

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

**Act 1221 of the Regular Session**

*As Engrossed: S3/17/09 S3/24/09 S3/25/09*

**A Bill**

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009

SENATE BILL 876

4  
5 By: Senator D. Wyatt  
6  
7

**For An Act To Be Entitled**

8  
9 AN ACT TO AMEND THE ARKANSAS PUBLIC SAFETY  
10 COMMUNICATIONS ACT OF 1985; TO INCREASE RATES;  
11 AND FOR OTHER PURPOSES.  
12

**Subtitle**

13  
14 TO AMEND THE ARKANSAS PUBLIC SAFETY  
15 COMMUNICATIONS ACT OF 1985 AND TO  
16 INCREASE RATES.  
17

18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

21 SECTION 1. Arkansas Code § 12-10-303, concerning definitions in the  
22 Arkansas Public Safety Communications Act of 1985, is amended to add an  
23 additional subdivision as follows:

24 (29) "Readiness costs" means equipment and payroll costs  
25 associated with equipment, call takers, and dispatchers on standby waiting  
26 for 911 calls.  
27

28 SECTION 2. Arkansas Code § 12-10-318(b) and (c), concerning emergency  
29 telephone service charges, is amended to read as follows:

30 (b)(1)(A)(i) There is levied a commercial mobile radio service  
31 emergency telephone service charge in an amount of ~~fifty cents (50¢)~~ sixty-  
32 five cents (65¢) per month per commercial mobile radio service connection  
33 that has a place of primary use within the State of Arkansas.

34 (ii)(a) A commercial mobile radio service provider  
35 may determine, bill, collect, and retain an additional amount to reimburse



1 the commercial mobile radio service provider for enabling and providing 911  
2 and enhanced 911 services and capability in the network and for the  
3 facilities and associated equipment.

4 (b) The commercial mobile radio service  
5 provider may add any amounts implemented under this subdivision (b)(1)(A)(ii)  
6 to the ~~fifty cents (50¢)~~ sixty-five cents (65¢) levied in subdivision  
7 (b)(1)(A)(i) of this section so that the commercial mobile radio service  
8 emergency telephone service charges appear as a single line item on a  
9 subscriber's bill.

10 (B)(i) There is levied a service charge of ~~fifty cents~~  
11 ~~(50¢)~~ sixty-five cents (65¢) per month on prepaid wireless telephone service  
12 subscribers whose mobile set telephone numbers are assigned to the State of  
13 Arkansas.

14 (ii) Providers of prepaid wireless telephone service  
15 shall collect and remit the service charge under one (1) of the following  
16 methods:

17 (a) The CMRS provider shall collect on a  
18 monthly basis the ~~fifty cents (50¢)~~ sixty-five cents (65¢) service charge  
19 from each prepaid wireless telephone service customer whose account balance  
20 is equal to or greater than the amount of the service charge; or

21 (b) The CMRS provider shall divide the total  
22 earned prepaid wireless telephone service revenue received by the CMRS  
23 provider with respect to each prepaid wireless telephone service customer in  
24 the state within the monthly 911 reporting period by fifty dollars (\$50.00)  
25 and multiply the quotient by the service charge amount.

26 (iii) In the case of prepaid wireless telephone  
27 service:

28 (a) The monthly wireless 911 surcharge imposed  
29 by this subdivision (b)(1)(B) shall be remitted based upon each prepaid  
30 wireless telephone associated with this state for each wireless service  
31 customer that has a sufficient positive balance as of the last day of each  
32 month;

33 (b) The surcharge shall be remitted in any  
34 manner consistent with the wireless provider's existing operating or  
35 technological abilities, such as customer address, location associated with  
36 the mobile telephone number, or reasonable allocation method based upon other

1 comparable relevant date; and

2 (c)(1) If direct billing is not feasible, the  
3 prepaid subscriber's account may be reduced by the surcharge amount or an  
4 equivalent number of minutes.

5 (2) However, collection of the wireless  
6 911 surcharge under this subdivision (b)(1)(B)(iii)(c ) does not reduce the  
7 sales price for any tax collected at the point of sale.

8 (C) There is levied a voice over internet protocol  
9 emergency telephone service charge in an amount of ~~fifty cents (50¢)~~ sixty-  
10 five cents (65¢) per month per voice over internet protocol connection that  
11 has a place of primary use within the State of Arkansas.

12 (D) There is levied a nontraditional telephone service  
13 charge in an amount of ~~fifty cents (50¢)~~ sixty-five cents (65¢) per month per  
14 nontraditional service connection that has a place of primary use within the  
15 State of Arkansas.

16 (E) Except for prepaid wireless telephone service, the  
17 service charge levied in subdivision (b)(1)(A) of this section and any  
18 additional amounts implemented under subdivision (b)(1)(B) of this section  
19 and collected by commercial mobile radio service providers that provide  
20 mobile telecommunications services as defined by the Mobile  
21 Telecommunications Sourcing Act, Pub. L. No. 106-252, as in effect on January  
22 1, 2001, shall be collected pursuant to the Mobile Telecommunications  
23 Sourcing Act.

24 (2)(A) The service charges collected under subdivision (b)(1)(A)  
25 of this section, less administrative fees under subdivision (c)(3) of this  
26 section, shall be remitted to the Arkansas Emergency Telephone Services Board  
27 within sixty (60) days after the end of the month in which the fees are  
28 collected.

29 (B) The funds collected pursuant to subdivision (b)(1)(A)  
30 of this section shall not be deemed revenues of the state and shall not be  
31 subject to appropriation by the General Assembly.

32 (c)(1) There is established the Arkansas Emergency Telephone Services  
33 Board consisting of the following:

34 (A) The Auditor of State or his or her designated  
35 representative;

36 (B) Two (2) representatives selected by a majority of the

1 commercial mobile radio service providers licensed to do business in the  
2 state; and

3 (C) Two (2) 911 system employees selected by a majority of  
4 the public safety answering point administrators in the state.

5 (2) The responsibilities of the board shall be as follows:

6 (A) To establish and maintain an interest-bearing account  
7 in which will be deposited revenues from the service charges levied under  
8 subdivision (b)(1)(A) of this section;

9 (B) To manage and disburse the funds from the account  
10 levied under subdivision (b)(1)(A) of this section in the following manner:

11 (i) Not less than ~~forty nine percent (49%)~~ eighty-  
12 three and five-tenths percent (83.5%) of the total monthly revenues collected  
13 and remitted under subdivision (b)(1)(A) of this section shall be distributed  
14 on a population basis to each political subdivision operating a 911 public  
15 safety communications center which has the capability of receiving commercial  
16 mobile radio service 911 calls on dedicated 911 trunk lines for expenses  
17 incurred for the answering, routing, and proper disposition of 911 calls,  
18 including payroll costs, readiness costs, and training costs associated with  
19 wireless, voice over internet protocol, and nontraditional 911 calls;

20 (ii)(a) Not more than ~~forty nine percent (49%)~~  
21 fifteen percent (15%) of the total monthly revenues collected and remitted  
22 under subdivision (b)(1)(A) of this section shall be held in the interest-  
23 bearing account. The board shall report to Legislative Council in the event  
24 the sum held under this subdivision becomes less than three million five  
25 hundred dollars (\$3,500,000).

26 (b) These funds may be utilized by the public  
27 safety answering points for the following purposes in connection with  
28 compliance with the Federal Communications Commission requirements:  
29 upgrading, purchasing, programming, ~~and installing,~~ and maintaining necessary  
30 data, basic 911 GIS mapping, hardware, and software, including any network  
31 elements required to supply enhanced 911 phase II cellular, voice over  
32 internet protocol, and other nontraditional telephone service.

33 (c) Invoices must be presented to the board in  
34 connection with any request for reimbursement and be approved by a majority  
35 vote of the board to receive reimbursement.

36 (d) Any invoices presented to the board for

1 reimbursements of costs not described by this section may be approved only by  
2 a unanimous vote of the board;

3 (iii) Not more than ~~one percent (1%)~~ five-tenths  
4 percent (0.5%) of the fees collected under subdivision (b)(1)(A) of this  
5 section may be utilized by the board to compensate the independent auditor  
6 and for administrative expenses;

7 (iv) All interest received on funds in the interest-  
8 bearing account shall be disbursed as prescribed in subdivision (c)(2)(B)(i)  
9 of this section; and

10 (v)(a) All cities and counties receiving funds under  
11 this section shall submit to the board no later than ~~March 1~~ April 1 of each  
12 year an explanation and accounting of the funds received and expenditures of  
13 those funds for the previous calendar year along with a copy of the budget  
14 for the previous year and a copy of the year-end appropriation and  
15 expenditure analysis of any participating or supporting counties, cities, or  
16 agencies.

17 (b)(1) The board may require any other  
18 information necessary to ensure the funds have been properly utilized  
19 according to this section.

20 (2) All cities and counties receiving funds  
21 under this section shall also submit to the board no later than April 1 of  
22 each year, a copy of all documents reflecting the 911 funds received for the  
23 previous calendar year including without limitation wireless, wireline,  
24 general revenues, sales taxes, and other sources used by the city or county  
25 for 911 services.

26 (c) Failure to submit the proper accounting  
27 information and failure to utilize the funds in a proper manner may result in  
28 the suspension or reduction of funding until corrected;

29 (C)(i) To promulgate regulations necessary to perform its  
30 duties prescribed by this subchapter.

31 (ii) In determining the population basis for  
32 distribution of funds under subdivision (c)(2)(B)(i) of this section, the  
33 board shall determine, based on the latest federal decennial census, the  
34 population of all unincorporated areas of counties operating a 911 public  
35 safety communications center that has the capacity of receiving commercial  
36 mobile radio service, voice over internet protocol service, or nontraditional

1 911 calls on dedicated 911 trunk lines and the population of all incorporated  
2 areas operating a 911 public safety communications center which has the  
3 capability of receiving commercial mobile radio service, voice over internet  
4 protocol service, or nontraditional 911 calls on dedicated 911 trunk lines  
5 and compare the population of each of those political subdivisions to the  
6 total population;

7 (D) To submit annual reports to the office of the Auditor  
8 of State outlining fees collected and moneys disbursed to public safety  
9 answering points under subdivision (b)(1)(A) of this section; and

10 (E)(i) To retain an independent third-party auditor for  
11 the purposes of receiving, maintaining, and verifying the accuracy of any  
12 proprietary information submitted to the board by commercial mobile radio  
13 service providers.

14 (ii) Due to the confidential and proprietary nature  
15 of the information submitted by commercial mobile radio service providers,  
16 the information shall be retained by the independent auditor in confidence,  
17 shall be subject to review only by the Auditor of State, and shall not be  
18 subject to the Freedom of Information Act of 1967, § 25-19-101 et seq., nor  
19 released to any third party.

20 (iii) The information collected by the independent  
21 auditor shall be released only in aggregate amounts that do not identify or  
22 allow identification of numbers of subscribers or revenues attributable to an  
23 individual commercial mobile radio service provider.

24 (3) Commercial mobile radio service providers, voice over  
25 internet protocol, or other nontraditional communications providers shall be  
26 entitled to retain *one percent (1%)* of the fees collected under subdivision  
27 (b)(1)(A) of this section as reimbursement for collection and handling of the  
28 charges.

29  
30 /s/ D. Wyatt

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32 **APPROVED: 4/7/2009**