

[First Reprint]

**ASSEMBLY, No. 3112**

**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

INTRODUCED JUNE 21, 2004

**Sponsored by:**

**Assemblyman WILFREDO CARABALLO**

**District 29 (Essex and Union)**

**Co-Sponsored by:**

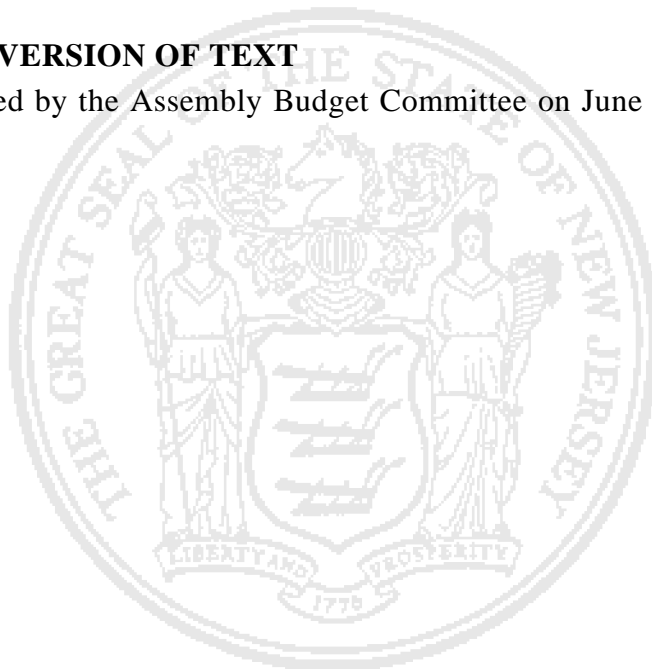
**Senator Bryant**

**SYNOPSIS**

Imposes a fee on mobile telecommunications and telephone exchange customers for funding certain costs of the 9-1-1 system and emergency response.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Budget Committee on June 21, 2004, with amendments.



**(Sponsorship Updated As Of: 6/25/2004)**

A3112 [1R] CARABALLO

2

1 AN ACT imposing a fee on mobile telecommunications customers and  
2 <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange customers for funding  
3 certain costs of <sup>1</sup>[emergency preparedness and]<sup>1</sup> the 9-1-1 system  
4 <sup>1</sup>and emergency response<sup>1</sup>, supplementing chapter 17C of Title 52  
5 of the Revised Statutes.

6

7 **BE IT ENACTED** by the Senate and General Assembly of the State  
8 of New Jersey:

9

10 1. As use in this act:

11 "Home service provider" means the facilities-based carrier or  
12 reseller with which the customer contracts for the provision of mobile  
13 telecommunications service;

14 "Mobile telecommunications company" mean a carrier providing  
15 mobile telecommunications service in this State;

16 "Mobile telecommunications service" means commercial mobile  
17 radio service, as defined in section 20.3 of title 47 of the Code of  
18 Federal Regulations as in effect on June 1, 1999 charged by a  
19 customer's home service provider and provided to a customer with a  
20 place of primary use in this State and which provides real-time, two-  
21 way voice service that is interconnected with the public switched  
22 network;

23 "Place of primary use" means the street address representative of  
24 where the customer's use of the mobile telecommunications service  
25 primarily occurs, which shall be the residential street address or the  
26 primary business street address of the customer and within the licensed  
27 service area of the home service provider. For the purposes of  
28 determining the place of primary use, the terms used have the  
29 meanings provided pursuant to the federal "Mobile  
30 Telecommunications Sourcing Act," 4 U.S.C. s.124 (Pub.L.106-252);

31 <sup>1</sup>[Telecommunications] telephone<sup>1</sup> exchange company" mean a  
32 carrier providing telephone exchange service in this State;

33 "Telephone exchange service" means that term as defined in  
34 subsection (47) of 47 U.S.C. s.153, as well as any other technology,  
35 including but not limited to, voice over Internet telephony or cable  
36 telephony, except mobile telecommunications service, that provides  
37 access through interconnection to the public switched telephone  
38 network to 9-1-1 service; and

39 "Voice grade access" means a functionality that enables a user of  
40 telecommunications services to transmit voice communications,  
41 including signalling the network that the caller wishes to place a call,

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Assembly ABU committee amendments adopted June 21, 2004.

1 and to receive voice communications, including receiving a signal  
2 indicating there is an incoming call.

3  
4 2. a. (1) There is imposed on each mobile telecommunications  
5 service customer, charged by a mobile telecommunications company  
6 for mobile telecommunications service for each voice grade access  
7 telephone number provided to the customer billed by or for the  
8 customer's home service provider and provided to a customer with a  
9 place of primary use in this State, a fee of \$0.90 on any periodic bill  
10 received by the customer for each voice grade access service number  
11 provided as part of the mobile telecommunications service.

12 (2) There is imposed on each customer charged by a  
13 <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange company for each voice  
14 grade access service line provided to that customer that has a service  
15 address in this State, a fee of \$0.90 on any periodic bill received by the  
16 customer for each voice grade access service line provided as part of  
17 that telephone exchange service. Each Private Branch Exchange  
18 (PBX) trunk <sup>1</sup>or Centrex trunk<sup>1</sup> equivalent shall constitute an  
19 individual and separate subscribed service line. Any customer that has  
20 been determined by their <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange  
21 company to be enrolled in the Lifeline Telecommunication program,  
22 or in receipt of Lifeline Telecommunication [and] or Universal Service  
23 Fund benefits for a periodic bill shall be exempt from the fee on that  
24 periodic bill. <sup>1</sup>State government agencies, and county and municipal  
25 governments and their agencies, and school districts shall be exempt  
26 from the fee imposed on customers of telephone exchange companies  
27 for each voice grade access service line provided as part of telephone  
28 exchange service provided to that customer at a service address in this  
29 State for periodic bills issued to those customers on and after January  
30 1, 2005.<sup>1</sup>

31 b. The fee imposed by paragraphs (1) and (2) of subsection a. of  
32 this section shall be collected by the mobile telecommunications  
33 company or <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange company  
34 providing the applicable service to its customers upon payment of any  
35 periodic bill for such service. This section shall not be deemed as  
36 extending to a <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange company  
37 or mobile telecommunications company any obligation or authority  
38 otherwise not provided pursuant to law, to take legal action to enforce  
39 the collection of the fee imposed upon the customer. Any such action  
40 shall be brought by the State against the customer with any  
41 cooperation requested by the State of the <sup>1</sup>[telecommunications]  
42 telephone<sup>1</sup> exchange company or mobile telecommunications company  
43 as the State deems necessary.

44 c. The fees collected pursuant to subsection b. of this section shall  
45 be collected monthly and reported and paid to the director on a  
46 quarterly basis in a manner prescribed by the Director of the Division

1 of Taxation in the Department of the Treasury, which notwithstanding  
2 the provisions of subsection b. of section 1 of P.L.1992, c.140  
3 (C.54:48-4.1) if any, to the contrary, shall be subject to the provisions  
4 of P.L.1992, c.140 as the director shall prescribe, and the State  
5 Treasurer shall credit the fee revenue to the <sup>1</sup>["Emergency  
6 Preparedness and 9-1-1 System] "9-1-1 System and Emergency  
7 Response<sup>1</sup> Trust Fund Account" established pursuant to section 3 of  
8 P.L. , c. (C. ) (now pending before the Legislature as this  
9 bill). The administration, collection and enforcement of the fee  
10 imposed by this act shall be subject to the provisions of the State  
11 Uniform Tax Procedure Law, R.S.54:48-1 et seq., to the extent that  
12 the provisions of such law are not inconsistent with any provision of  
13 this act.

14 <sup>1</sup>d. A telephone exchange company that provides telephone  
15 exchange service to the State government or any State government  
16 agency, a county or municipal government or any of its agencies, or a  
17 school district that is exempt for bills issued on and after January 1,  
18 2005, shall be entitled after that date to a credit in an amount as the  
19 Director of the Division shall determine within 60 days of application,  
20 against the amount of fees collected during and due to be paid over for  
21 the calendar quarter commencing on that date, for the reasonable costs  
22 certified by the telephone exchange company to have been incurred by  
23 the company for changes made to its billing system that are necessary  
24 to implement the exemption. The director shall consult with the Board  
25 of Public Utilities to ascertain from the board the reasonableness of the  
26 costs claimed to be incurred. The director and the board may adopt  
27 regulations necessary to administer the credit.<sup>1</sup>

28  
29 3. <sup>1</sup>a.<sup>1</sup> There is established in the Department of the Treasury  
30 within the General Fund a special account to be known as the  
31 <sup>1</sup>["Emergency Preparedness and 9-1-1 System] "9-1-1 System and  
32 Emergency Response<sup>1</sup> Trust Fund Account."

33 <sup>1</sup>b.<sup>1</sup> Funds credited to the <sup>1</sup>["Emergency Preparedness and 9-1-1  
34 System] "9-1-1 System and Emergency Response<sup>1</sup> Trust Fund  
35 Account" shall be annually appropriated for the purposes of paying<sup>1</sup>;  
36 (1)<sup>1</sup> eligible costs pursuant to the provisions of sections 13 and 14 of  
37 P.L.1989, c.3 (C.52:17C-13 and 52:17C-14) <sup>1</sup>[and]; (2)<sup>1</sup> the costs of  
38 funding the State's capital equipment <sup>1</sup>(including debt service)<sup>1</sup>,  
39 facilities and operating expenses that arise from emergency  
40 <sup>1</sup>[preparedness,] response; (3) the cost of<sup>1</sup> emergency response  
41 training, <sup>1</sup>[counter-terrorism measures, security at State facilities  
42 including transportation infrastructure, preparation for first responders  
43 to chemical or bio-hazard emergencies, and] including<sup>1</sup> any <sup>1</sup>related  
44 costs or<sup>1</sup> expenses of the Office of Emergency Management in the  
45 Division of State Police in the Department of Law and Public Safety<sup>1</sup>;

1 (4) the cost of operating the Office of Emergency Telecommunications  
2 Services created pursuant to section 3 of P.L.1989, c.3 (C.52:17C-3);  
3 (5) the cost of operating the 9-1-1 Commission created pursuant to  
4 section 2 of P.L.1989, c.3 (C.52:17C-2), (6) any costs associated with  
5 implementing any requirement of the Federal Communications  
6 Commission concerning 9-1-1 service that is not otherwise allocated  
7 to a carrier and not eligible for reimbursement under law or regulation,  
8 (7) any costs associated with planning, designing or implementing an  
9 automatic location identification technology that is not otherwise  
10 allocated to a wireless carrier and not eligible for reimbursement under  
11 law or regulation; and (8) any costs associated with planning,  
12 designing or acquiring replacement equipment or systems (including  
13 debt service) related to the enhanced 9-1-1 network as defined by  
14 subsection e. of section 1 of P.L.1989, c.3 (C.52:17C-1)<sup>1</sup>.  
15

16 4. A mobile telecommunications company and a  
17 <sup>1</sup>[telecommunications] telephone<sup>1</sup> exchange company collecting the  
18 fee imposed pursuant to section 2 of P.L. , c. (C. ) (now  
19 pending before the Legislature as this bill) shall itemize and separately  
20 identify the fee set forth on each periodic bill received by the customer  
21 as the <sup>1</sup>["Emergency Preparedness and 9-1-1 System Assessment."]  
22 "9-1-1 System and Emergency Response Assessment," which  
23 identification may be abbreviated as "911System/Emerg.Resp.Fee."  
24 Provided however, that a mobile telecommunications company or  
25 telephone exchange company may commence the separately identified  
26 itemization of the periodic charge on periodic a bill issued to a  
27 customer not later than October 1, 2004, but only if the customer's  
28 first periodic bill issued on and after that date includes the separately  
29 identified itemization for the periodic bills issued for the customer  
30 during the months of July, August and September of 2004, if any, and  
31 the fee imposed for the bills for those months is also set forth  
32 separately for collection thereon from the customers.<sup>1</sup>  
33

34 5. This act shall take effect immediately and apply to bills issued  
35 for billing periods ending on or after July 1, 2004; except that for bills  
36 issued for Private Branch Exchange (PBX) systems, Centrex systems  
37 or other similar telecommunications services, this act shall apply to  
38 such bills issued for billing periods ending on or after August 1, 2004.