

SENATE BILL REPORT

SB 5143

As Reported By Senate Committee On:
Energy & Utilities, February 17, 1997

Title: An act relating to enhanced 911 excise taxes.

Brief Description: Revising provisions for enhanced 911 excise taxes.

Sponsors: Senators Finkbeiner, West, Brown and Winsley; by request of Military Department.

Brief History:

Committee Activity: Energy & Utilities: 1/28/97, 2/17/97 [DP-WM].

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass and be referred to Committee on Ways & Means.

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

Staff: Phil Moeller (786-7445)

Background: In the General Election of 1991, Washington's voters adopted Referendum 42, establishing enhanced- 911 emergency telephone service throughout the state. Enhanced 911, also referred to as "E 911" allows the person receiving a 911 call to determine the location and other identification of the caller.

This program is funded through an excise tax of up to 20 cents per switched access line per month. The funds are collected and administered by the State Office of Enhanced 911, housed within the State Military Department.

Counties administer most 911 programs, and also have the authority to impose a 911 excise tax of up to 50 cents per access line per month on switched access lines, and up to 25 cents per wireless line per month. Wireless lines are also referred to as "radio access lines."

Local exchange telephone companies and wireless telephone companies are required to collect these taxes from the users. These companies then remit these taxes to either the state or counties.

Emerging competition in both the wired local exchange telecommunications market and new entrants in the wireless telecommunications market may provide new challenges in collecting these excise taxes.

Summary of Bill: The Department of Revenue is given the authority to administer provisions relating to the enforcement of regulations and collection of the state enhanced 911 excise tax. Provisions are added specifying the procedures for collection of the state

enhanced 911 tax when local exchange companies are sold, dissolved, or fail to collect the tax.

References to switched access line and radio access line users— are changed to subscribers.—

Appropriation: None.

Fiscal Note: Requested on January 24, 1997.

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

Testimony For: With the number of telecommunications providers increasing, the Department of Revenue will be in a better position to administer the collection of this tax.

Testimony Against: None.

Testified: Bart Eggen, Military Dept. (pro); Susan Graham, DOR.