

# MAINE STATE LEGISLATURE

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Date: 5/12/19

Minority  
UTILITIES AND ENERGY

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
124TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "B" to H.P. 731, L.D. 1056, Bill, "An Act To Simplify the Assessment of E-9-1-1 Surcharges on Prepaid Wireless Telecommunications Service"

Amend the bill by striking out the title and substituting the following:

'An Act Regarding Assessment of E-9-1-1 Surcharges on Prepaid Wireless Telecommunications Services'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 25 MRSA §2927, sub-§1-B, as amended by PL 2007, c. 637, §1, is further amended to read:

**1-B. Statewide E-9-1-1 surcharge.** The activities authorized under this chapter are funded through a special statewide E-9-1-1 surcharge levied on each residential and business telephone exchange line, including private branch exchange lines and Centrex lines, cellular or wireless telecommunications service customers, including prepaid wireless telephone service customers, interconnected voice over Internet protocol service customers and semipublic coin and public access lines. The statewide E-9-1-1 surcharge may not be imposed on more than 25 lines or numbers per customer billing account, except that this limitation does not apply to prepaid wireless telephone services. In the case of nonprepaid cellular or wireless telecommunications service customers, the customer's place of residence of those customers primary use must be determined according to the sourcing rules for mobile telecommunications services as set forth in Title 36, section 2556. In the case of prepaid cellular or wireless telecommunications service, the customer or purchaser has a reasonable nexus to this State if a sale or recharge of service takes place within the State, if the prepaid wireless service is assigned to a telephone number within an area code assigned to this State or if the customer's shipping address or billing address is within this State, as determined by the commission by rule. The Public Utilities Commission may by rule establish additional criteria indicative of a nexus to this State. The statewide E-9-1-1 surcharge is 30¢ per month per line or number or, in the case of prepaid wireless telephone services, 30¢ per month or

COMMITTEE AMENDMENT

1 30-day increment of service per customer. The statewide E-9-1-1 surcharge must be  
2 collected from the customer on a monthly basis by each local exchange telephone utility,  
3 cellular or wireless telecommunications service provider and interconnected voice over  
4 Internet protocol service provider and be shown separately as a statewide E-9-1-1  
5 surcharge on the customer's bill, except that in the case of prepaid wireless telephone  
6 service, the collection of the statewide E-9-1-1 surcharge is governed by subsection 1-C.

7 **Sec. 2. 25 MRSA §2927, sub-§1-C**, as enacted by PL 2007, c. 68, §6, is amended  
8 to read:

9 **1-C. Statewide E-9-1-1 surcharge; prepaid wireless service.** The statewide  
10 E-9-1-1 surcharge, referred to in this subsection as "the surcharge," must be collected  
11 from prepaid wireless telephone service customers by the prepaid wireless telephone  
12 service provider. The prepaid wireless telephone service provider is authorized to:

13 A. Collect the surcharge on a monthly basis from each customer whose account  
14 balance is equal to or greater than the amount of the surcharge;

15 B. Collect the surcharge, or contract with a retail seller of prepaid wireless telephone  
16 service to collect the surcharge, from the customer or purchaser at the point-of-sale  
17 for each 30-day increment of prepaid wireless telephone service that is purchased at  
18 the time of sale; or

19 C. Collect the surcharge indirectly from customers by calculating the total surcharge  
20 owed by its customers and remitting that amount to the Treasurer of State in  
21 accordance with subsection 2-B. A prepaid wireless telephone service provider that  
22 elects the collection method specified in this paragraph must calculate the total  
23 surcharge owed by:

24 (1) Dividing ~~its~~ the total intrastate prepaid wireless revenue for the month that the  
25 provider has received from customers or purchasers having a nexus to this State  
26 as determined pursuant to subsection 1-B or pursuant to rule of the Public  
27 Utilities Commission by the national average monthly revenue per ~~user~~ customer  
28 or purchaser for prepaid wireless service, as ~~defined~~ determined by the Public  
29 Utilities Commission by rule; and

30 (2) Multiplying the result obtained under subparagraph (1) by the amount of the  
31 surcharge.

32 **Sec. 3. E-9-1-1 fund.** The Public Utilities Commission shall develop  
33 recommendations regarding the best method of protecting the integrity of the E-9-1-1  
34 fund established under the Maine Revised Statutes, Title 25, section 2927, and of  
35 ensuring access to federal grant funds related to the E-9-1-1 system. The commission  
36 shall report its recommendations to the Joint Standing Committee on Utilities and Energy  
37 by January 15, 2010. The Joint Standing Committee on Utilities and Energy may report  
38 out legislation relating to the subject matter of this section to the Second Regular Session  
39 of the 124th Legislature.'

**SUMMARY**

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This amendment is the minority report of the committee. The amendment replaces the bill. The amendment makes certain changes to the law governing collection of the E-9-1-1 surcharge on prepaid wireless telecommunications service to clarify the determination of whether a prepaid wireless customer has a nexus to the State and to clarify the calculation of an approximate number of customers that is included in one of the methods for determining the surcharge amount that a prepaid wireless telecommunications service provider must remit to the State.

The amendment also directs the Public Utilities Commission to make recommendations to the Joint Standing Committee on Utilities and Energy by January 15, 2010 regarding the best method of protecting the integrity of the E-9-1-1 fund and ensuring access to federal grant funds related to the E-9-1-1 system, and it authorizes the committee to report out legislation on this subject to the Second Regular Session of the 124th Legislature.

**FISCAL NOTE REQUIRED**  
**(See attached)**



# 124th MAINE LEGISLATURE

LD 1056

LR 1595(03)

**An Act To Simplify the Assessment of E-9-1-1 Surcharges on Prepaid Wireless Telecommunications Service**

**Fiscal Note for Bill as Amended by Committee Amendment "B"**

**Committee: Utilities and Energy**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - General Fund

### Fiscal Detail and Notes

Additional costs to the PUC associated with modifying the method of collection of E-9-1-1 surcharges can be absorbed within existing budgeted resources.