
SENATE BILL NO. 30—SENATOR MCGINNESS

PREFILED FEBRUARY 3, 2005

Referred to Committee on Government Affairs

SUMMARY—Authorizes certain cities to establish wireless enhanced 911 service and impose surcharge for certain telephone services to pay for such service. (BDR 21-740)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to city improvements; providing for the imposition and collection of a surcharge on telephone services for the establishment of a wireless enhanced 911 service in certain incorporated cities; requiring a city council which imposes the surcharge to create an advisory committee to develop a plan for the service; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes certain counties to collect a surcharge on local telephone service and mobile telephone service in order to enhance 911 service in the county. (NRS 244A.7641-244A.7647)

This bill authorizes the city council of certain cities incorporated by general law to impose and provide for the collection of a surcharge for the establishment and maintenance of a wireless enhanced 911 service. A wireless enhanced 911 service facilitates the identification and location of persons who are using wireless telephones to make 911 emergency calls.

This bill requires that if a city council which creates a wireless enhanced 911 service imposes a business license fee on a provider of personal wireless service, the city treasurer must deposit the money generated from the fees into the special revenue fund created for the service. This bill also provides a mechanism for resolving disputes between a customer and telephone service provider over the amount collected for the surcharge.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 266 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this act.

Sec. 2. *As used in sections 2 to 13, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Mobile telephone service” means cellular or other service to a telephone which is installed in a vehicle or which is otherwise portable.*

Sec. 4. *“Place of primary use” has the meaning ascribed to it in 4 U.S.C. § 124(8), as that section existed on August 1, 2002.*

Sec. 5. *“Public safety answering point” means a facility, operated 24 hours a day, 7 days a week, that is responsible for receiving 911 telephone calls and directly dispatching emergency response services, or transferring or relaying 911 telephone calls to other public safety agencies. A public safety answering point is the first point of reception by a public safety agency of 911 telephone calls and serves the jurisdiction in which it is located and other participating jurisdictions.*

Sec. 6. *“Supplier” means a person authorized by the Federal Communications Commission to provide mobile telephone service.*

Sec. 7. *“Trunk line” means a line which provides a channel between a switchboard owned by a customer of a telephone company and the local exchange of the telephone company.*

Sec. 8. *“Wireless enhanced 911 service” means a service consisting of telephone network features and public safety answering points provided for persons using the public telephone system to reach the appropriate public service answering point by dialing the digits 9-1-1, by using selective routing, if required, based on the location from which the call originated, and providing at the public safety answering point automatic number identification and automatic location identification features in accordance with the requirements of the Federal Communications Commission.*

Sec. 9. 1. *The city council of a city of population category two or three may, by ordinance, impose a surcharge on:*

(a) Each access line or trunk line of each customer to the local exchange of any telephone company providing those lines in the city; and

(b) The mobile telephone service provided to each customer of that service whose place of primary use is in the city,



1 ↪ for the establishment, maintenance and upgrades of a wireless
2 enhanced 911 service.

3 2. If a city council imposes a surcharge pursuant to this
4 section, the city council shall adopt a 5-year master plan for the
5 establishment, maintenance, upgrades and other activities for a
6 wireless enhanced 911 service in the city. The master plan must
7 include an estimate of the cost of the wireless enhanced 911
8 service and all proposed sources of money for paying for the
9 service.

10 3. The surcharge imposed by a city council pursuant to this
11 section:

12 (a) For each access line to the local exchange of a telephone
13 company, must not exceed 75 cents each month during the first
14 year the surcharge is collected, and may not increase by more than
15 2 percent each year thereafter;

16 (b) For each trunk line to the local exchange of a telephone
17 company, must equal 10 times the amount of the surcharge
18 imposed for each access line to the local exchange of a telephone
19 company pursuant to paragraph (a); and

20 (c) For each telephone number assigned to a customer by a
21 supplier of mobile telephone service, must equal the amount of the
22 surcharge imposed for each access line to the local exchange of a
23 telephone company pursuant to paragraph (a).

24 4. A telephone company which provides access lines or trunk
25 lines in a city that imposes a surcharge pursuant to this section or
26 a supplier which provides mobile telephone service to a customer
27 in such a city shall collect the surcharge from its customers each
28 month. Except as otherwise provided in section 13 of this act, the
29 telephone company or supplier shall remit the surcharge it collects
30 to the treasurer of the city in which the surcharge is imposed not
31 later than the 15th day of the month after the month it receives
32 payment of the surcharge from its customers.

33 5. An ordinance adopted pursuant to subsection 1 may
34 include a schedule of penalties for the delinquent payment of
35 amounts due from telephone companies or suppliers pursuant to
36 this section. Such a schedule:

37 (a) Must provide for a grace period of not less than 90 days
38 after the date on which the telephone company or supplier must
39 otherwise remit the surcharge to the city treasurer; and

40 (b) Must not provide for a penalty that exceeds 5 percent of the
41 cumulative amount of surcharges owed by a telephone company
42 or a supplier.

43 **Sec. 10.** If a city council imposes a surcharge pursuant to
44 section 9 of this act, the city council shall:



1 1. Establish by ordinance an advisory committee to develop a
2 plan, consistent with the master plan adopted by the city council
3 pursuant to section 9 of this act, for the maintenance, upgrades
4 and other activities of the wireless enhanced 911 service and to
5 oversee any money allocated for that purpose. The advisory
6 committee must consist of not less than five members who:

7 (a) Are residents of the city;

8 (b) Possess knowledge concerning telephone systems for
9 reporting emergencies; and

10 (c) Are not elected public officers.

11 ➤ At least one member of an advisory committee established
12 pursuant to this section must be a representative of an incumbent
13 local exchange carrier that provides service to persons in that city.
14 As used in this subsection, "incumbent local exchange carrier"
15 has the meaning ascribed to it in 47 U.S.C. § 251(h)(1), as that
16 section existed on October 1, 1999, and includes a local exchange
17 carrier that is treated as an incumbent local exchange carrier
18 pursuant to that section.

19 2. Create a special revenue fund of the city for the deposit of
20 the money collected pursuant to section 9 of this act. The money in
21 the fund must be used only for the establishment, maintenance,
22 upgrades and other activities related to the wireless enhanced 911
23 service, including only:

24 (a) Paying recurring and nonrecurring charges for
25 telecommunication services necessary for the operation of the
26 service;

27 (b) Paying costs for the personnel and training associated with
28 the routine maintenance and updating of the database for the
29 service;

30 (c) Purchasing, leasing or renting the equipment and software
31 necessary to operate the service; and

32 (d) Paying costs associated with any maintenance, upgrade
33 and replacement of equipment and software necessary for the
34 operation of the service.

35 3. If the balance in a fund created pursuant to subsection 2
36 that has not been committed for expenditure exceeds \$500,000 at
37 the end of any fiscal year, reduce the amount of the surcharge
38 imposed during the next fiscal year by the amount necessary to
39 ensure that the unencumbered balance in the fund at the end of
40 the next fiscal year does not exceed \$500,000.

41 Sec. 11. 1. If a city council imposes a surcharge pursuant
42 to section 9 of this act and the city council also imposes a fee on a
43 provider of personal wireless service and the fee is a fee for a
44 business license which is regulated pursuant to NRS 354.59881 to
45 354.59889, inclusive, the city treasurer shall, except as otherwise



1 *provided in this section, deposit the money generated from that*
2 *fee, including any penalty and interest assessed pursuant to NRS*
3 *354.59887, into the special revenue fund.*

4 2. *A city treasurer shall not deposit any money into the*
5 *special revenue fund pursuant to this section if the deposit of the*
6 *money would cause the unencumbered balance in the special*
7 *revenue fund to exceed the maximum allowable balance for the*
8 *fund set forth in section 10 of this act. A city treasurer shall*
9 *ensure that any amount of money not deposited into the special*
10 *revenue fund is otherwise deposited or transferred in accordance*
11 *with the applicable law or ordinance.*

12 3. *As used in this section:*

13 (a) *“Personal wireless service” has the meaning ascribed to it*
14 *in NRS 354.598816.*

15 (b) *“Special revenue fund” means the special revenue fund*
16 *created pursuant to section 10 of this act.*

17 **Sec. 12.** 1. *If a customer of a supplier of mobile telephone*
18 *service believes that the amount of a surcharge imposed pursuant*
19 *to section 9 of this act or the designation of a place of primary use*
20 *is incorrect, the customer may notify the supplier of mobile*
21 *telephone service in writing of the alleged error. The notice must*
22 *include:*

23 (a) *The street address for the place of primary use of the*
24 *customer;*

25 (b) *The account number and name shown on the billing*
26 *statement of the account for which the customer alleges the error;*

27 (c) *A description of the alleged error; and*

28 (d) *Any other information which the supplier of mobile*
29 *telephone service may reasonably require to investigate the alleged*
30 *error.*

31 2. *Within 60 days after receiving a notice sent pursuant to*
32 *subsection 1, the supplier of mobile telephone service shall review*
33 *the records that the supplier of mobile telephone service uses to*
34 *determine the place of primary use of its customers.*

35 3. *If the review indicates:*

36 (a) *That the alleged error exists, the supplier of mobile*
37 *telephone service shall correct the error and refund or credit the*
38 *customer for the amount which was erroneously collected for the*
39 *applicable period, not to exceed the 24 months immediately*
40 *preceding the date on which the customer notified the supplier of*
41 *mobile telephone service of the alleged error.*

42 (b) *That no error exists, the supplier of mobile service shall*
43 *provide a written explanation to the customer who alleged the*
44 *error.*



1 4. A customer may not bring a cause of action against a
2 supplier of mobile telephone service for surcharges incorrectly
3 imposed pursuant to section 9 of this act unless he first complies
4 with this section.

5 **Sec. 13.** A telephone company or supplier that collects the
6 surcharge imposed pursuant to section 9 of this act is entitled to
7 retain an amount of the surcharge collected which is equal to the
8 cost of collecting the surcharge.

9 **Sec. 14.** This act becomes effective on passage and approval.



