into a separate account, which may, but need not, form a part of the 911 Fund, an amount equal to 20 percent of the portion of the statewide 911 charges remitted to the 911 Board with respect to the month by CMRS providers. All moneys in the separate account shall be used exclusively for payment of actual and

direct costs incurred by CMRS providers in wireless E-911 1 2 service requirements established by the FCC Order in complying with wireless E-911 service requirements established by the 3 4 FCC Order and complying with any rules or regulations adopted at any time by the FCC pursuant to the FCC Order; and the 5 6 costs may include, without limitation, costs and expenses 7 incurred in connection with designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining all 8 necessary data, hardware, and software required in order to 9 10 provide Phase II Enhanced 911, and the incremental costs of 11 operating Phase II Enhanced 911.

12 (c) Each CMRS provider wishing to participate in the 13 payments provided in subsection (b) (7) for expenses related to providing Phase II Enhanced 911 shall certify to the 911 Board 14 15 that it does not then collect a cost-recovery or other similar separate charge from its customers. CMRS providers failing to 16 17 provide the certification by October 1 are ineligible to receive any payments until such certificate is provided to the 18 911 Board. Any CMRS provider electing to collect cost-recovery 19 or other similar separate charges at any time following its 20 21 October 1 certification shall immediately notify the 911 Board and are ineligible to participate in the payments established 22 23 in this subsection until ceasing the collection from its customers and providing the notice required herein. This 24 requirement shall only apply to payments for expenses related 25 26 to providing Phase II Enhanced 911.

1 (d) Any CMRS provider wishing to receive 2 reimbursement of costs under the guidelines established by subsection (c) shall also comply with Section 11-98-7. 3 4 (e) In the event that there are wireless emergency telephone services that cannot be efficiently performed at the 5 6 district level or there are expenses that cannot be properly 7 allocated at the district level, the 911 Board may determine the smallest practical unit basis for joint implementation and 8 provide reimbursements in accordance with this section. 9 10 §11-98-5.3. 11 (a) As used in this section, the following words and 12 terms shall have the following meanings unless the context clearly indicates otherwise: 13 14 (1) DEPARTMENT. The Department of Revenue for the 15 State of Alabama. (2) PREPAID RETAIL TRANSACTION. The purchase of 16 17 prepaid wireless telecommunications service from a seller for any purpose other than resale. 18 (3) PREPAID WIRELESS CONSUMER. A person who 19 purchases prepaid wireless telecommunications service in a 20 21 retail transaction. 22 (4) PREPAID WIRELESS TELEPHONE SERVICE. A service 23 that meets all of the following requirements: 24 a. Authorizes the purchase of CMRS, either 25 exclusively or in conjunction with other services. b. Must be paid for in advance. 26

c. Is sold in units or dollars whose number or
 dollar value declines with use and is known on a continuous
 basis.

(b) Notwithstanding any other provision of this
chapter, the current CMRS emergency telephone service charge
established under Section 11-98-7(b)(1) and, upon its
implementation, the replacement, statewide 911 charge to be
established under subsection (a) of Section 11-98-5 shall be
collected on prepaid wireless telephone service on each retail
transaction as follows:

(1) The prepaid wireless statewide 911 charge shall 11 12 be collected on prepaid wireless by the seller from the 13 prepaid wireless consumer with respect to each retail 14 transaction occurring in this state. The amount of the prepaid 15 wireless 911 charge shall be either separately stated on an invoice, receipt, or other similar document that is provided 16 17 to the prepaid wireless consumer by the seller, or otherwise disclosed to the prepaid wireless consumer. 18

(2) For purposes of subsection (b)(1), a retail 19 transaction that is effected in person by a prepaid wireless 20 21 consumer at a business location of the seller shall be treated 22 as occurring in this state if that business location is in 23 this state, and any other retail transaction shall be treated as occurring in this state if the retail transaction is 24 25 treated as occurring in this state for purposes of Chapter 23 of Title 40. 26

1 (3) The prepaid wireless 911 charge is the liability 2 of the prepaid wireless consumer and not of the seller or of any provider, except that the seller shall be liable to remit 3 4 all prepaid wireless 911 charges that the seller collects from prepaid wireless consumers as provided in Section 11-98A-5, 5 6 including all charges that the seller is deemed to collect 7 where the amount of the charge has not been separately stated on an invoice, receipt, or other similar document provided to 8 9 the prepaid wireless consumer by the seller.

10 (4) The amount of the prepaid wireless 911 charge that is collected by a seller from a prepaid wireless 11 12 consumer, if the amount is separately stated on an invoice, 13 receipt, or other similar document provided to the prepaid 14 wireless consumer by the seller, shall not be included in the base for measuring any tax, fee, surcharge, or other charge 15 that is imposed by this state, any political subdivision of 16 17 this state, or any intergovernmental agency.

(5) The prepaid wireless 911 charge shall be 18 increased or decreased, as applicable, upon any change to the 19 rate specified in Section 11-98-7(b)(1) or, upon its 20 21 implementation, the statewide 911 charge. The increase or 22 decrease shall be effective on the effective date of the change to the postpaid charge or, if later, the first day of 23 the first calendar month to occur at least 60 days after the 24 25 enactment of the change to the rate specified in Section 26 11-98-7(b)(1). The department shall provide not less than 30

1 days of advance notice of the increase or decrease on the 2 department's website.

3 (6) Prepaid wireless 911 charges collected by
4 sellers shall be remitted to the department at the times and
5 in the manner provided by Chapter 23 of Title 40. The
6 department shall establish registration and payment procedures
7 that substantially coincide with the registration and payment
8 procedures that apply to Chapter 23, Title 40.

9 (7) A seller shall be permitted to deduct and retain
10 four percent of prepaid wireless 911 charges that are
11 collected by the seller from prepaid wireless consumers.

12 (8) The audit and appeal procedures applicable to
13 Chapter 23 of Title 40 shall apply to prepaid wireless 911
14 charges.

(9) The department shall establish procedures by which a seller of prepaid wireless telecommunications service may document that a sale is not a retail transaction, which procedures shall substantially coincide with the procedures for documenting sales for resale transactions for sales and use tax purposes under Chapter 23 of Title 40.

(10) The department shall pay all remitted prepaid wireless 911 charges over to the Commercial Mobile Radio Services Board and, upon the effective date of the statewide 911 charge, to the statewide 911 Board, within 30 days of receipt, for use by the board in accordance with the purposes permitted by this chapter, after deducting an amount, not to exceed two percent of collected charges, that shall be retained by the department to reimburse its direct costs of
 administering the collection and remittance of prepaid
 wireless 911 charges.

4 (c) The enactment of this section does not
5 constitute an expression as to the application of the CMRS
6 service charge to prepaid service before the adoption of this
7 act.

8 Section 5. Sections 11-98-6, 11-98-7, and 11-98-9,
9 Code of Alabama 1975, are amended to read as follows:

10

"§11-98-6.

11 "As used in this section and Sections 11-98-7, 12 11-98-8, and 11-98-9, the following terms shall have the 13 following meanings:

14 "(1) AUTOMATIC NUMBER IDENTIFICATION or ANI. An 15 enhanced 911 service capability that enables the automatic 16 display of the 10-digit wireless telephone number used to 17 place a 911 call and includes pseudo-automatic number identification or pseudo-ANI, which means an enhanced 911 18 19 service capability that enables the automatic display of the number of the cell site and an identification of the CMRS 20 21 provider.

"(2) BOARD or CMRS BOARD. The Commercial Mobile
 Radio Service Emergency Telephone Services Board.

24 "(3) COMMERCIAL MOBILE RADIO SERVICE or CMRS.
 25 Commercial mobile radio service under Sections 3(27) and
 26 332(d) of the Federal Telecommunications Act of 1996, 47
 27 U.S.C. § 151 et seq., and the Omnibus Budget Reconciliation

1	Act of 1993, Pub. L. 103-66, Aug. 10, 1993, 107 Stat. 312. The
2	term includes the term wireless and service provided by any
3	wireless real time two-way voice communication device,
4	including radio-telephone communications used in cellular
5	telephone service, personal communication service, or the
6	functional or competitive equivalent of a radio-telephone
7	communications line used in cellular telephone service, a
8	personal communication service, or a network radio access
9	line. The term does not include service whose customers do not
10	have access to 911 or to an enhanced 911-like service, to a
11	communications channel suitable only for data transmission, to
12	a wireless roaming service or other non-local radio access
13	line service, or to a private telecommunications system.
14	"(4) COMMERCIAL MOBILE RADIO SERVICE PROVIDER or
15	CMRS PROVIDER. A person or entity who provides commercial
16	mobile radio service or CMRS service.
17	" <del>(5) CMRS CONNECTION. A mobile telephone number</del>
18	assigned to a CMRS customer.
19	"(6) CMRS CUSTOMER. A person, business, corporation,
20	or other entity that purchases, utilizes, or otherwise obtains
21	wireless CMRS service, other than CMRS service sold to an
22	entity for the purpose of resale.
23	" <del>(7) CMRS FUND. The Commercial Mobile Radio Service</del>
24	Fund required to be established and maintained pursuant to
25	<del>Section 11-98-7(b)(2).</del>
26	"(8) CMRS SERVICE CHARGE. The CMRS emergency
27	telephone service charge levied and maintained pursuant to

Section 11-98-7(b)(1) and (b)(2) and collected pursuant to
Section 11-98-8.

"(9) DISTRIBUTION FORMULA. The percentage of the 3 4 total state population residing in an ECD, compared to the 5 total state population residing in all ECDs statewide, based upon the latest census data or estimates compiled by or for 6 7 the Alabama Department of Economic and Community Affairs. "(10) ECD. An emergency communications district 8 9 created pursuant to this chapter. 10 "(11) ENHANCED 911, E-911, ENHANCED E-911 SYSTEM, or E-911 SYSTEM. An emergency telephone system that provides the 11 12 caller with emergency 911 system service, that directs

enhanced 911 calls to appropriate public safety answering points by selective routing based on the geographical location from which the call originated, and that provides the capability for automatic number identification and the features that the Federal Communications Commission (FCC) may require in the future.

19 "(12) EXCHANGE ACCESS FACILITY. An exchange access 20 facility as defined by Section 11-98-1(4).

"(13) FCC ORDER. The order of the Federal
 Communications Commission, FCC Docket No. 94-102, adopted on
 June 12, 1996, and released on July 26, 1996.

24 "(14) LICENSED SERVICE AREA. The geographic area in
 25 which the CMRS provider is authorized by law or contract to
 26 provide CMRS service.

"(15) MOBILE TELEPHONE NUMBER. The telephone number
 assigned to a wireless telephone.

3 "(16) PHASE II ENHANCED 911 SERVICE. An emergency
4 telephone system that provides the location of all 911 calls
5 by longitude and latitude in conformance with accuracy
6 requirements established by the Federal Communications
7 Commission.

8 "(17) PLACE OF PRIMARY USE. The street address 9 representative of where the customer's use of the mobile 10 telecommunications service primarily occur, which must be: a. 11 The residential street address or the primary business street 12 address of the customer; and b. within the licensed service 13 area of the CMRS provider.

14 "(18) PUBLIC SAFETY AGENCY. A public safety agency 15 as defined by Section 11-98-1(6).

16 "(19) SERVICE SUPPLIER. A service supplier as 17 defined by Section 11-98-1(7).

"(20) TECHNICAL PROPRIETARY INFORMATION. Technology 18 descriptions, technical information, or trade secrets, 19 20 including the term trade secrets as defined by the Alabama 21 Trade Secrets Act of 1987, Section 8-27-1 et seq., and the 22 actual or developmental costs thereof which are developed, 23 produced, or received internally by a CMRS provider or by a 24 CMRS provider's employees, directors, officers, or agents. "(a) Funds received by a district pursuant to 25 Section 11-98-5.2 shall be used to establish, operate, 26

1	maintain, and replace an emergency communication system that,
2	without limitation, may consist of the following:
3	"(1) Telephone communications equipment to be used
4	in answering, transferring, and dispatching public emergency
5	telephone calls originated by persons within the service area
6	who dial 911.
7	"(2) Emergency radio communications equipment and
8	facilities necessary to transmit and receive dispatch calls.
9	"(3) The engineering, installation, and recurring
10	costs necessary to implement, operate, and maintain an
11	emergency communication system.
12	"(4) Facilities to house E-911 operators and related
13	services as defined in this chapter, with the approval of the
14	creating authority, and for necessary emergency and
15	uninterruptable power supplies for the systems.
16	"(5) Administrative and other costs related to
17	subdivisions (1) to (4), inclusive.
18	"(b) A district or county or municipal governing
19	body may receive federal, state, county, or municipal real or
20	personal property and funds, as well as real or personal
21	property and funds from private sources, and may expend the
22	funds or use the property for the purposes of this chapter.
23	"(c) Subject to the remaining provisions of this
24	chapter and the approval of the 911 Board and the creating
25	<u>authority, two or more districts, cities, or counties, or a</u>
26	city and a county in another district may agree to cooperate,
27	to the extent practicable, to provide funding and service to

1 <u>their respective areas, and a single board of commissioners of</u>
2 <u>not more than seven members may be appointed to conduct the</u>
3 affairs of the entities involved.

4 "(d) Subject to rules that may be adopted by the 911 Board, a district may expend available funds to establish a 5 common address and location identification program and to 6 7 establish the emergency service number data base to facilitate efficient operation of the system. The governing body and the 8 E-911 board of each county or city affected shall be jointly 9 responsible for purchasing and installing the necessary signs 10 to properly identify all roads and streets in the district. 11 12 "(e) Beginning with fiscal year 2012, the Department of Examiners of Public Accounts shall audit each district on a 13 biennial basis to ensure compliance with the requirements of 14 this chapter regarding both revenues and expenditures. 15 "§11-98-7. 16 17 "(a) There is created a Commercial Mobile Radio

Service (CMRS) Board, consisting of seven members who shall be citizens of this state and shall reflect the racial, gender, geographic, urban and rural, and economic diversity of the state.

22 "(1) The first five members of the board, each of 23 whom shall serve for a term of four years, shall be appointed 24 by the Governor, subject to confirmation by the Senate, as 25 follows:

26

"a. Two members recommended by the ECDs.

- "b. Two members recommended by CMRS providers 1 2 licensed to do business in Alabama. "c. One member recommended by the State Auditor. 3 4 "(2) The next two members of the board, each of whom 5 shall serve for a term of four years, shall be appointed as follows: 6 7 "a. One member of the House of Representatives appointed by the Speaker of the House. 8 9 b. One member of the Senate appointed by the 10 Lieutenant Governor. "(3) The term of each member shall be four years, 11 12 except that of the members first appointed, one representing 13 ECDs shall serve for three years and one representing CMRS providers shall serve for three years, one representing ECDs 14 15 shall serve two years and one representing CMRS providers 16 shall serve two years. The Governor shall designate the term 17 which each of the members first appointed shall serve when he or she makes appointments. The two legislative members shall 18 serve for the length of their elective service, but no more 19 20 than four years. "(4) In the event of a vacancy, a vacancy shall be 21 22 filled for the balance of the unexpired term in the same 23 manner as the original appointment. Any vacancy occurring on 24 the board, whether for an expired or unexpired term, shall be 25 filled by appointment by the appointing authority as soon as 26 practicable after a vacancy occurs, whether for an expired or
- 27 unexpired term.

1	" <del>(5) For all terms expiring after October 1, 2007,</del>
2	appointments made by the Governor shall be subject to
3	confirmation by the Senate as provided in this subdivision.
4	Appointments made at times when the Senate is not in session
5	shall be effective immediately ad interim and shall serve
б	until the Senate acts on the appointment as provided herein.
7	Any appointment made by the Governor while the Senate is in
8	session shall be submitted to the Senate not later than the
9	third legislative day following the date of the appointment.
10	Any appointment made while the Senate is not in session shall
11	be submitted not later than the third legislative day
12	following the reconvening of the Legislature. In the event the
13	Senate fails or refuses to act on the appointment, the person
14	whose name was submitted shall continue to serve until action
15	is taken on the appointment by the Senate.
16	(b) The board shall have the following powers and
17	duties:
18	" <del>(1) To levy a CMRS emergency telephone service</del>
19	charge on each CMRS connection that has a place of primary use
20	within the geographical boundaries of the State of Alabama.
21	The rate of the CMRS service charge shall be seventy cents
22	(\$.70) per month per CMRS customer on each CMRS connection
23	beginning on May 1, 1998, which amount shall not be increased
24	except by the Legislature. The CMRS service charge shall have
25	uniform application and shall be imposed throughout the state.
26	The board shall receive all revenues derived from the CMRS

service charge levied in the state and collected pursuant to
 Section 11-98-8.

"(2) To establish and maintain the CMRS Fund as an
insured, interest-bearing account into which the board shall
deposit all revenues derived from the CMRS service charge
levied on CMRS connections and collected pursuant to Section
11-98-8. The revenues deposited into the CMRS Fund shall not
be moneys or property of the state and shall not be subject to
appropriation by the Legislature.

10 "(3) To make disbursements from the CMRS Fund in the 11 following amounts and in the following manner:

12 "a. Out of the funds collected by the board and 13 after deduction of administrative expenses, 56 percent shall be distributed to ECDs in accordance with the distribution 14 15 formula and may only be used for the lease, purchase, or 16 maintenance of wireless enhanced emergency telephone 17 equipment, including necessary computer hardware, software, and data base provisioning, for incremental expenses directly 18 related to the FCC Order and the handling of wireless 19 20 emergency calls.

"b. Beginning on October 1, 2007, 24 percent shall
be distributed to ECDs in accordance with Section 11-98-7.1.
"c. Twenty percent shall be deposited into a bank
account and shall be used solely for the purpose of payment of
the actual costs incurred by CMRS providers in complying with
the wireless E-911 service requirements established by the FCC
Order and any rules and regulations which are or may be

1 adopted by the FCC pursuant to the FCC Order, including, but 2 not limited to, costs and expenses incurred for designing, upgrading, purchasing, leasing, programming, installing, 3 4 testing, or maintaining all necessary data, hardware, and 5 software required in order to provide the service as well as the incremental costs of operating the service. Verified 6 7 itemized statements shall be presented to the board in connection with any request for payment by any CMRS provider 8 9 and shall be approved by a majority vote of the board prior to any disbursement. Approval shall not be withheld or delayed 10 11 unreasonably. In no event shall any invoice be approved for 12 the payment of costs that are not related to compliance with 13 the wireless E-911 service requirements established by the FCC 14 Order and any rules and regulations which are or may be 15 adopted by the FCC pursuant to the FCC Order. 16 "d. Beginning no later than October 1, 2007, and no 17 later than each October 1 thereafter, each CMRS provider wishing to participate in the payments provided in paragraph 18 19 c. for expenses related to the providing of Phase II Enhanced 20 911 Service shall certify to the board that it does not then 21 collect a cost-recovery or other similar separate charge from 22 its customers. CMRS providers failing to provide such 23 certification by October 1 shall be ineligible to receive such 24 payments for any such Phase II expenses incurred until such 25 certificate is provided to the board. Any CMRS provider 26 electing to collect cost-recovery or other similar separate 27 charges at any time following its October 1 certification

shall immediately notify the board and shall be ineligible to
 participate in the payments established in this subsection
 until ceasing such collection from its customers and providing
 the notice required herein. This requirement shall only apply
 to payments for expenses related to the provision of Phase II
 Enhanced 911 Services.

7 "e. In the event that there are wireless emergency 8 telephone services which cannot be efficiently performed at 9 the ECD level or there are expenses which cannot be properly 10 allocated at the ECD level, any ECD or CMRS provider may 11 submit invoices directly to the board and the board shall 12 determine the smallest practical unit basis for joint 13 implementation.

14 "(4) To obtain, pursuant to subdivision (5), from an 15 independent, third-party auditor retained by the board a copy 16 of the annual reports to the Department of Examiners of Public 17 Accounts no later than 120 days after the close of each fiscal year, which shall provide an accounting for all CMRS service 18 19 charges deposited into the CMRS Fund during the preceding 20 fiscal year and all disbursements to ECDs during the preceding 21 fiscal year. The Department of Examiners of Public Accounts 22 shall conduct an annual audit of the expenditures of the board 23 from all CMRS service charges from the CMRS Fund.

24 "(5) To retain, upon majority vote of the members of
25 the board who are present and voting, an independent,
26 third-party auditor for the purposes of receiving,
27 maintaining, and verifying the accuracy of any and all

1	information, including all proprietary information, that is
2	required to be collected, or that may have been submitted to
3	the board by CMRS providers and ECDs, and the accuracy of the
4	collection of the CMRS service charge required to be
5	collected. An audit, if conducted pursuant to this
6	subdivision, shall be conducted pursuant to Chapter 2A of
7	Title 40.
8	" <del>(6) To conduct a cost study on or before July 1,</del>
9	1999, to be submitted to the Governor, the Lieutenant
10	Governor, and the Speaker of the House of Representatives for
11	the purpose of determining whether legislation should be
12	proposed during the 2000 Regular Session of the Alabama
13	Legislature to adjust the amount of the CMRS service charge to
14	reflect actual costs to be incurred by CMRS providers and ECDs
15	in order to comply with the wireless E-911 service
16	requirements established by the FCC Order and any rules and
17	regulations which are or may be adopted by the FCC pursuant to
18	the FCC Order.
19	" <del>(7) To promulgate such rules and regulations as may</del>
20	be necessary to effect the provisions of this section.
21	" <del>(8) To make the determinations and disbursements as</del>
22	provided by Section 11-98-8(c).
23	" <del>(9) Neither the board nor any ECD shall require the</del>
24	CMRS providers to select or to deploy particular commercial
25	solutions to meet the requirements of the FCC Order, provided
26	the solutions chosen are compatible with the operations of the
27	ECDs.

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"<del>(c) The CMRS service charge provided in subdivision (b)(1) shall be the sole charge assessed to CMRS providers relating to emergency telephone services.</del>

4 "(d) The board shall serve without compensation,
5 provided, however, that members of the board shall be entitled
6 to be reimbursed for actual expenses and travel costs
7 associated with their service.

8 "(e) Nothing in this chapter shall be construed to 9 constitute the regulation of the entry of or rates charged by 10 CMRS providers for any service or feature which they provide 11 to their CMRS service customers, or to prohibit a CMRS 12 provider from charging a CMRS service customer for any service 13 or feature provided to the customer.

14 "(f) Subsection (k) of Section 40-21-121 shall apply 15 to the CMRS emergency telephone service charge imposed in this 16 section.

17 "(g) The board shall be subject to the Alabama
18 Sunset Law under Chapter 20 of Title 41, shall be classified
19 an enumerated agency under Section 41-20-3, and shall
20 terminate on October 1, 2000, and every four years thereafter,
21 unless continued as therein provided. If continued, the board
22 shall be reviewed every four years thereafter and terminated
23 unless continued into law.

24 "(a) CMRS providers are eligible for reimbursement
 25 from the 911 Fund as set forth in subsections (b) and (c) of
 26 Section 11-98-5.2. To obtain reimbursement, a CMRS provider
 27 shall comply with all of the following:

1	" <u>(1) Invoices shall be sworn.</u>
2	"(2) All costs and expenses must be commercially
3	reasonable.
4	"(3) All invoices for reimbursement shall be
5	directly related to compliance with the requirements of
6	enhanced 911 service.
7	"(4) The board shall adopt rules providing for prior
8	approval of any expenditures for which the CMRS provider
9	intends to seek reimbursement in excess of a threshold amount.
10	" <u>(5) All invoices shall be supported by such</u>
11	reasonable supporting document required by the board and shall
12	be subject to audit.
13	" <u>(b) If the total amount of invoices submitted to</u>
14	the 911 Board and approved for payment in a month exceeds the
15	amount available from the 911 Fund for reimbursements to CMRS
16	providers, the amount payable to each CMRS provider shall be
17	reduced proportionately so that the amount paid does not
18	exceed the amount available for payment. The balance of the
19	payment is deferred to the following month. A deferred payment
20	accrues interest at a rate equal to the rate earned by the 911
21	Fund until it is paid.
22	"§11-98-9.
23	"All technical proprietary information submitted to
24	the board or to the independent third-party auditor as
25	provided by Section $\frac{11-98-7(b)(5)}{(5)}$ $\frac{11-98-13}{(5)}$ shall be retained
26	by the board and the auditor in confidence and shall be
27	subject to review only by the Examiners of Public Accounts.

1 Notwithstanding any other provision of the law, no technical 2 proprietary information submitted shall be subject to subpoena or otherwise released to any person other than to the 3 4 submitting CMRS voice communication provider, the board, and the independent third-party auditor without the express 5 permission of the administrator and the submitting CMRS voice 6 7 communication provider. General information collected by the independent third-party auditor shall only be released or 8 published in aggregate amounts which do not identify or allow 9 10 identification of numbers of subscribers or revenues 11 attributable to an individual CMRS voice communication 12 provider. Notwithstanding any other provision of the law, no 13 district, political subdivision, CMRS voice communication 14 provider, local exchange company, or their its employees, 15 directors, officers, or agents shall be liable for any damages in a civil action or subject to criminal prosecution resulting 16 17 from death, injury, or loss to persons or property incurred by any person in connection with establishing, developing, 18 implementing, maintaining, operating, and otherwise providing 19 wireless enhanced 911 service in compliance with the 20 21 requirements established by the FCC Order 94-102 and any rules 22 and regulations which are or may be adopted by the FCC 23 pursuant to the order, or other state or federal requirement, 24 except in the case of willful or wanton misconduct." Section 6. Sections 11-98-13 and 11-98-13.1 are 25 26 added to the Code of Alabama 1975, to read as follows:

27

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§11-98-13.

On a biennial basis, if not more frequently, the 911 1 2 Board shall retain an independent, third-party auditor for the purposes of receiving, maintaining, and verifying the accuracy 3 4 of any and all information, including all proprietary information, that is required to be collected, or that may 5 have been submitted to the board by voice communication 6 7 providers and districts, and the accuracy of the collection of the 911 service charge required to be collected. 8 §11-98-13.1. 9 10 (a) The Permanent Oversight Commission on 911 is established. The commission shall do the following: 11 12 (1) Study the operational and financial condition of 13 the current 911 systems within the State of Alabama and 14 publish a report detailing the same. 15 (2) Study the rate charged for 911 services and make recommendations to the board regarding adjustments to the 16 17 rate. (3) Develop recommendations for the most efficient 18 and effective delivery of 911 services in Alabama over both 19 the long- and short-term. 20 21 (4) Study the charges levied by each 22 telecommunications provider to each communications district 23 for both data base and network charges. (5) Develop legislation necessary to implement its 24 long-term 911 plan. 25

(6) Report its findings, recommendations, and
 proposed legislation to the Legislature prior to the last day
 of the 2013 Regular Session.

4 (b) The commission shall remain in place until
5 disbanded by the Legislature and shall submit reports
6 detailing the progress in the implementation of the long-term
7 plan at such intervals as it deems appropriate.

8 (c) The commission shall be comprised of the9 following members:

10 (1) Three members of the House of Representatives,
11 to be appointed by the Speaker of the House of
12 Representatives.

13 (2) Three members of the Senate, to be appointed by14 the President Pro Tempore of the Senate.

(3) Three members to be appointed by the Governor,
who shall include a representative of the districts and the
State 911 Coordinator.

(d) The membership of the commission shall be
inclusive and reflect the racial, gender, geographic,
urban/rural, and economic diversity of the state.

(e) The chair and vice chair of the commission shall
be elected at the first meeting by the members of the
commission.

(f) Upon request of the chair, the Secretary of the
Senate and the Clerk of the House of Representatives shall
provide necessary clerical assistance for the work of the
commission.

1 (q) Each legislative member of the commission shall 2 be entitled to his or her regular legislative compensation, his or her per diem, and travel expenses for each day he or 3 4 she attends a meeting of the commission. Upon requisitions signed by the chair of the commission, these payments shall be 5 6 paid out of any funds appropriated to the use of the 7 Legislature by means of warrants drawn by the Comptroller on the State Treasury. Notwithstanding the foregoing, no member 8 shall receive additional legislative compensation or per diem 9 10 when the Legislature is in session or if a member is being 11 paid any other payments on the same dates for attendance on 12 other state business.

13 (h) The Department of Examiners of Public Accounts 14 shall gather and report to the Permanent Oversight Commission 15 the information necessary to evaluate 911 emergency communications funding across the State of Alabama. Each 16 17 communications district established pursuant to Section 11-98-2 and the Commercial Mobile Radio Service Emergency 18 Telephone Services Board and the statewide 911 Board, unless 19 exempted by the Department of Examiners of Public Accounts for 20 21 good cause, shall provide at least the information specified 22 following to the Department of Examiners of Public Accounts no 23 later than 90 days following the end of the 2011 fiscal year.

(1) For wireline 911 and for fiscal years ending
2009, 2010, and 2011, the information provided by
communications districts shall include:

a. 911 rates in effect for residence telephone 1 2 service and for business telephone service in the communications district for each fiscal year. 3 4 b. 911 revenues collected by the communications district by month for each fiscal year. 5 c. Amount of any funding provided to the 6 7 communications district by a county or municipality in which the communications district resides by month for each fiscal 8 9 year. 10 d. Amount of revenues received by the communications district from the Commercial Mobile Radio Service Emergency 11 12 Telephone Services Board by month for each fiscal year. 13 e. Amount of any direct grants from federal or state 14 government and any state matches for federal, state, local, or 15 private grants for each fiscal year. f. Gifts or other amounts not otherwise reported in 16 17 this section. g. Amounts held in any savings or investment 18 accounts or reserve or escrow accounts by fiscal year. 19 h. Each district shall identify and specify in 20 21 detail how the 911 funds received by each district were spent in each fiscal year. The Department of Examiners of Public 22 23 Accounts shall identify any areas of noncompliance with this 24 chapter. 25 i. Monthly charges paid to each telecommunications service provider for both data base and network charges. 26

1 j. Each communications district that fails to 2 provide the information required by this section to the Department of Examiner of Public Accounts by the deadline 3 4 specified in this subsection, unless exempted by the Department of Examiners of Public Accounts for good cause, 5 shall not be eligible to receive distributions from the 6 7 Commercial Mobile Radio Service Emergency Telephone Services Board after the deadline. 8

9 (2) For wireless 911 and for fiscal years ending 10 2009, 2010, and 2011, the information provided by the 11 Commercial Mobile Radio Service Emergency Telephone Services 12 Board shall include:

a. 911 revenues received by month for each fiscal
year segregated between postpaid wireless service and prepaid
wireless service.

b. 911 revenues disbursed to each communicationsdistrict by month by fiscal year.

c. Amounts of any direct grants from federal or
state government and any state matches for federal, state,
local, or private grants for each fiscal year.

d. Gifts or other amounts not otherwise reported inthis section.

e. Amounts held in any savings or investment
accounts or reserve or escrow accounts by fiscal year.

25 f. The amount of funds retained by the board for 26 operation of the board and identify how the funds retained 27 were spent in each fiscal year. g. The amount of funds that were escrowed for the purpose of reimbursing wireless carriers for cost recovery or implementation for Phase I and Phase II 911 implementation costs and the amounts paid to the wireless carriers for cost recovery in each fiscal year segregated by Phase I and Phase II.

7 (i) The Commercial Mobile Radio Service Emergency Telephone Services Board and the statewide 911 Board shall 8 track monthly wireless 911 prepaid revenue following 9 10 implementation of the prepaid 911 point-of-sale mechanism 11 specified in Section 11-98-5.3 and shall file a monthly report 12 with the Permanent Oversight Commission detailing and 13 comparing prepaid 911 revenues received in the 2012 fiscal 14 year to the prepaid revenues received in the 2011 fiscal year. The first monthly report shall be filed with the commission no 15 later than 60 days following implementation of the 16 17 point-of-sale system and on a monthly basis thereafter.

18 (j) The Department of Examiners of Public Accounts shall promulgate rules and a common financial reporting format 19 to establish annual reporting requirements applicable to all 20 21 communications districts and the Commercial Mobile Radio 22 Service Emergency Telephone Services Board or statewide 911 23 Board that the committee shall need to monitor 911 surcharge 24 rates, 911 revenues, and the use of 911 funds on an ongoing 25 annual basis. The Department of Examiners of Public Accounts 26 shall gather and report to the commission the information

necessary to evaluate 911 emergency communications funding
 across the State of Alabama on an ongoing basis.

3 (k) The annual reports of the communications
4 districts and the Commercial Mobile Radio Service Emergency
5 Telephone Services Board and any reports developed by the
6 commission shall be posted no later than 60 days following the
7 end of the fiscal year on a website to be determined by the
8 Department of Examiners of Public Accounts.

9 (1) To assist in the development of the long-term 10 plan for 911 in the state, the statewide 911 Board and 11 Permanent Oversight Commission may solicit input from members 12 of the 911 districts in the state, from members of the 13 communications industry operating in the state, and, if deemed 14 necessary, from 911 experts outside the state.

Section 7. Section 11-98-14 is added to the Code of
Alabama 1975, to read as follows:

§11-98-14.

17

The board shall be subject to the Alabama Sunset Law, Chapter 20, Title 41, as an enumerated agency as provided in Section 41-20-3, and shall have a termination date of October 1, 2015, and every four years thereafter, unless continued pursuant to the Alabama Sunset Law.

 23
 Section 8. Sections 11-98-5.1, 11-98-7.1, and

 24
 11-98-8, Code of Alabama 1975, are repealed.

25 Section 9. Sections 11-98-4.1, 11-98-5.2,
26 11-98-13.1, and 11-98-14, Code of Alabama 1975, shall become
27 effective immediately following the passage and approval of

1	this act by the Governor, or its otherwise becoming law.
2	Section 11-98-5.3, Code of Alabama 1975, shall become
3	effective on October 1, 2011. The remaining provisions of this
4	act shall become effective on October 1, 2012.