

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on February 9, 2010, in Room 548-S of the Capitol.

All members were present.

Committee staff present:

Kristen Kellems, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Ann McMorris, Committee Assistant
Jeannine Wallace, Sen. Apple's Office Assistant

Conferees appearing before the Committee:

Larry Biles, State Forester, Kansas Forest Service

Others attending: See attached list.

Presentation on Kansas Forest Facts

Larry Biles, State Forester, Kansas Forest Service, was invited to appear before the Committee by Committee member Senator Reitz. Mr. Biles provided information on the wood and lumber crops in Kansas. He specifically noted that the excess of all wood harvested would be efficient fuel for the many boilers in operation, especially those over 40 years old. He is working to produce a support base to bring opportunities to Kansas via wood. Senator Reitz voiced his appreciation to Mr. Biles for bringing this information to the attention of the Senate Utilities. (Attachment 1)

Overview of House Substitute for Substitute for SB 48 (Attachment 2)

Cindy Lash, Kansas Legislative Research, distributed the following charts and comparisons:

1. Current Law on 911 User Fees, Administrative Fees and Distribution of Funds
2. Language in **House Substitute for Substitute SB 48** on User Fees, Administrative Fees and Distribution of Funds
3. Comparison of Provisions in **House Substitute for Substitute SB 48** vs. Current Law

Senator Lee noted the new language on administrative fees (page 3) would allow retailers for the first time to keep a portion of the fees.

Senator Emler requested definition of "subscriber radio equipment" (page 5 New Sec. 9(a)) and noted the intent was not to include police cars who are not subscribers but felt this may be interpreted broadly and could include police cars.

Immunity issues (page 7) were discussed and questioned how this language could be interpreted.

It was 2:30 p.m and the Chair announced this overview would be continued at the next meeting of the Senate Utilities Committee.

The next meeting is scheduled for February 10, 2010.

The meeting was adjourned at 2:35 pm.

Respectfully submitted,

Ann McMorris
Committee Assistant

Attachments - 2



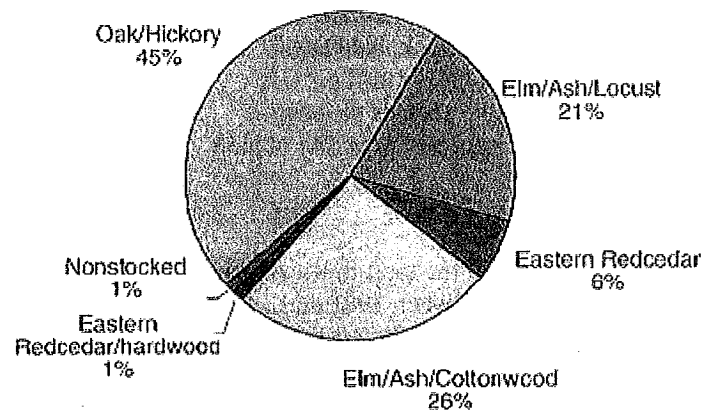
**SENATE UTILITIES
COMMITTEE GUEST LIST
FEBRUARY 9, 2010**

NAME	REPRESENTING
Tom Day	KCC
Jim Gardner	AT&T
Kim Winn	LICM
ERIK SARTORIUS	City of Overland Park
Dan Murray	KCTA
Doug Smith	KLPG
Nelson Knuegen	Sure West



Kansas Forest Facts

In Kansas, the central hardwood forests of the United States transition into the prairies and wheat fields of the Great Plains. The majority of Kansas forest land is found in the eastern third of the state, adjacent to streams and rivers. Prior to European settlement, forests covered an estimated 8% of Kansas's land area, about 4.5 million acres. By 1937, forestland had been reduced to 2% of the land area, or 1.2 million acres. Today, Kansas has 2.2 million acres of forestland that covers 4% of the total land area.



Kansas Forest Types By Area

The state tree of Kansas is the Cottonwood. It is the most common tree in our state reaching a height of over 100 feet with potential trunk circumferences greater than 12 feet. It is usually found on flood plains and river banks where it helps to stabilize soil and filter out pollution. It also provides perches for important wildlife like the bald eagle. More Cottonwood is harvested and processed than any other tree in Kansas. The lumber is used as core material in the manufacturing of furniture and extensively in the construction of pallets, boxes and crates for transporting merchandise. Since 1936, the acres of Cottonwood have declined by over 40,000 acres. Since Cottonwood requires flooding to regenerate, some people think the reduction in periodic flooding may be responsible. Other common trees found in Kansas are Hackberry, Green ash, Black walnut, and Bur oak. Black walnut is the most commercially valuable tree in the state.

- Based on the 1997 Census, wood and lumber manufacturers in Kansas employed over 3,548 people with a payroll that generated over \$93.3 million. The value added by the manufacture of Kansas forest products is over \$208 million!
- Kansas has over 70 active sawmills and timber buyers. In 1998, Kansas mills processed 21,716 million board feet of saw logs. Listing of sawmill operators and timber buyers are available in the [Kansas Sawmills PDF](#) and [Kansas Timber Buyers PDF](#).
- 96% of Kansas woodlands are privately owned by close to 40,000 people and

Senate Utilities Committee
February 9, 2010
Attachments 1-1

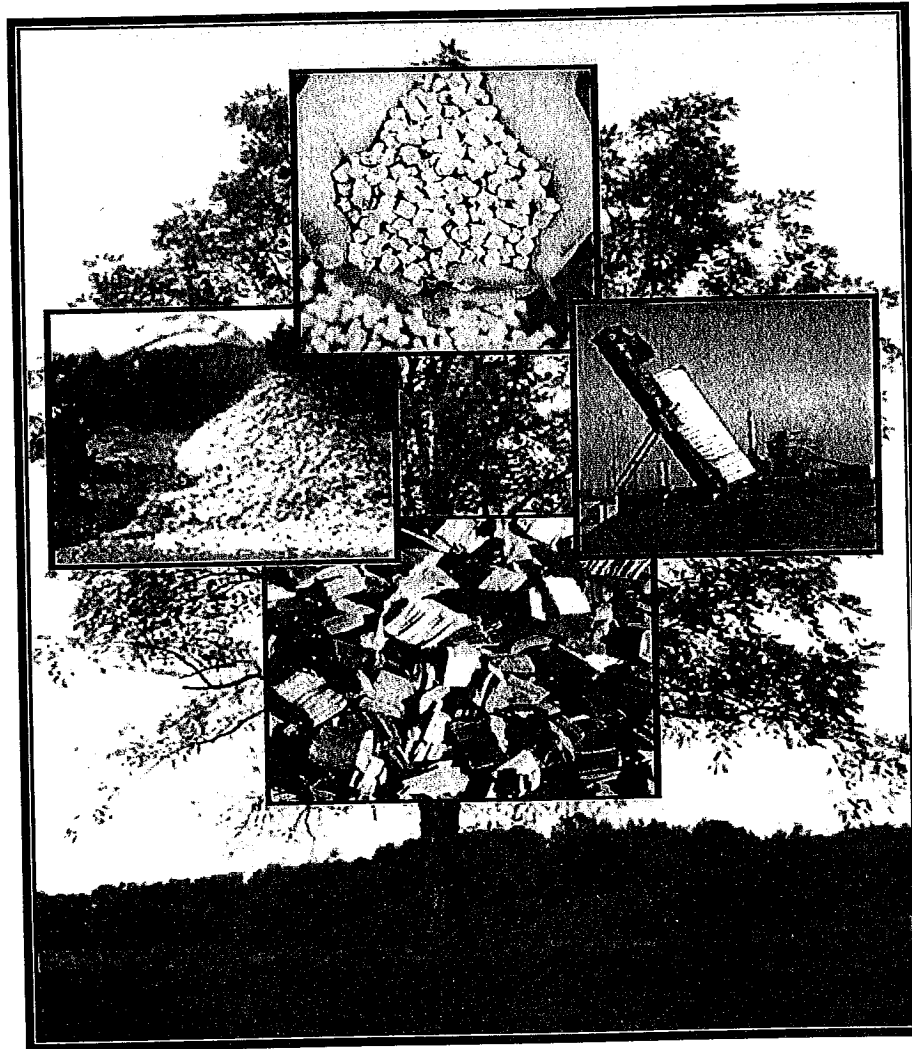
61% of those owners have woodlands 50 acres in size or less.

- Half of our woodlands consist of sawlog-sized trees with a 40" circumference or greater and each year these woodlands grow enough wood to build over 1,000 homes. Surprisingly, only about 33% of that wood is harvested annually.
- 48% of the volume of Kansas trees is considered cull. Cull trees have no commercial value because of the species type or due to defects such as rot, form or length of potential logs.
- Kansas has over 78,000 windbreaks which cover 114,000 acres.
- Kansas forests provide critical habitat to forest dependent wildlife species. Species of special concern include the eastern spotted skunk, bald eagle, broadhead skink, and northern spring peeper. Kansas forests also provide important habitat to wild turkey, neo-tropical migrants, such as the scarlet tanager, and white-tailed deer. Deer harvests alone generate over \$44 million annually.
- Though Eastern redcedar comprises a little over 6% of the total forest type in Kansas, it is expanding in area at a remarkable rate. Between 1981 and 1994 Eastern red cedar increased in area by 174%.

Additional information about the forest resources of Kansas may be obtained by reviewing the latest annual inventory report.

1-2

KANSAS STATE-WIDE WOODY BIOMASS SUPPLY & UTILIZATION ASSESSMENT



Prepared For:
Larry Biles, State Forester
Kansas Forest Service
Manhattan, KS

Prepared By:
Camas Creek Enterprises, Inc
Missoula, Montana

OCTOBER 2009



Trees could grow into state cash crop

BY MICHAEL MCNUTT

Capitol Bureau
mmcnutt@opubco.com

11/23/2009

A potential moneymaker for the state could be going up in smoke.

Loggers, businessmen and entrepreneurs have come up with a variety of uses and ideas in which the Eastern red cedar — considered a pest by many — could be developed into products generating tax revenue for the state.

Rep. Richard Morrisette, D-Oklahoma City, said he plans to introduce legislation next year that would encourage harvesting the trees for their oil and wood. It might include a pilot project and possible incentives.

"I want Oklahoma to be the first in the nation to put in place a viable initiative that will take advantage of the Eastern red cedar problem by stimulating new industry and creating new jobs as well," he said.

Morrisette said he will travel across the state in January to gather more ideas.

The Eastern red cedar takes over nearly 300,000 acres of Oklahoma land each year. It's estimated the state is losing about 700 acres per day to the trees.

Morrisette last week wound up his last public hearing on alternatives to prescribed fire control burns of the trees, the cheapest method to control the invasive species.

"There's a great opportunity here," said Morrisette, D-Oklahoma City. "In order for us to be successful as an economic engine we have to unify ourselves in developing a plan."

Federal Recycling Technologies Inc. of Norman proposes to use a process to heat shredded Eastern red cedars to recover cedar oil. When refined, the oil can sell for \$50 to \$250 per gallon; it has a wide range of applications, including pharmaceuticals for cancer treatment, pesticides and fungicides.

Other businessmen are harvesting the trees for fence posts and bedding for animals.

Cedar has one of the hottest BTU outputs.



An Eastern red cedar tree burns north of Binger in August of 2000.

OKLAHOMAN ARCHIVE PHOTO

When added to coal and other fuel sources, factories can cut their pollutant and CO₂ emissions, Morrisette said.

During an interim legislative study on the trees last month, all the conversation dealt with ways to destroy the trees, such as prescribed burns.

Fire is the main deterrent of the trees' spread. Fires — from lightning or set by American Indians before the state was settled — had kept the trees under control. But now that fires are fought — and landowners are leery of controlled burns — the Eastern red cedar's growth in recent years has gone mostly unchecked.

"Burning clearly is one of the cheapest and most effective ways that you can control these invasive species like the red cedar," said Clay Pope, executive director of the Oklahoma Association of Conservation Districts. "The challenge has always been in the past is that the economics hasn't worked on a lot of the ideas that have been out there."

"The challenge is while we look for that solution we don't lose sight of the fact that it is a continuing and growing problem ... and that we continue to make sure that we do everything we can to slow down the growth."

Pat Clark, who owns Red Gold Cedar Products in Mooreland, harvests Eastern red cedars to make wood shavings, mulch and pellets.

"We sell a lot of it to the horse industry all over the United States, strictly bedding," he said. "Our biggest problem is lack of markets," said Clark. "We don't have a problem harvesting."

Tom Massey, executive vice president of Federal Recycling Technologies, said plans are to build seven plants across the state. Construction on the first plant could start soon; it could be operating in about a year.

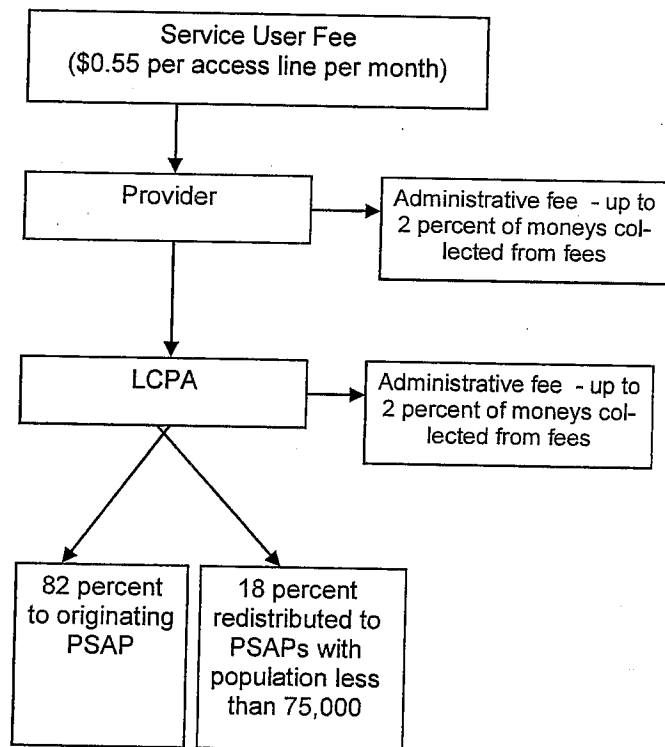
Robert Shapiro, the company's president, said he estimates there are about 110 million Eastern red cedars in the state. Each plant would process about 560,000 trees annually.

The Eastern red cedars lured Perry McDonald to move to Oklahoma from Idaho about six years ago. McDonald, of Beggs, said he clears land of cedars and sells them to saw mills.

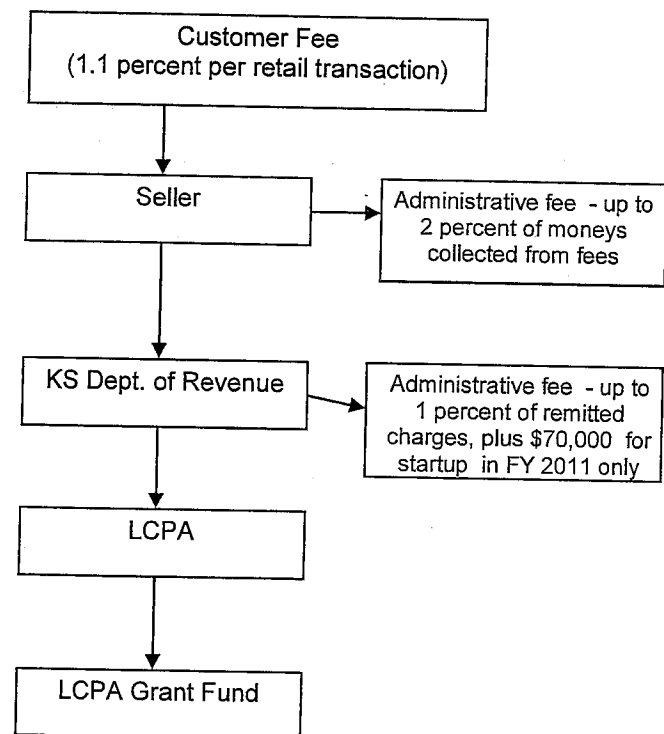
Is KSU monitoring on this too?

**911 User Fees, Administrative Fees, and Distribution of Funds
House Substitute for Substitute SB 48**

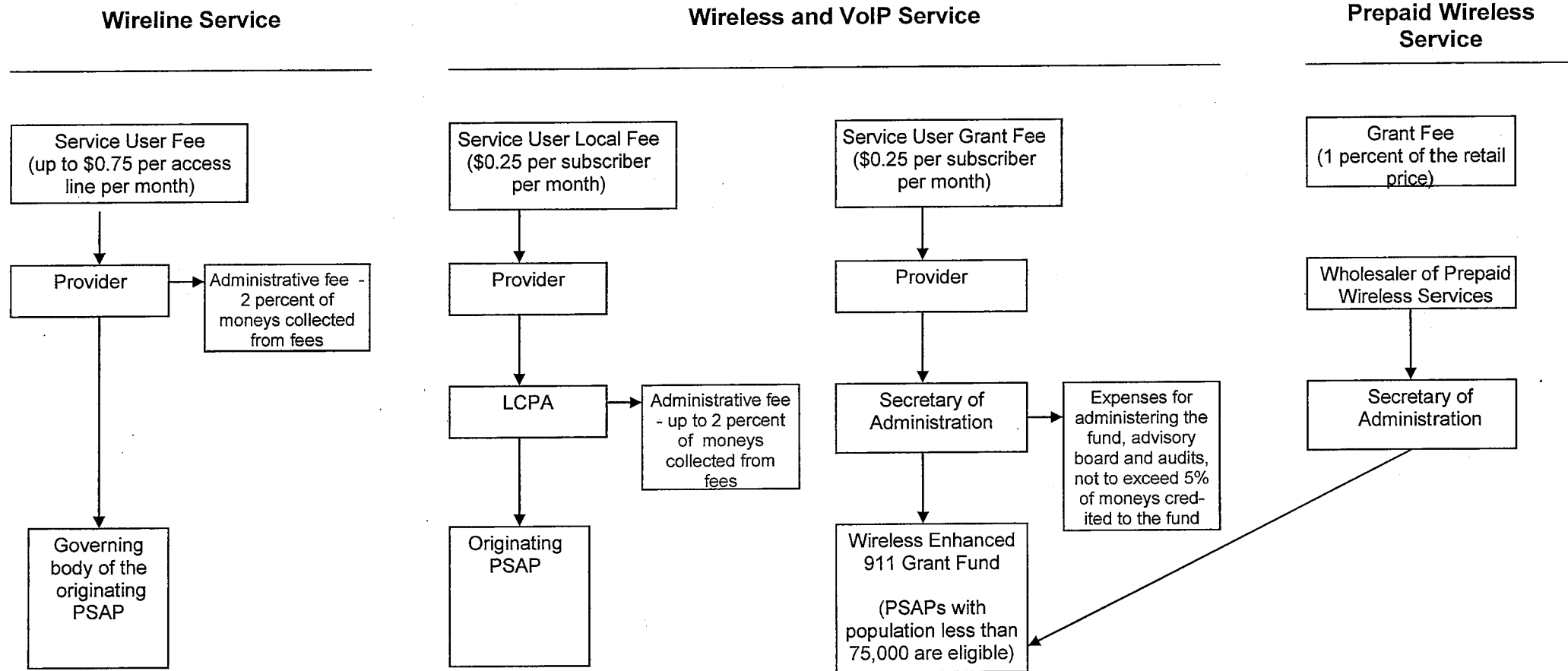
**Wireline, Wireless, VoIP, and Other Service
Capable of Contacting a PSAP**



Prepaid Wireless Service



911 User Fees, Administrative Fees, and Distribution of Funds Current Law





2-3

Comparison of Provisions

House Substitute for Substitute for SB 48 vs. Current Law

Note: Existing Kansas law regarding 911 is organized in three sections - wireline service, wireless service, and VoIP service. Statutes related to VoIP mirror wireless statutes, but these two sections have significant differences from the wireline statutes. House Sub. for Sub. for SB 48 generally does not differentiate between service modality.

	<u>House Sub. for Sub. for SB 48</u>	<u>Current Law</u>
	<u>Wireline, Wireless, VoIP, or Other Service Capable of Contacting a PSAP</u>	<u>Wireline Service</u>
Imposition of 911 service and charges	A 911 fee of \$0.55 per month per subscriber account is imposed. New Sec. 3(a)	The governing body of a county or city may provide for operation of 911 service and may pay for it by imposing a tax not to exceed \$0.75 per month per exchange access line. 12-5302 (a)
	No fee is imposed on more than 100 wireline users per location. New Sec. 3(a)	Election processes are set out by which voters in a city or county can vote whether to install a 911 system, supported by a tax. 12-5302(b)(c)
		Same 12-5302(d)
		<u>Wireless and VoIP Service</u>
		An enhanced 911 grant fee of \$0.25 per month per wireless subscriber account and per VoIP service user is established. 12-5330(a), 12-5356(a)
		An enhanced 911 local fee of \$0.25 per month per wireless subscriber account and per VoIP service user is established. 12-5324(a), 12-5355(a)
	<u>Pre-paid Wireless</u>	<u>Pre-paid Wireless</u>
	A prepaid wireless 911 fee of 1.1 percent per retail transaction is imposed. New Sec 5(a)	A wireless enhanced 911 grant fee in an amount equal to 1 percent of the retail price of any prepaid wireless service sold is imposed. 12-5324(b)

2.4

House Sub. for Sub. for SB 48

Current Law

Collection of tax/fees

Wireline, Wireless, VoIP, or Other Service Capable of Contacting a PSAP

Wireline, Wireless, VoIP

Every billed service user is liable for 911 fees until paid to the provider. New Sec. 4(a)

Same 12-5302(e), 12-5331(a), 12-5357(a)

The provider has no obligation to take legal action to enforce collection of 911 fees. New Sec. 4(c)

Same 12-5302(g), 12-5331(c), 12-5357(c)

911 fees are collected by the provider at the same time as charges for service. New Sec. 4(d)

Same 12-5302(h), 12-5331(d), 12-5357(d)

Pre-paid wireless

Pre-paid wireless

The fee is collected by the seller from the consumer for each retail sale in Kansas. New Sec. 5(b)

Not specified

Remittance of tax/fees

Wireline, Wireless, VoIP, Other Service Capable of Contacting a PSAP

Wireline

Fees are **due monthly**. Amounts collected in one month must be remitted to the local collection point administrator within 15 days of the end of the calendar month, along with a return. The service provider must **keep records of collections for three years**. New Sec. 4(e)

Taxes collected are **due quarterly**. Amounts collected in a quarter must be **remitted to the county/city within 60 days** of the end of the calendar quarter, along with a return. The service supplier must **keep records of collections for one year**. 12-5303(a)

Wireless, VoIP

Enhanced 911 **grant fees** are **due monthly**. Amounts collected in one month must be **remitted to the Secretary of Administration within 15 days** of the end of the calendar month, along with a return. The service supplier must **keep records of collections for three years**. 12-5331(e), 12-5357(e)

Enhanced 911 **local fees** are **due monthly**. Amounts collected in one month must be **remitted to the local collection point administrator within 15 days** of the end of the calendar month, along with a return. The service supplier must **keep records of collections for three years**. 12-5331(f) 12-5357(f)

2-15

House Sub. for Sub. for SB 48

Current Law

Remittance of
tax/fees
continued . . .

Prepaid Wireless Service

Prepaid Wireless Service

The seller is required to remit to the Department of Revenue all prepaid wireless 911 fees collected from consumers. Remittance is by electronic filing consistent with provisions for remitting sales tax. New Secs. 5(d), 6(a)

Enhanced 911 grant fees must be remitted to the Secretary of Administration by the wholesaler within 15 days of the end of the calendar month in which the service was sold by the wholesaler. 12-5331(g)

Administrative
Fees

Wireline, Wireless, VoIP, Other Service
Capable of Contacting a PSAP, Prepaid Wireless Service

Wireline

Providers and sellers may retain a fee not to exceed 2 percent of moneys collected. New Sec. 4(f), 6(b)

The service supplier may retain a fee equal to 2 percent.

Wireless, VoIP, Prepaid Wireless Service

No provision for service provider to retain a fee

Local collection point administrator may retain a fee not to exceed 2 percent of 911 fee moneys collected (excludes prepaid). New Sec 4(f)

Local collection point administrator may retain a fee not to exceed 2 percent of 911 local fee moneys collected. 12-5331(h), 12-5357(g)

The Department of Revenue may retain up to 1 percent of remitted charges on prepaid wireless for administration. New Sec. 6(f)

Costs of administering the grant fund, including expenses of the advisory board and audits can be paid from money (generally 911 grant fees) credited to the fund, not to exceed 5 percent. 12-5323(c)(1) The Secretary of Administration administers the grant fund.

2-6

House Sub. for Sub. for SB 48

Current Law

Distribution

Wireline, Wireless, VoIP, Other Service
Capable of Contacting a PSAP

Wireline

The local collection point administrator must distribute fees to PSAPs within 30 days of receipt, as follows: New Sec. 8(a)

Service provider must remit all amounts collected in a quarter to the county/city within 60 days of the end of the calendar quarter, along with a return. 12-5303(a)

82 percent returned to place of primary use

18 percent re-distributed to PSAPs with population less than 75,000

Wireless, VoIP

Fees not attributable to a specific PSAP go to LCPA grant fund

Local collection point administrator must distribute local fee moneys, within 30 days of receipt, to PSAPs based on primary place of use. 12-5331(h), 12-5357(g) Fees whose source cannot be identified are to be distributed first to PSAPs that have not achieved Phase II status. 12-5331(h)

Secretary of Administration deposits grant fee moneys in the state treasury; grants can be awarded to counties with a population of less than 75,000 or a city located in such county, or two or more such cities or counties. 12-5324(c), 12-5322(c), 12-5355(b)

Prepaid Wireless Service

Prepaid Wireless Service

Fee moneys are transferred to the LCPA grant fund. New Sec. 8(b)

Same as wireless and VoIP grant fee. 12-5324(c)

2-7

House Sub. for Sub. for SB 48

Current Law

**Use of Proceeds
(tax, fee, and grant)**

Fee moneys (including earned interest) can be used only for necessary and reasonable costs incurred by PSAPs for the following:

Moneys may be used only for the following:

Implementation of 911 services

Same except Wireless/VoIP/PP grant 12-5323(c) and local fee 12-5330(b) only apply to wireless and VoIP enhanced 911

Purchase of 911 equipment and upgrades

Same except Wireless/VoIP/PP grant 12-5323(c) and local fee 12-5330(b) only if used solely to process the data elements of wireless and VoIP enhanced 911

Maintenance and license fees for 911 equipment

Same Wireless/VoIP/PP grant 12-5323(c) and local fee 12-5330(b)

Training of personnel

Wireless/VoIP/PP grant 12-5323(c) and local fee 12-5330(b) limits training to operating the equipment, including training to provide effective service to users with communication disabilities

Monthly recurring charges billed by service suppliers

Same Wireline12-5304(b)

Installation, service establishment, and nonrecurring start-up charges billed by the service supplier

Same Wireline12-5304(b)

Charges for capital improvements and equipment or other physical enhancements to the 911 system

Same Wireline12-5304(b)

Acquisition and installation of road signs designed to aid in the delivery of emergency

Same Wireline12-5304(b)

Costs shall not include expenditures to lease, construct, expand, acquire, remodel, renovate, repair, furnish, or make improvements to buildings or similar facilities.

Same Wireless/VoIP/PP grant 12-5323(c) and local fee 12-5330(b) but adds, "or for other capital outlay or equipment not expressly authorized by this act."

Costs shall not include expenditures to purchase subscriber radio equipment. New Sec. 9(a)

Grant moneys (including earned interest) may be used for **projects involving development of NG 911, costs associated with PSAP consolidation or cost-sharing projects**, uses identified above for fee moneys, and **audits of the LCPA**; and shall be used for expenses related to the 911 coordinating council, as well as audits of providers, and **audits of PSAPs conducted by Legislative Post Audit.** New Sec. 14(a), 9(a), 10(g), 12 (a)(b)(c)

Wireless/VoIP/PP grant 12-5323(c) - pay costs of administering the grant fund, including actual and necessary expenses of the advisory board and cost of audits, but aggregate costs cannot exceed 5 percent.

2-8

House Sub. for Sub. for SB 48

Current Law

Coordinating Council/ Advisory Body

Creates the 911 coordinating council, charged with monitoring the delivery of 911 services, developing strategies for future enhancements to the 911 system, developing criteria for grant applicants, and distributing grant funds to PSAPs. Shall include individuals with technical expertise in 911 systems, internet technology, and GIS technology. New Sec. 10(a), 14(b)

Creates the wireless enhanced 911 advisory board. Work with the Secretary of Administration to prepare an annual plan identifying intended uses of the grant money, including a project priority list, goals for deploying wireless enhanced 911, provisions for addressing the needs of persons with communications disabilities, information on projects financed, and criteria for providing grants. Members shall be familiar with development and implementation of wireless enhanced 911 service. 12-5326, 12-5327

Council would have 18 members: 12 appointed by the Governor, six legislators.

Advisory body has nine members, all appointed by the Governor. No legislators.

Governor's appointees:

Governor's appointees:

- 2 representing wireless telecommunications providers
- 1 representing local exchange providers, recommended by KTIA
- 1 representing rural telecomm. company, rec. by KS Rural ITC
- 1 representing VoIP providers
- 2 recommended by League of KS Municipalities
- 2 recommended by KS Association of Counties
- 1 recommended by KS Commission on Deaf and Hard of Hearing
- 1 recommended by KS EMS Board
- 1 recommended by Adjutant General

- 1 representing wireless telecommunications providers
- 1 representing local exchange providers

Legislators, appointed by legislative leadership

- 1 representing League of KS Municipalities
- 1 representing KS Association of Counties

- 3 Representatives (2 by Speaker, 1 by Minority Leader)
- 3 Senators (2 by President, 1 by Minority Leader)

1 representing local fire/EMS

Governor designates chairperson

- 1 representing local law enforcement
- 1 representing PSAPs, population less than 15,000
- 1 representing KS Highway Patrol

Terms begin 1/1/11 and are subject to reappointment every three years.
New Sec. 10(b)

Further requirements to ensure small, medium and large counties are represented. 12-5326

2-9

House Sub. for Sub. for SB 48

Current Law

Rules and Regs/
Civil Penalties

The **911 coordinating council** is authorized to adopt rules and regulations necessary to effect the provisions of the act, including civil penalties. New Sec. 10(c)

Imposition of civil penalties requires a written **order of the 911 coordinating council**, stating the violation, the penalty, and the right to appeal in accordance with KAPA. New Sec. 10(d)

Any civil penalty recovered shall be **deposited in the local collection point administrator grant fund**. New Sec. 10(e)

Same, except the **Secretary of Administration** is the party authorized.

Same, except the **Secretary of Administration** issues the order, and the provisions apply only to **wireless carriers and VoIP providers**.

Any civil penalty recovered shall be deposited with the local collection point administrator to be **routed back to the corresponding PSAP**. 12-5325, 12-5354

Immunity

PSAPs, the local collection point administrator, providers, and sellers shall **not be liable for any form of damages** resulting directly or indirectly from the performance of installing, maintaining, or providing 911 service. New Sec. 11(a)

Wireline - immunity only extended to failure to transmit. 12-5308

Wireless and VoIP - Except as provided by the KS Tort Claims Act, in contracting for and in providing enhanced 911 service, and **except for failure to use ordinary care, or for intentional acts, the Secretary of Administration**, local collection point administrator, **each governing body, each public agency**, each wireless carrier, and each VoIP provider shall not be liable for **payment** of damages resulting from the performance of installing, maintaining, or providing enhanced 911 service. 12-5333, 12-5359

Audits

Receipts and disbursements of the local collection point administrator shall be audited yearly by a licensed municipal accountant or a CPA. New Sec. 12(a)

Same for wireless and VoIP local fee. 12-5331(i), 12-5357(h)

The **local collection point administrator** may require an audit of any provider's books and records concerning collection and remittance of 911 fees. The **audit cost to be paid from the grant fund**. New Sec. 12(b)

Wireline - the governing body at its own expense may require an annual audit of the service supplier's books and records concerning collection and remittance of 911 tax. 12-5303(c)

Wireless - in 2006 the Secretary shall require, and thereafter may require, audits of wireless carrier's books and records re: 911 fee **at the Secretary's expense**. 12-5332

VoIP - in 2008 the Secretary shall require, and thereafter may require, audits of wireless carrier's books and records re: 911 fee **at the Secretary's expense**. 12-5358

2-10

House Sub. for Sub. for SB 48

Current Law

**Audits
continued . . .**

The Department of Revenue may audit sellers in conjunction with sales and use tax audits, and may provide the LCPA with information if the audit finds the seller is not in compliance regarding the prepaid wireless fee. The LCPA can ask the Department to initiate collection or audit procedures on the seller. New Sec. 6(c)

By 12/31/11, and every three years thereafter, Legislative Post Audit shall contract for an **audit of the 911 system** to determine the following:
Whether PSAPs are using fee money appropriately;
Whether the amount of moneys collected is adequate; and
The status of 911 service implementation.

Legislative Post Audit's contract audit costs are reimbursed from the **LCPA grant fund**.

Legislative Post Audit's reports go to the **911 Council, the LCPA, the Legislature's utilities committees**. New Sec. 12(c)

The Legislature shall review the act in the **2015 Session** and every five years thereafter. (New Sec. 12(d))

Legislative Post Audit to conduct audits of the 911 service system in **2006 (wireless) and in 2008 (wireline, wireless, VoIP)** to determine:
same
same
same
2008 audit also determined the need and level of continued funding for the 911 system. 12-5334
(Audit costs paid from Legislative Post Audit budget)

The **2008 audit** was to be submitted to the Legislature at the start of the **2009 Session**. 12-5334

Provider Costs

Providers are not limited from recovering directly from their customers costs associated with designing, developing, deploying and maintaining 911 service and its cost of collection and administration of the 911 fees. New Sec. 13(a)

Same for Wireless and VoIP. 12-5335, 12-5360

2-11

House Sub. for Sub. for SB 48

Current Law

Grant Fund

The local collection point administrator shall establish and maintain a grant fund for PSAPs which shall not be part of the state treasury. Grant money, including earned interest can be expended only for purposes described under Use Of Proceeds (above). New Sec. 14(a)

The 911 coordinating council shall develop criteria for grant applicants and award and distribute grant funds. New Sec. 14(b)

The wireless enhanced 911 grant fund is established in the state treasury. The Secretary of Administration (or designee) can approve payments from the fund. Grant moneys can be expended for purposes described under Use of Proceeds (above) 12-5323

The Secretary is authorized to review grant applications and select projects for awards, upon recommendation of the 911 Advisory Board. 12-532, 12-5328(b) The Advisory Board works with the Secretary to develop the criteria and method for providing grants. 12-5327 Selected grant processes are spelled out in statute. 12-5328

Immediate Transfer of Grant Funds

On the effective date of the act, all funds in the wireless enhanced 911 grant fund are transferred to the LCPA. Fees received after the effective date of the act and before 1/1/11 shall be transferred to the LCPA at least monthly. All such transferred moneys are deposited in the LCPA grant fund. New Sec. 15

Dissolution of Current Grant Fund and Board

On January 1, 2011 the wireless and VoIP enhanced 911 grant and local fees shall be discontinued, the advisory board shall be abolished, any unobligated balance in the wireless enhanced 911 grant fund shall be paid to the local collection point administrator for deposit in the LCPA grant fund, and the wireless enhanced 911 grant fund shall be abolished. Sec. 16(a), 17

Same, except date is July 1, 2010, only the grant fee is discontinued, and any unobligated balance in the grant fund is paid to the LCPA for distribution to PSAPs based on population. 12-5338

Ongoing Fees

Effective January 1, 2011, a fee of \$0.55 per month per subscriber account is imposed for wireline, wireless, VoIP, or other service capable of contacting a PSAP. A fee of 1.1 percent per retail transaction on prepaid wireless is imposed. New Sec. 3(a), 5(a)

Effective July 1, 2010, in counties with a population of 125,000 or more, the tax on wireline cannot exceed \$0.25 per month per access line, and the local fee on wireless and VoIP shall be an equal amount. In counties with a population less than 125,000, the tax on wireline cannot exceed \$0.50 per month per access line, and the local fee on wireless and VoIP shall be an equal amount. The provisions imposing the prepaid wireless fee expire. 12-5338