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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2005

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS

Introduced By: Senators Gibbs, Blais, and Breene

Date Introduced: May 18, 2005

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-1-62 of the General Laws in Chapter 39-1 entitled "Public
2 Utilities Commission" is hereby amended to read as follows:

3 **39-1-62. E-911 Geographic Information System (GIS) and Technology Fund.**

4 **[Repealed effective June 30, 2007.]** -- (a) Preamble. - To allow the Rhode Island E-911
5 Emergency Telephone System agency to associate latitude and longitude coordinates provided by
6 wireless carriers with physical locations throughout the state, the agency must establish and
7 maintain a GIS database of street addresses and landmarks. The database will allow local
8 emergency response personnel to dispatch police, fire and rescue personnel to a specific address
9 or landmark of a cellular caller in the event the caller is unaware of his or her location, or is
10 physically unable to communicate it. Because more than half of the 530,000 9-1-1 phone calls
11 received in 2003 came from cellular phones, it is critical that the GIS database be developed and
12 maintained in order to improve caller location identification and reduce emergency personnel
13 response times.

14 (b) Definitions. - As used in this section, the following terms have the following
15 meanings:

16 (1) "System" means Emergency 911 Uniform Telephone System.

17 (2) "Agency" means Rhode Island 911 Emergency Telephone System.

18 (3) "Division" means the Division of Public Utilities and Carriers.

19 (4) "GIS and Technology Fund" means the programs and funding made available to the

1 Emergency 911 Uniform Telephone System to assist in paying the costs of the GIS database
2 development project and GIS systems maintenance, which will enable the system to locate
3 cellular phone callers by geocoding all addresses and landmarks in cities and towns throughout
4 the state. It also includes programs to create system redundancy and maintain state-of-the-art
5 equipment technology.

6 (c) Purpose. - The purpose of the GIS and Technology Fund shall be to:

7 (1) Implement and maintain a geographic information system database to assist in
8 locating wireless phone callers for emergency purposes in a manner consistent and in
9 coordination with the Rhode Island geographic information system administered by the Division
10 of Planning as provided for in section 42-11-10(g)(3); and

11 (2) Create system redundancy to ensure the reliability of 9-1-1 service to the public; and

12 (3) Maintain state-of-the-art equipment technology.

13 (d) Authority. - The agency shall establish, by rule or regulation, an appropriate funding
14 mechanism to recover from the general body of ratepayers the costs of funding GIS and
15 technology projects.

16 (1) The general assembly shall determine the amount of a monthly surcharge to be levied
17 upon each wireless ~~telecommunications~~ instrument, ~~or~~ device or means including prepaid,
18 cellular, telephony, Internet Voice Over Internet Protocol (VoIP), satellite, computer, radio,
19 communication, data, or any other wireless instrument, device or means that has access to,
20 connects with, interfaces with or is capable of delivering two-way interactive communications
21 services ~~comparable to those offered by telecommunications service providers~~ to the Rhode
22 Island E-911 Uniform Emergency Telephone System. The agency will provide the general
23 assembly with information and recommendations regarding the necessary level of funding to
24 effectuate the purposes of this article. The surcharge shall be billed monthly by each wireless
25 telecommunications services provider as defined in section 39-21.1-3 and shall be payable to the
26 wireless telecommunications services provider by the subscriber or prepaid service customer of
27 the telecommunications services. Each telecommunication services provider shall establish a
28 special (escrow) account to which it shall deposit on a monthly basis the amounts collected as a
29 surcharge under this section. The money collected by each wireless telecommunication services
30 provider shall be transferred within sixty (60) days after its inception of wireless, prepaid,
31 cellular, telephony, Voice Over Internet Protocol (VoIP), satellite, computer, Internet, or
32 communications, information or data services in this state and every month thereafter. Any
33 money not transferred in accordance with this paragraph shall be assessed interest at eight percent
34 (8%) per annum from the date the money should have been transferred. State, local and quasi-

1 governmental agencies shall be exempt from the surcharge. The surcharge shall be deposited in a
2 restricted receipt account, hereby created within the agency and known as the GIS and
3 Technology Fund, to pay any and all costs associated with the provisions of subsection (c). The
4 amount of the surcharge under this section shall not exceed thirty-five cents (\$.35) per wireless
5 phone.

6 (2) The surcharge is hereby determined to be twenty-six cents (\$.26) per wireless phone,
7 prepaid, cellular, telephony, Voice Over Internet Protocol, satellite, computer, data or data only
8 wireless lines or Internet communication or data instrument, device or means which has access to,
9 connects with, activates or interfaces with or any combination of the above with the Rhode Island
10 E-911 Uniform Emergency Telephone System per month and shall be in addition to the wireless
11 surcharge charged under section 39-21.1-14. The twenty-six cents (\$.26) is to be billed to all
12 wireless telecommunication service providers, subscribers or prepaid service customers upon the
13 inception of services.

14 (3) The amount of the surcharge shall not be subject to the sales and use tax imposed
15 under chapter 18 of title 44 nor be included within the gross earnings of the telecommunications
16 corporation providing telecommunications service for the purpose of computing the tax under
17 chapter 13 of title 44.

18 (e) Administration. - The agency shall collect monthly from the wireless
19 telecommunications service providers as defined in section 39-21.1-3 the amounts of the
20 surcharge collected from their subscribers or prepaid customers. The agency shall deposit such
21 collections in an account maintained and administered by the Rhode Island 911 Emergency
22 Telephone System for use in developing and maintaining the geographic information system
23 database, creating system redundancy, and improving equipment technology. The agency is
24 further authorized and encouraged to seek matching funds from all local, state, and federal public
25 or private entities and shall coordinate its activities and share all information with the state
26 Division of Planning.

27 (f) The effective date of assessment for the GIS and Technology Fund shall be July 1,
28 2004.

29 (g) Nothing in this section shall be construed to constitute rate regulation of wireless
30 communications services carriers, nor shall this act be construed to prohibit wireless
31 communications services carriers from charging subscribers for any wireless service or feature.

32 (h) Except as otherwise provided by law, the agency shall not use, disclose or otherwise
33 make available call location information for any purpose other than as specified in subsection (c).

34 SECTION 2. Sections 39-21.1-3 and 39-21.1-14 of the General Laws in Chapter 39-21.1

1 entitled "911 Emergency Telephone Number Act" are hereby amended to read as follows:

2 **39-21.1-3. Definitions.** -- As used in this chapter:

3 (1) "Automatic location identification (ALI)" means the system capability to identify
4 automatically the geographical location of the telephone being used by the caller and to provide a
5 display of the location information at a public safety answering point.

6 (2) "Automatic number identification (ANI)" means the system capability to identify
7 automatically the calling telephone number and to provide a display of that number at a public
8 safety answering point.

9 (3) "Communications common carrier" means any person, party, or entity which
10 provides communications services for profit by way of wire or radio. It includes re-sellers of
11 such services.

12 (4) "Communications services" means the transmission of sounds, messages, data,
13 information, codes, or signals between a point or points of origin and a point or points of
14 reception.

15 (5) "Private safety agency" means a private entity which provides emergency fire,
16 ambulance, or medical services.

17 (6) "Public agency" means the state government and any unit of local government or
18 special purpose district located in whole or in part within the state which provides or has authority
19 to provide firefighting, law enforcement, ambulance, medical, or other emergency services.

20 (7) "Public safety agency" means a functional division of a public agency which
21 provides firefighting, law enforcement, ambulance, medical, or other emergency services.

22 (8) "Public safety answering point (PSAP)" means a communications facility operated
23 on a twenty-four (24) hour basis, assigned responsibility to transmit 911 calls to other public
24 safety agencies. It is the first point of reception of a 911 call by a public safety agency and serves
25 the entire state.

26 (9) "Relay method" means the method of responding to a telephone request for
27 emergency service whereby a public safety answering point notes pertinent information and
28 relays it by telephone to the appropriate public safety agency or other provider of emergency
29 services for dispatch of an emergency service unit.

30 (10) "Selective call routing" means a feature that routes a 911 call from a central office
31 to the designated public safety answering point based upon the telephone number of the calling
32 party.

33 (11) "Telecommunication services provider", for purposes of this chapter and of chapter
34 21 of this title, means every person, party or entity which provides communications services,

1 telephony services, voice or data transmission services, and prepaid services, including, but not
2 limited to: audio ~~communication~~, print ~~communication~~ information, Voice Over Internet Protocol
3 (VoIP), data or visual information, communication or transmission or any combination thereof,
4 for profit on a subscription, prepaid service, prepaid telephone calling arrangement or pay-for-
5 services or any other basis by means of landline local telephone exchange ~~devices~~, cellular
6 telephone ~~devices~~, wireless communication ~~devices~~, radio, telephony, Internet, data, satellite,
7 computer, prepaid wireless telephone, Voice Over Internet Protocols (VoIP) instruments, devices
8 or means, or any other communication or data instruments devices or means which have access
9 to, connect with, or interface with the E 9-1-1 Uniform Emergency Telephone System.
10 Telecommunication service provider includes "telephone common carrier," "communications
11 common carrier," "telephone companies," and "common carrier" as those terms are used in this
12 chapter and in chapter 21 of this title, and "telecommunication common carrier" as defined in the
13 Code of Federal Regulations at 47 CFR part 22, as amended from time to time and as defined in
14 the NENA Master Glossary of 9-1-1 Terminology as amended from time to time.

15 (12) "Telephone common carrier" means any person, party, or entity which provides
16 communications services for profit between a point of origin and a point of reception by way of a
17 land-line wire connection between the two (2) points. It includes re-sellers of such services.

18 (13) "The 911 authority" means the agency of the state government in which
19 responsibility for administering the implementation and operation of 911 system is vested by the
20 general assembly.

21 (14) "Transfer method" means the method of responding to a telephone request for
22 emergency service whereby a public safety answering point transfers the call directly to the
23 appropriate public safety agency or other provider of emergency service for dispatch of an
24 emergency service unit.

25 (15) "Telephone service provider" means every person, party or entity that provides
26 telephone services to subscribers or prepaid customers including, but not limited to, "telephone
27 common carrier" and "telecommunications service providers."

28 (16) "Telephony or Telephony Services Provider" (see "Telephone Service Provider").

29 (17) "Voice Over Internet Protocol (VoIP)" provides distinct packetized voice or data
30 information in digital format using the Internet Protocol.

31 **39-21.1-14. Funding.** -- (a) A monthly surcharge of one dollar (\$1.00) is hereby levied
32 upon each residence and business telephone line or trunk or path and data, telephony, Internet,
33 Voice Over Internet Protocol (VoIP) wireline, line, trunk or path in the state including PBX
34 trunks and centrex equivalent trunks and each line or trunk serving, and upon each user interface

1 number or extension number or similarly identifiable line, trunk, or path to or from a digital
2 network (such as, but not exclusive of, integrated services digital network (ISDN), Flexpath or
3 comparable digital private branch exchange, or connecting to or from a customer-based or
4 dedicated telephone switch site (such as, but not exclusive of, a private branch exchange (PBX)),
5 or connecting to or from a customer-based or dedicated central office (such as, but not exclusive
6 of, a centrex system but exclusive of trunks and lines provided to wireless communication
7 companies) that can access to, connect with or interface with the Rhode Island E-911 Uniform
8 Emergency Telephone System (RI E-911). The surcharge shall be billed by each
9 telecommunication services provider at the inception of services and shall be payable to the
10 telecommunication services provider by the subscriber of the ~~telecommunication~~ services. A
11 monthly surcharge of one dollar (\$1.00) is hereby levied effective July 1, 2002, on each wireless
12 ~~telecommunication~~ instrument ~~or~~, device or means including prepaid, cellular, telephony,
13 Internet, Voice Over Internet Protocol (VoIP), satellite, computer, radio, communication, data or
14 data only wireless lines or any other wireless instrument, device or means which has access to,
15 connects with, or activates or interfaces or any combination thereof with the E 9-1-1 Uniform
16 Emergency Telephone System. The surcharge shall be in addition to the surcharge collected
17 under section 39-1-62 and shall be billed by each telecommunication services provider and shall
18 be payable to the telecommunication services provider by the subscriber or prepaid services
19 customer. The E-911 Uniform Emergency Telephone System shall establish, by rule or regulation
20 an appropriate funding mechanism to recover from the general body of ratepayers this surcharge.

21 (b) The amount of the surcharge shall not be subject to the tax imposed under chapter 18
22 of title 44 nor be included within the telephone common carrier's gross earnings for the purpose
23 of computing the tax under chapter 13 of title 44.

24 (c) Each telephone common carrier and each telecommunication services provider shall
25 establish a special account to which it shall deposit on a monthly basis the amounts collected as a
26 surcharge under this section. ~~In determining the amount collected, the telephone common carrier~~
27 ~~or telecommunication services provider may include a factor for uncollectible billings computed~~
28 ~~in accordance with its customary business practice.~~

29 (d) The money collected by each telecommunication services provider ~~of wireline~~
30 ~~communication services~~ shall be transferred within sixty (60) days after its inception of wireline,
31 wireless, prepaid, cellular, telephony, Voice Over Internet Protocol (VoIP), satellite, computer,
32 Internet, or communications services in this state and every month thereafter, to the general
33 treasury, together with the accrued interest and shall be deposited in the general fund as general
34 revenue. ~~The money collected by each telecommunication services provider of wireless~~

1 ~~communication services shall be transferred within ninety (90) days, after the initial imposition of~~
2 ~~the surcharge, and every calendar quarter thereafter, to the general treasury with accrued interest~~
3 ~~and shall be deposited in the general fund as general revenue.~~ Any money not transferred in
4 accordance with this paragraph shall be assessed interest at eight percent (8%) per annum from
5 the date the money should have been transferred.

6 (e) Every billed subscriber-user shall be liable for any surcharge imposed under this
7 section until it has been paid to the telephone common carrier or telecommunication services
8 provider. Any surcharge shall be added to and may be stated separately in the billing by the
9 telephone common carrier or telecommunication services provider and shall be collected by the
10 telephone common carrier or telecommunication services provider.

11 (f) Each telephone common carrier and telecommunication services provider shall
12 annually provide the E 9-1-1 uniform emergency telephone system division or any other agency
13 that may replace it, with a list of amounts uncollected together with the names and addresses of
14 its subscriber-users who can be determined by the telephone common carrier or
15 telecommunication services provider to have not paid the surcharge.

16 (g) Included within, but not limited to, the purposes for which the money collected may
17 be used are rent, lease, purchase, improve, construct, maintenance, repair, and utilities for the
18 equipment and site or sites occupied by the E 9-1-1 uniform emergency telephone system;
19 salaries, benefits, and other associated personnel costs; acquisition, upgrade or modification of
20 PSAP equipment to be capable of receiving E 9-1-1 information, including necessary computer
21 hardware, software, and data base provisioning, addressing, and non-recurring costs of
22 establishing emergency services; network development, operation and maintenance; data-base
23 development, operation, and maintenance; on-premise equipment maintenance and operation;
24 training emergency service personnel regarding use of E 9-1-1; educating consumers regarding
25 the operations, limitations, role and responsible use of E 9-1-1; reimbursement to telephone
26 common carriers or telecommunication services providers of rates or recurring costs associated
27 with any services, operation, administration or maintenance of E 9-1-1 services as approved by
28 the division; reimbursement to telecommunication services providers or telephone common
29 carriers of other costs associated with providing E 9-1-1 services, including the cost of the design,
30 development, and implementation of equipment or software necessary to provide E 9-1-1 service
31 information to PSAP's, as approved by the division.

32 (h) [Deleted by P.L. 2000, ch. 55, art. 28, section 1.]

33 (i) Nothing in this section shall be construed to constitute rate regulation of wireless
34 communication services carriers, nor shall this act be construed to prohibit wireless

1 communication services carriers from charging subscribers for any wireless service or feature.

2 [\(j\) State, local and quasi-governmental agencies shall be exempt from the surcharge.](#)

3 SECTION 3. Section 44-18-7 of the General Laws in Chapter 44-18 entitled "Sales and
4 Use Taxes - Liability and Computation" is hereby amended to read as follows:

5 **44-18-7. Additional definitions.** -- (a) "Hotel" means every building or other structure
6 kept, used, maintained, advertised as, or held out to the public to be a place where living quarters
7 are supplied for pay to transient or permanent guests and tenants and includes a motel.

8 (b) "Living quarters" means sleeping rooms, sleeping or housekeeping accommodations,
9 or any other room or accommodation in any part of the hotel, rooming house, or tourist camp
10 which is available for or rented out for hire in the lodging of guests.

11 (c) "Rooming house" means every house, boat, vehicle, motor court, or other structure
12 kept, used, maintained, advertised, or held out to the public to be a place where living quarters are
13 supplied for pay to transient or permanent guests or tenants, whether in one or adjoining
14 buildings.

15 (d) "Sales" means and includes:

16 (1) Any transfer of title or possession, exchange, barter, lease, or rental, conditional or
17 otherwise, in any manner or by any means of tangible personal property for a consideration.
18 "Transfer of possession", "lease", or "rental" includes transactions found by the tax administrator
19 to be in lieu of a transfer of title, exchange, or barter.

20 (2) The producing, fabricating, processing, printing, or imprinting of tangible personal
21 property for a consideration for consumers who furnish either directly or indirectly the materials
22 used in the producing, fabricating, processing, printing, or imprinting.

23 (3) The furnishing and distributing of tangible personal property for a consideration by
24 social, athletic, and similar clubs and fraternal organizations to their members or others.

25 (4) The furnishing, preparing, or serving for consideration of food, meals, or drinks,
26 including any cover, minimum, entertainment, or other charge in connection therewith.

27 (5) A transaction whereby the possession of tangible personal property is transferred, but
28 the seller retains the title as security for the payment of the price.

29 (6) Any withdrawal, except a withdrawal pursuant to a transaction in foreign or interstate
30 commerce, of tangible personal property from the place where it is located for delivery to a point
31 in this state for the purpose of the transfer of title or possession, exchange, barter, lease, or rental,
32 conditional or otherwise, in any manner or by any means whatsoever, of the property for a
33 consideration.

34 (7) A transfer for a consideration of the title or possession of tangible personal property,

1 which has been produced, fabricated, or printed to the special order of the customer, or any
2 publication.

3 (8) The furnishing and distributing of electricity, natural gas, artificial gas, steam,
4 refrigeration, and water.

5 (9) (i) The furnishing for consideration of telecommunications service which includes
6 local exchange service, intrastate toll service, interstate and international toll service including
7 cellular mobile telephone or telecommunications service, specialized mobile radio and pagers and
8 paging service including any form of mobile two-way communication and including the
9 furnishing, rental, or leasing of all equipment or services pertaining or incidental to it; provided,
10 that the service is: rendered in its entirety within this state, originated in this state and terminated
11 in another state or a foreign country and with respect to which the service is charged to a
12 telephone number, customer, or account located in this state or to the account of any transmission
13 instrument in this state, originated in another state or a foreign country and terminated in this state
14 and is charged to a telephone number, customer, or account located in this state at which the
15 service is terminated, or to the account of any transmission instrument in this state at which the
16 service is terminated; provided, that the service does not include receipts except as otherwise
17 provided in sections 44-18-8 and 44-18-12. ~~Telecommunications service does not include service~~
18 ~~rendered using a prepaid telephone calling arrangement.~~

19 (ii) Notwithstanding the provisions of paragraph (i) of this subdivision, in accordance
20 with the Mobile Telecommunications Sourcing Act (4 U.S.C. sections 116 -- 126), subject to the
21 specific exemptions described in 4 U.S.C. section 116(c), and the exemptions provided in
22 sections 44-18-8 and 44-18-12, mobile telecommunications services that are deemed to be
23 provided by the customer's home service provider are subject to tax under this chapter if the
24 customer's place of primary use is in this state regardless of where the mobile
25 telecommunications services originate, terminate or pass through. Mobile telecommunications
26 services provided to a customer, the charges for which are billed by or for the customer's home
27 service provider, shall be deemed to be provided by the customer's home service provider. For the
28 purposes of this paragraph:

29 (A) "Customer" means either: (I) a person or entity that contracts with a home service
30 provider for mobile telecommunications services; or (II) if the end user of mobile
31 telecommunications services is not the contracting party, the end user of the mobile
32 telecommunication service, but this clause applies only for the purpose of determining the place
33 of primary use. "Customer" does not include a reseller of mobile telecommunications services or
34 a serving carrier that is under an arrangement to serve the customer outside the home service

1 provider's licensed service area.

2 (B) "Home service provider" means a facilities-based carrier or reseller with which the
3 customer contracts for the provision of mobile telecommunications services.

4 (C) "Mobile telecommunications service" means commercial mobile radio service as
5 defined in 47 CFR 20.3 in effect on June 1, 1999.

6 (D) "Place of primary use" means the street address representative of where the
7 customer's use of the mobile telecommunications service primarily occurs, which must be:

8 (I) The residential street address or the primary business street address of the customer;
9 and

10 (II) Within the licensed service area of the home service provider.

11 (iii) All other definitions and provisions of the Mobile Telecommunications Act as
12 provided in 4 U.S.C. sections 116 -- 126 are adopted.

13 (10) The furnishing of service for transmission of messages by telegraph, cable, or radio
14 and the furnishing of community antenna television, subscription television, and cable television
15 services.

16 (11) The rental of living quarters in any hotel, rooming house, or tourist camp.

17 (12) The transfer for consideration of prepaid telephone calling arrangements and the
18 recharge of prepaid telephone calling arrangements. If the transfer or recharge of a prepaid
19 telephone calling arrangement does not take place at a vendor's place of business, the transfer or
20 recharge is conclusively determined to take place at the customer's shipping address, or if there is
21 no item shipped, at the customer's billing address or the location associated with the customer's
22 mobile telephone number. "Prepaid telephone calling arrangement" means and includes a prepaid
23 telephone calling card and/or the right to exclusively purchase telecommunications services, that
24 must be paid for in advance, that enables the origination of calls using an access number and/or
25 authorization code, whether manually or electronically dialed.

26 (e) "Tourist camp" means a place where tents, tent houses, camp cottages, or cabins or
27 other structures are located and offered to the public or any segment of the public for human
28 habitation.

29 SECTION 4. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC UTILITIES AND CARRIERS

1 This act would amend various laws regarding the Rhode Island E911 Emergency
2 Telephone System to identify new communication technologies and to subject those new
3 technologies to the 911 surcharge.

4 This act would take effect upon passage.

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