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HOUSE BILL NO. 371

Offered January 9, 2002

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A BILL to amend and reenact § 58.1-3813.1 of the Code of Virginia, relating to the local E-911 tax.

Patrons—Cole, Athey, Johnson and Lingamfelter

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:**1. That § 58.1-3813.1 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-3813.1. Local tax for enhanced 911 service; definitions.

A. As used in this section and § 58.1-3813.2, unless context requires a different meaning:

"Automatic location identification" or "ALI" means a telephone network capability that enables the automatic display of information defining the geographical location of the telephone used to place a wireline 9-1-1 call.

"Automatic number identification" or "ANI" means a telephone network capability that enables the automatic display of the telephone number used to place a wireline 9-1-1 call.

"Board" means the Wireless E-911 Services Board established pursuant to § 56-484.13.

"Enhanced 9-1-1 service" or "E-911" means a service consisting of telephone network features and PSAPs provided for users of telephone systems enabling such users to reach a PSAP by dialing the digits "9-1-1." Such service automatically directs 9-1-1 emergency telephone calls to the appropriate PSAPs by selective routing based on the geographical location from which the emergency call originated and provides the capability for ANI and ALI features.

"Local exchange carrier" means any public service company granted a certificate to furnish public utility service for the provision of local exchange telephone service pursuant to Chapter 10.1 (§ 56-265.1 et seq.) of Title 56.

"Public safety answering point" or "PSAP" means a communications facility equipped and staffed on a twenty-four-hour basis to receive and process 911 calls.

B. Any county, city or town which has, singly or by joint agreement, established or will establish an enhanced 911 service may impose a special tax on the consumers of the telephone service or services provided by any corporation subject to the provisions of Chapter 26 (§ 58.1-2600 et seq.) of this title, not to exceed a monthly fee of three dollars. However, no such tax shall be imposed on federal, state and local government agencies or on consumers of CMRS, as such term is defined in § 56-484.12. Such tax shall be subject to the notification and jurisdictional provisions of § 58.1-3812.

C. The governing body of any county, city or town may exempt from payment of the tax any subscriber to individual telephone service who (i) resides in a nursing home or similar adult care facility; or (ii) is sixty-five years of age or older.

D. Prior to imposing such tax, the governing body of any city, town or county shall find that an enhanced 911 service, as defined in subsection A, has been or will be installed in its respective locality and that the telephone company has central office equipment which will permit such system to be established.

E. For the purpose of compensating a telephone utility for accounting for and remitting the tax levied by this section, such telephone utility shall be allowed three percent of the amount of tax due and accounted for in the form of a deduction in submitting the return and paying the amount due by it.

F. Any such taxes imposed by this section shall be accounted for in a separate special revenue fund or accounted for using a cost center and revenue accounting system acceptable to the Auditor of Public Accounts. The locality shall report revenues, expenditures, and balances of the E-911 special revenue fund or cost center in accordance with the specifications set forth in § 15.2-2510. Amounts collected from the tax shall be used solely to pay for reasonable, direct recurring and nonrecurring capital costs, and operating expenses incurred by a public safety answering point in designing, upgrading, leasing, purchasing, programming, installing, testing, administering, delivering, or maintaining all necessary data, hardware and software required to receive and process emergency telephone calls through an E-911 system, including salaries and fringe benefits of dispatchers and direct call-takers of an E-911 system and costs incurred in training dispatchers and direct call-takers in receiving and dispatching emergency telephone calls, and the salary and fringe benefits of the public safety answering point director or coordinator so long as such person has no other duties other than the responsibility for the public safety answering point.

G. Localities shall ensure that the audit contract with their independent certified public accountant

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59 includes audit procedures, in accordance with the specifications set forth in § 15.2-2511, of the separate
60 special revenue fund or cost center required to be established for receiving and accounting for amounts
61 collected under the tax authorized by this section. The specifications shall require an annual audit,
62 beginning July 1, 2000, of such fund or cost center so as to ensure that the amounts collected from such
63 tax are expended solely to pay wireline PSAP cost as defined in this article. The independent certified
64 public accountants shall report any findings to the Auditor of Public Accounts by November 30
65 following the fiscal year end. The Auditor of Public Accounts shall summarize findings from all
66 localities and report those findings annually to the Governor, the Senate Committee on Finance and the
67 House Committee on Appropriations, and the Virginia State Crime Commission by February 1 of the
68 next year.