### CONFERENCE COMMITTEE REPORT

# HB 678 2016 Regular Session Carmody

June 5, 2016

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

### Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 678 by Representative Carmody, recommend the following concerning the Engrossed bill:

- 1. That the set of Senate Committee Amendments by the Senate Committee on Commerce, Consumer Protection and International Affairs (#2458) be rejected.
- 2. That Senate Committee Amendment Nos. 1 and 4 by the Senate Committee on Revenue and Fiscal Affairs (#3595) be rejected.
- 3. That Senate Committee Amendment Nos. 2, 3, and 5 by the Senate Committee on Revenue and Fiscal Affairs (#3595) be adopted.
- 4. That Amendment No. 1 by the Legislative Bureau Amendment (#3734) be rejected.
- 5. That Amendment No. 2 by the Legislative Bureau Amendment (#3734) be adopted.
- 6. That the following amendment be adopted:

# AMENDMENT NO. 1

On page 6, between lines 20 and 21, insert the following:

- "B. The financial records of each district shall be audited pursuant to the provisions of R.S. 24:513. In addition, each district shall submit an annual report to the legislative auditor which includes information on the revenues derived from the service charge authorized by this Section and a detailed accounting of such revenues. Such report shall include a report on the status of implementation of wireless E911 service.
- C.(1) No later than the first of May of each year, the 911 districts shall submit a consolidated report of statewide 911 communication activity to both the House Committee on Commerce and the Senate Committee on Commerce, Consumer Protection and International Affairs of the Louisiana Legislature.
- (2) The report shall include, at a minimum, all of the following from the previous calendar year:
- (a)(i) All 911 fees and revenues received by each district and all 911 fees and revenues received statewide.
- (ii) The fees and revenues described in Item (i) of this Subparagraph shall also be categorized in the annual report in the amounts that are collected pursuant to landline services, billed wireless services, and prepaid wireless services.
  - (b) All expenditures for each 911 district and all expenditures statewide.
- (c) All projects, either planned or underway including expected completion dates, that are included in the development of next generation wireless 911 capability.
- (d) Any opportunities for neighboring parishes to either cooperate in joint projects or to share resources in next generation 911 development, which are intended to enhance both the efficiency and the effectiveness of the public safety benefits of 911 services for the local and traveling public in Louisiana."

Respectfully submitted,	
Representative Thomas Carmody	Senator Jean-Paul J. Morrell
Representative Chris Broadwater	Senator Daniel "Danny" Martiny
Representative Bryan Adams	Senator Jay Luneau

#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

#### CONFERENCE COMMITTEE REPORT DIGEST

**HB 678** 

#### 2016 Regular Session

Carmody

# **Keyword and oneliner of the instrument as it left the House**

TELECOMMUNICATIONS: Provides for the assessment of a surcharge fee on prepaid 911 services

# **Report adopts Senate amendments to:**

- 1. Make technical changes.
- 2. Reduce <u>from</u> four percent <u>to</u> two percent the amount that a seller may deduct and retain from a retail transaction whereby a consumer purchases a prepaid service that provides access to 911.
- 3. Make proposed law effective on October 1, 2016.

# Report rejects Senate amendments which would have:

- 1. Created a statewide 911 advisory board and detailed its purpose, duties, membership, and procedure for holding meetings.
- 2. Made the financial records of each 911 district subject to audit pursuant to certain provisions of <u>present law</u> and required each district to submit an annual report to the legislative auditor.

## **Report amends the bill to:**

- 1. Make the financial records of each 911 district subject to audit pursuant to certain provisions of <u>present law</u> and requires each district to submit an annual report to the legislative auditor.
- 2. Require the 911 districts to annually submit a consolidated report, including but not limited to information regarding all fees, revenues, and expenditures for each 911 district and statewide, to both the House Committee on Commerce and the Senate Committee on Commerce, Consumer Protection and International Affairs of the Louisiana legislature.

# **Digest of the bill as proposed by the Conference Committee**

<u>Present law</u> details the intent of <u>present law</u>.

<u>Present law</u> includes definitions and multiple references that include the terms "wireless", "telecommunications", "wireless telecommunications service", and "service charges" relative to describing certain charges and services. <u>Proposed law</u> removes these references and modifies the definitions included in <u>present law</u>.

Proposed law removes the definitions of "wireless communications service" and "product".

<u>Proposed law</u> enumerates definitions to include the terms "prepaid 911 charge" and "prepaid service". <u>Proposed law</u> effectually broadens the scope of <u>present law</u> to make certain services that provide access to 911 subject to the prepaid 911 charge.

<u>Present law</u> provides procedures for the collection and remittance of prepaid wireless telecommunications 911 service charges. <u>Present law</u> imposes a prepaid wireless telecommunications 911 service charge in the amount of 2% of the amount of the per retail transaction. <u>Proposed law</u> imposes a prepaid 911 charge. Further, <u>proposed law</u> increases the amount of the charge <u>from</u> 2% to 4% of the amount of the per retail transaction. Otherwise, <u>proposed law</u> makes only technical changes to the procedures established by <u>present law</u> relative to the collection and remittance of the prepaid 911 charges for the purpose of incorporating the terms defined in proposed law.

<u>Present law</u> provides for limited liability relative to providers and sellers of prepaid wireless telecommunications service. <u>Proposed law</u> makes only technical changes to the provisions of <u>present law</u> relative to liability for the purpose of incorporating the terms defined in proposed law.

<u>Present law</u> provides that the prepaid wireless E911 charge shall be the exclusive funding obligation imposed with respect to prepaid wireless telecommunications service in this state. <u>Proposed law</u> makes only technical changes to the provisions of <u>present law</u> relative to the exclusivity of the charge for the purpose of incorporating the terms defined in proposed law.

<u>Proposed law</u> requires all revenues collected from the assessment of 911 surcharge fees to be used for the sole purpose of providing 911 emergency response communications services and operations. Prohibits diversion of the revenues for use by any other entity or for any other purpose other than those outlined in the <u>present law</u> and <u>proposed law</u>.

Present law details the intent of present law.

<u>Present law</u> includes definitions and multiple references that include the terms "wireless", "telecommunications", "wireless telecommunications service", and "service charges" relative to describing certain charges and services. <u>Proposed law</u> removes these references and modifies the definitions included in <u>present law</u>.

Proposed law removes the definitions of "wireless communications service" and "product".

<u>Proposed law</u> enumerates definitions to include the terms "prepaid 911 charge" and "prepaid service". <u>Proposed law</u> effectually broadens the scope of <u>present law</u> to make certain services that provide access to 911 subject to the prepaid 911 charge.

<u>Present law</u> provides procedures for the collection and remittance of prepaid wireless telecommunications 911 service charges. <u>Present law</u> imposes a prepaid wireless telecommunications 911 service charge in the amount of 4% of the amount of the per retail transaction. <u>Proposed law</u> imposes a prepaid 911 charge. Otherwise, <u>proposed law</u> makes only technical changes to the procedures established by <u>present law</u> relative to the collection and remittance of the prepaid 911 charges for the purpose of incorporating the terms defined in <u>proposed law</u>.

Present law provides for the administration of prepaid wireless 911 service charges. Proposed law amends a reference to a provision of present law regarding the rights of a seller of prepaid 911 services and proposed law allows any seller to deduct and retain half of the 2016 fourth quarter's fees and thereafter to retain 2% of the prepaid charges. Otherwise, proposed law makes only technical changes to the procedures established by present law relative to the administration of prepaid 911 charges for the purpose of incorporating the terms defined in proposed law.

<u>Present law</u> provides for limited liability relative to providers and sellers of prepaid wireless telecommunications service. <u>Proposed law</u> makes only technical changes to the provisions of <u>present law</u> relative to liability for the purpose of incorporating the terms defined in <u>proposed law</u>.

<u>Present law</u> provides that the prepaid wireless E911 charge shall be the exclusive funding obligation imposed with respect to prepaid wireless telecommunications service in this state. <u>Proposed law</u> makes only technical changes to the provisions of <u>present law</u> relative to the exclusivity of the charge for the purpose of incorporating the terms defined in proposed law.

<u>Proposed law</u> requires all revenues collected from the assessment of 911 surcharge fees to be used for the sole purpose of providing 911 emergency response communications services and operations. Prohibits diversion of the revenues for use by any other entity or for any other purpose other than those outlined in the present law and proposed law.

<u>Proposed law</u> provides that the financial records of each district shall be audited. In addition, each district shall submit an annual report to the legislative auditor which includes information on the revenues derived from the service charge authorized by this Section and a detailed accounting of such revenues. Such report shall include a report on the status of implementation of wireless E911 service.

Effective October 1, 2016.

(Amends R.S. 33:9109.1(A) through (D), (F), and (G); Adds R.S. 33:9109.2; Repeals R.S. 33:9109.1(B)(9))