

SENATE BILL REPORT

HB 1207

As Reported By Senate Committee On:
Energy & Utilities, March 24, 1997

Title: An act relating to enhanced 911 excise taxes.

Brief Description: Revising provisions for enhanced 911 excise taxes.

Sponsors: Representatives D. Schmidt, Dunshee, Poulsen, Kessler and Mielke; by request of Military Department.

Brief History:

Committee Activity: Energy & Utilities: 3/20/97, 3/24/97 [DP].

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass.

Signed by Senators Finkbeiner, Chair; Hochstatter, Vice Chair; Brown, Jacobsen, Rossi, Strannigan and Swanson.

Staff: Phil Moeller (786-7445)

Background: Where a 911 system is available, a person can contact emergency assistance by dialing 911.— Under basic 911, the caller must identify his or her location to the emergency system personnel. Under enhanced 911 (E-911), the caller's phone number and location are automatically displayed at the public safety answering point.

In 1991, voters adopted Referendum 42, requiring E-911 service to be available throughout the state by December 31, 1998. The State Enhanced 911 Coordination Office was created to coordinate and facilitate statewide implementation and operation of E-911 systems. The coordination office is within the state Military Department's Division of Emergency Management.

Enhanced 911 services are funded by county and state excise taxes. Counties may impose an excise tax of up to 50 cents per month on each switched access line, and an excise tax of up to 25 cents per month on each radio (wireless) access line. The state levies an excise tax of 20 cents per month on all switched access lines. Local exchange and wireless telephone companies collect the taxes from subscribers (referred to as users— in the law), and remit county revenues to the appropriate county and state revenues to the state.

The law requires the treasurer to deposit state revenues in the E-911 account, but does not specify how the revenues are to get from the telephone companies to the treasurer. Nor does the law provide for enforcement of the collection and remittance of the tax.

The law requires county ordinances to set 30 days following the collection month as the date by which telephone companies must remit county E-911 revenues.

Summary of Bill: The Department of Revenue is authorized to enforce and administer the state E-911 tax, and adopt rules to implement the act.

If a telephone company goes out of business, and the department determines there is no reasonable means of collecting the taxes from the corporation, the person in charge of remitting the state E-911 revenues may be personally liable for any unpaid taxes, interest, and penalties. The person is liable only if he or she willfully fails to pay the taxes, or willfully fails to see that the taxes are paid. Willfully– means an intentional, conscious, and voluntary course of action.

County ordinances must require telephone companies to remit county E-911 revenues on or before the last day of the month following the month in which the tax liability accrued.

User– is changed to subscriber– in the E-911 excise tax statutes.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on January 1, 1998.

Testimony For: This is a housekeeping bill that will place the tax collection duties in an agency that is better suited for this responsibility.

Testimony Against: None.

Testified: PRO: Representative Dave Schmidt, prime sponsor; Bill Vogler, WSAC; Jim Potts, Ferry, Pend Oreille, Douglas, Stevens, Whitman Counties; Jackie White, City of Bellevue.