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SENATE BILL 5165

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State of Washington

55th Legislature

1997 Regular Session

By Senators Finkbeiner, Fraser, Swecker, Loveland, Sellar, Hargrove, Morton, Haugen, Snyder, Prince, Deccio, West, Bauer, Oke, Goings and Hale

Read first time 01/17/97. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to the implementation of the enhanced 911 excise  
2 tax study recommendations regarding 911 emergency communications system  
3 funding; amending RCW 82.14B.030 and 38.52.540; creating a new section;  
4 providing an effective date; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

7 (a) The state enhanced 911 excise tax imposed at the current rate  
8 of twenty cents per switched access line per month generates adequate  
9 tax revenues to enhance the 911 telephone system for switched access  
10 lines state-wide by December 31, 1998, as mandated in RCW 38.52.510;

11 (b) The tax revenues generated from the state enhanced 911 excise  
12 tax when the tax rate decreases to a maximum of ten cents per switched  
13 access line on January 1, 1999, will not be adequate to fund the  
14 long-term operation and equipment replacement costs for the enhanced  
15 911 telephone systems in the counties that receive financial assistance  
16 from the state enhanced 911 office;

17 (c) Some counties will need financial assistance from the state  
18 enhanced 911 office to implement and maintain enhanced 911 for radio

1 access lines because the tax revenue generated from the county enhanced  
2 911 excise tax on radio access lines is not adequate;

3 (d) Some counties currently incur costs due to enhanced 911 calls  
4 from radio access lines that are not eligible for funding under chapter  
5 365-300 WAC;

6 (e) The tax revenues generated when the state enhanced 911 excise  
7 tax rate drops to a maximum of ten cents per switched access line on  
8 January 1, 1999, will not be adequate to implement and maintain  
9 enhanced 911 for radio access lines in counties that require financial  
10 assistance from the state;

11 (f) The state does not impose the state enhanced 911 excise tax on  
12 radio access lines;

13 (g) Counties should not request state financial assistance for  
14 implementation and maintenance of enhanced 911 for switched access  
15 lines or radio access lines unless the county has imposed the maximum  
16 enhanced 911 tax authorized in RCW 82.14B.030; and

17 (h) Counties that provide 911 service through intergovernmental  
18 agencies may not be eligible for county or city risk pools and must  
19 purchase insurance on an individual basis. Insurance costs are  
20 increasing for these counties. Insurance costs could be reduced if  
21 county 911 centers were granted immunity from civil liability except  
22 for an act or omission constituting gross negligence or wanton or  
23 willful misconduct.

24 (2) The intent of this act is to acknowledge the recommendations  
25 contained in the report the legislature dated July 1, 1995, entitled  
26 "Enhanced 911 Excise Taxes" to insure long-term funding of the enhanced  
27 911 emergency telephone systems.

28 **Sec. 2.** RCW 82.14B.030 and 1994 c 96 s 3 are each amended to read  
29 as follows:

30 (1) The legislative authority of a county may impose a county  
31 enhanced 911 excise tax on the use of switched access lines in an  
32 amount not exceeding fifty cents per month for each switched access  
33 line. The amount of tax shall be uniform for each switched access  
34 line. Each county shall provide notice of such tax to all local  
35 exchange companies serving in the county at least sixty days in advance  
36 of the date on which the first payment is due.

37 (2) The legislative authority of a county may also impose a county  
38 911 excise tax on the use of radio access lines located within the

1 county in an amount not exceeding twenty-five cents per month for each  
2 radio access line. The amount of tax shall be uniform for each radio  
3 access line. The county shall provide notice of such tax to all radio  
4 communications service companies serving in the county at least sixty  
5 days in advance of the date on which the first payment is due. Any  
6 county imposing this tax shall include in its ordinance a refund  
7 mechanism whereby the amount of any tax ordered to be refunded by the  
8 judgment of a court of record, or as a result of the resolution of any  
9 appeal therefrom, shall be refunded to the radio communications service  
10 company or local exchange company that collected the tax, and those  
11 companies shall reimburse the users who paid the tax. The ordinance  
12 shall further provide that to the extent the users who paid the tax  
13 cannot be identified or located, the tax paid by those users shall be  
14 returned to the county.

15 (3) (~~Beginning January 1, 1992,~~) A state enhanced 911 excise tax  
16 is imposed on the use of all switched access lines and all radio access  
17 lines in the state. ((For 1992, the tax shall be set at a rate of  
18 twenty cents per month for each switched access line. Until December  
19 31, 1998,)) The amount of tax shall not exceed twenty cents per month  
20 for each switched access line ((and thereafter shall not exceed ten  
21 cents per month for each switched access line)) or radio access line.  
22 The tax shall be uniform for each switched access line or radio access  
23 line. The tax imposed under this subsection shall be remitted to the  
24 state treasurer by local exchange companies and radio communications  
25 service companies on a tax return provided by the military department  
26 within thirty days after the end of the month in which the tax was  
27 collected. A local exchange company that serves less than two percent  
28 of the access lines in the state of Washington may remit the tax to the  
29 state treasurer thirty days after the last day of the calendar quarter  
30 in which the tax was due to the local exchange company. Tax proceeds  
31 shall be deposited by the treasurer in the enhanced 911 account created  
32 in RCW 38.52.540.

33 (4) By August 31st of each year the state enhanced 911 coordinator  
34 shall recommend the level for the next year of the state enhanced 911  
35 excise tax, based on a systematic cost and revenue analysis, to the  
36 utilities and transportation commission. The commission shall by the  
37 following October 31st determine the level of the state enhanced 911  
38 excise tax on switched access lines for the following year. The state

1 enhanced 911 excise tax rate on radio access lines shall be the same as  
2 the state enhanced 911 excise tax rate on switched access lines.

3       **Sec. 3.** RCW 38.52.540 and 1994 c 96 s 7 are each amended to read  
4 as follows:

5       The enhanced 911 account is created in the state treasury. All  
6 receipts from the state enhanced 911 excise tax imposed by RCW  
7 82.14B.030 shall be deposited into the account. Moneys in the account  
8 shall be used only to help implement and operate enhanced 911 state-  
9 wide(~~(, and to conduct a study of the tax base and rate for the 911~~  
10 ~~excise tax)~~). All receipts from the state enhanced 911 excise tax on  
11 radio access lines imposed by RCW 82.14B.030 shall be used to fund  
12 planning and implementation of enhanced 911 for radio access lines, and  
13 to assist counties that need additional resources to cover unfunded  
14 costs that can be shown to result from handling 911 calls from radio  
15 access line callers, until automatic location identification is  
16 operational for radio access line subscribers in all the counties in  
17 Washington state. However, funds shall not be distributed to any  
18 county that has not imposed the maximum county enhanced 911 taxes  
19 allowed under RCW 82.14B.030 (1) and (2). The state enhanced 911  
20 coordinator, with the advice and assistance of the enhanced 911  
21 advisory committee, shall specify by rule the purposes for which moneys  
22 may be expended from this account.

23       NEW SECTION.   **Sec. 4.** This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of the  
25 state government and its existing public institutions, and takes effect  
26 July 1, 1997.

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