



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB2967

by Rep. Emanuel Chris Welch

#### SYNOPSIS AS INTRODUCED:

50 ILCS 750/15.4b  
50 ILCS 750/20  
50 ILCS 750/30  
50 ILCS 750/99

Amends the Emergency Telephone System Act. Provides that each telecommunications carrier shall impose a monthly surcharge of \$1.30 (rather than \$0.87) per network connection; provided, however, the monthly surcharge shall not apply to a network connection provided for use with pay telephone services. Provides that each wireless carrier shall impose and collect a monthly surcharge of \$1.30 (rather than \$0.87) per CMRS connection that either has a telephone number within an area code assigned to Illinois by the North American Numbering Plan Administrator or has a billing address in this State. Provides that at least \$0.87 of this surcharge per network or CMRS connection shall be deposited into the Statewide 9-1-1 Fund for distribution to local Emergency Telephone System Boards. Provides that grants shall be distributed on a per capita basis, with priority to Emergency Telephone System Boards that received a disproportionately large number of ambulance or emergency medical service dispatch 9-1-1 calls based on the population served by the Board. Provides that data on 9-1-1 calls collected annually by the Department of State Police shall be used to determine priority of grant distributions. Extends the repeal date of the Act until July 1, 2022 (rather than July 1, 2017). Effective immediately.

LRB100 10890 SLF 21125 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Emergency Telephone System Act is amended by  
5 changing Sections 15.4b, 20, 30, and 99 as follows:

6 (50 ILCS 750/15.4b)

7 (Section scheduled to be repealed on July 1, 2017)

8 Sec. 15.4b. Consolidation grants.

9 (a) The Administrator, with the advice and recommendation  
10 of the Statewide 9-1-1 Advisory Board, shall administer a 9-1-1  
11 System Consolidation Grant Program to defray costs associated  
12 with 9-1-1 system consolidation of systems outside of a  
13 municipality with a population in excess of 500,000. The  
14 awarded grants will be used to offset non-recurring costs  
15 associated with the consolidation of 9-1-1 systems and shall  
16 not be used for ongoing operating costs associated with the  
17 consolidated system. The Department, in consultation with the  
18 Administrator and the Statewide 9-1-1 Advisory Board, shall  
19 adopt rules defining the grant process and criteria for issuing  
20 the grants. The grants should be awarded based on criteria that  
21 include, but are not limited to:

22 (1) reducing the number of transfers of a 9-1-1 call;

23 (2) reducing the infrastructure required to adequately

1 provide 9-1-1 network services;

2 (3) promoting cost savings from resource sharing among  
3 9-1-1 systems;

4 (4) facilitating interoperability and resiliency for  
5 the receipt of 9-1-1 calls;

6 (5) reducing the number of 9-1-1 systems or reducing  
7 the number of PSAPs within a 9-1-1 system;

8 (6) cost saving resulting from 9-1-1 system  
9 consolidation; and

10 (7) expanding E9-1-1 service coverage as a result of  
11 9-1-1 system consolidation including to areas without  
12 E9-1-1 service.

13 ~~Priority shall be given first to counties not providing~~  
14 ~~9-1-1 service as of January 1, 2016, and next to other entities~~  
15 ~~consolidating as required under Section 15.4a of this Act.~~

16 (b) The 9-1-1 System Consolidation Grant application, as  
17 defined by Department rules, shall be submitted electronically  
18 to the Administrator starting January 2, 2016, and every  
19 January 2 thereafter. The application shall include a modified  
20 9-1-1 system plan as required by this Act in support of the  
21 consolidation plan. The Administrator shall have until June 30,  
22 2016 and every June 30 thereafter to approve 9-1-1 System  
23 Consolidation grants and modified 9-1-1 system plans. Payment  
24 under the approved 9-1-1 System Consolidation grants shall be  
25 contingent upon the final approval of a modified 9-1-1 system  
26 plan.

1 (c) Existing and previously completed consolidation  
2 projects shall be eligible to apply for reimbursement of costs  
3 related to the consolidation incurred between 2010 and the  
4 State fiscal year of the application.

5 (d) The 9-1-1 systems that receive grants under this  
6 Section shall provide a report detailing grant fund usage to  
7 the Administrator pursuant to Section 40 of this Act.

8 (Source: P.A. 99-6, eff. 1-1-16.)

9 (50 ILCS 750/20)

10 (Section scheduled to be repealed on July 1, 2017)

11 Sec. 20. Statewide surcharge.

12 (a) On and after January 1, 2016, and except with respect  
13 to those customers who are subject to surcharges as provided in  
14 Sections 15.3 and 15.3a of this Act, a monthly surcharge shall  
15 be imposed on all customers of telecommunications carriers and  
16 wireless carriers as follows:

17 (1) Each telecommunications carrier shall impose a  
18 monthly surcharge of \$1.30 ~~\$0.87~~ per network connection;  
19 provided, however, the monthly surcharge shall not apply to  
20 a network connection provided for use with pay telephone  
21 services. Where multiple voice grade communications  
22 channels are connected between the subscriber's premises  
23 and a public switched network through private branch  
24 exchange (PBX) or centrex type service there shall be  
25 imposed 5 such surcharges per network connection for both

1 regular service and advanced service provisioned trunk  
2 lines.

3 (2) Each wireless carrier shall impose and collect a  
4 monthly surcharge of \$1.30 ~~\$0.87~~ per CMRS connection that  
5 either has a telephone number within an area code assigned  
6 to Illinois by the North American Numbering Plan  
7 Administrator or has a billing address in this State. At  
8 least \$0.87 of this surcharge per network or CMRS  
9 connection shall be deposited into the Statewide 9-1-1 Fund  
10 for distribution to local Emergency Telephone System  
11 Boards.

12 (b) State and local taxes shall not apply to the surcharges  
13 imposed under this Section.

14 (c) The surcharges imposed by this Section shall be stated  
15 as a separately stated item on subscriber bills.

16 (d) The telecommunications carrier collecting the  
17 surcharge shall also be entitled to deduct 3% of the gross  
18 amount of surcharge collected to reimburse the  
19 telecommunications carrier for the expense of accounting and  
20 collecting the surcharge. On and after July 1, 2022, the  
21 wireless carrier collecting a surcharge under this Section  
22 shall be entitled to deduct up to 3% of the gross amount of the  
23 surcharge collected to reimburse the wireless carrier for the  
24 expense of accounting and collecting the surcharge.

25 (e) Surcharges imposed under this Section shall be  
26 collected by the carriers and, within 30 days of collection,

1 remitted, either by check or electronic funds transfer, to the  
2 Department for deposit into the Statewide 9-1-1 Fund. Carriers  
3 are not required to remit surcharge moneys that are billed to  
4 subscribers but not yet collected.

5 The first remittance by wireless carriers shall include the  
6 number of subscribers by zip code, and the 9-digit zip code if  
7 currently being used or later implemented by the carrier, that  
8 shall be the means by which the Department shall determine  
9 distributions from the Statewide 9-1-1 Fund. This information  
10 shall be updated at least once each year. Any carrier that  
11 fails to provide the zip code information required under this  
12 subsection (e) shall be subject to the penalty set forth in  
13 subsection (g) of this Section.

14 (f) If, within 5 business days it is due under subsection  
15 (e) of this Section, a carrier does not remit the surcharge or  
16 any portion thereof required under this Section, then the  
17 surcharge or portion thereof shall be deemed delinquent until  
18 paid in full, and the Department may impose a penalty against  
19 the carrier in an amount equal to the greater of:

20 (1) \$25 for each month or portion of a month from the  
21 time an amount becomes delinquent until the amount is paid  
22 in full; or

23 (2) an amount equal to the product of 1% and the sum of  
24 all delinquent amounts for each month or portion of a month  
25 that the delinquent amounts remain unpaid.

26 A penalty imposed in accordance with this subsection (f)

1 for a portion of a month during which the carrier pays the  
2 delinquent amount in full shall be prorated for each day of  
3 that month that the delinquent amount was paid in full. Any  
4 penalty imposed under this subsection (f) is in addition to the  
5 amount of the delinquency and is in addition to any other  
6 penalty imposed under this Section.

7 (g) If, within 5 business days after it is due, a wireless  
8 carrier does not provide the number of subscribers by zip code  
9 as required under subsection (e) of this Section, then the  
10 report is deemed delinquent and the Department may impose a  
11 penalty against the carrier in an amount equal to the greater  
12 of:

13 (1) \$25 for each month or portion of a month that the  
14 report is delinquent; or

15 (2) an amount equal to the product of \$0.01 and the  
16 number of subscribers served by the carrier.

17 A penalty imposed in accordance with this subsection (g)  
18 for a portion of a month during which the carrier provides the  
19 number of subscribers by zip code as required under subsection  
20 (e) of this Section shall be prorated for each day of that  
21 month during which the carrier had not provided the number of  
22 subscribers by zip code as required under subsection (e) of  
23 this Section. Any penalty imposed under this subsection (g) is  
24 in addition to any other penalty imposed under this Section.

25 (h) A penalty imposed and collected in accordance with  
26 subsection (f) or (g) of this Section shall be deposited into

1 the Statewide 9-1-1 Fund for distribution according to Section  
2 30 of this Act.

3 (i) The Department may enforce the collection of any  
4 delinquent amount and any penalty due and unpaid under this  
5 Section by legal action or in any other manner by which the  
6 collection of debts due the State of Illinois may be enforced  
7 under the laws of this State. The Department may excuse the  
8 payment of any penalty imposed under this Section if the  
9 Administrator determines that the enforcement of this penalty  
10 is unjust.

11 (j) Notwithstanding any provision of law to the contrary,  
12 nothing shall impair the right of wireless carriers to recover  
13 compliance costs for all emergency communications services  
14 that are not reimbursed out of the Wireless Carrier  
15 Reimbursement Fund directly from their wireless subscribers by  
16 line-item charges on the wireless subscriber's bill. Those  
17 compliance costs include all costs incurred by wireless  
18 carriers in complying with local, State, and federal regulatory  
19 or legislative mandates that require the transmission and  
20 receipt of emergency communications to and from the general  
21 public, including, but not limited to, E9-1-1.

22 (Source: P.A. 99-6, eff. 1-1-16.)

23 (50 ILCS 750/30)

24 (Section scheduled to be repealed on July 1, 2017)

25 Sec. 30. Statewide 9-1-1 Fund; surcharge disbursement.



1 (a) A special fund in the State treasury known as the  
2 Wireless Service Emergency Fund shall be renamed the Statewide  
3 9-1-1 Fund. Any appropriations made from the Wireless Service  
4 Emergency Fund shall be payable from the Statewide 9-1-1 Fund.  
5 The Fund shall consist of the following:

6 (1) 9-1-1 wireless surcharges assessed under the  
7 Wireless Emergency Telephone Safety Act.

8 (2) 9-1-1 surcharges assessed under Section 20 of this  
9 Act.

10 (3) Prepaid wireless 9-1-1 surcharges assessed under  
11 Section 15 of the Prepaid Wireless 9-1-1 Surcharge Act.

12 (4) Any appropriations, grants, or gifts made to the  
13 Fund.

14 (5) Any income from interest, premiums, gains, or other  
15 earnings on moneys in the Fund.

16 (6) Money from any other source that is deposited in or  
17 transferred to the Fund.

18 (b) Subject to appropriation, the Department shall  
19 distribute the 9-1-1 surcharges monthly as follows:

20 (1) From each surcharge collected and remitted under  
21 Section 20 of this Act:

22 (A) \$0.013 shall be distributed monthly in equal  
23 amounts to each County Emergency Telephone System  
24 Board or qualified governmental entity in counties  
25 with a population under 100,000 according to the most  
26 recent census data which is authorized to serve as a

1 primary wireless 9-1-1 public safety answering point  
2 for the county and to provide wireless 9-1-1 service as  
3 prescribed by subsection (b) of Section 15.6a of this  
4 Act, and which does provide such service.

5 (B) \$0.033 shall be transferred by the Comptroller  
6 at the direction of the Department to the Wireless  
7 Carrier Reimbursement Fund until June 30, 2017; from  
8 July 1, 2017 through June 30, 2018, \$0.026 shall be  
9 transferred; from July 1, 2018 through June 30, 2019,  
10 \$0.020 shall be transferred; from July 1, 2019, through  
11 June 30, 2020, \$0.013 shall be transferred; from July  
12 1, 2020 through June 30, 2021, \$0.007 will be  
13 transferred; and after June 30, 2021, no transfer shall  
14 be made to the Wireless Carrier Reimbursement Fund.

15 (C) \$0.007 shall be used to cover the Department's  
16 administrative costs.

17 (2) After disbursements under paragraph (1) of this  
18 subsection (b), all remaining funds in the Statewide 9-1-1  
19 Fund shall be disbursed in the following priority order:

20 (A) The Fund will pay monthly to:

21 (i) the 9-1-1 Authorities that imposed  
22 surcharges under Section 15.3 of this Act and were  
23 required to report to the Illinois Commerce  
24 Commission under Section 27 of the Wireless  
25 Emergency Telephone Safety Act on October 1, 2014,  
26 except a 9-1-1 Authority in a municipality with a

1 population in excess of 500,000, an amount equal to  
2 the average monthly wireline and VoIP surcharge  
3 revenue attributable to the most recent 12-month  
4 period reported to the Department under that  
5 Section for the October 1, 2014 filing, subject to  
6 the power of the Department to investigate the  
7 amount reported and adjust the number by order  
8 under Article X of the Public Utilities Act, so  
9 that the monthly amount paid under this item  
10 accurately reflects one-twelfth of the aggregate  
11 wireline and VoIP surcharge revenue properly  
12 attributable to the most recent 12-month period  
13 reported to the Commission; or

14 (ii) county qualified governmental entities  
15 that did not impose a surcharge under Section 15.3  
16 as of December 31, 2015, and counties that did not  
17 impose a surcharge as of June 30, 2015, an amount  
18 equivalent to their population multiplied by .37  
19 multiplied by the rate of \$0.69; counties that are  
20 not county qualified governmental entities and  
21 that did not impose a surcharge as of December 31,  
22 2015, shall not begin to receive the payment  
23 provided for in this subsection until E9-1-1 and  
24 wireless E9-1-1 services are provided within their  
25 counties; or

26 (iii) counties without 9-1-1 service that had

1 a surcharge in place by December 31, 2015, an  
2 amount equivalent to their population multiplied  
3 by .37 multiplied by their surcharge rate as  
4 established by the referendum.

5 (B) All 9-1-1 network costs for systems outside of  
6 municipalities with a population of at least 500,000  
7 shall be paid by the Department directly to the  
8 vendors.

9 (C) All expenses incurred by the Administrator and  
10 the Statewide 9-1-1 Advisory Board and costs  
11 associated with procurement under Section 15.6b  
12 including requests for information and requests for  
13 proposals.

14 (D) Funds may be held in reserve by the Statewide  
15 9-1-1 Advisory Board and disbursed by the Department  
16 for grants under Sections 15.4a, 15.4b, and for NG9-1-1  
17 expenses up to \$12.5 million per year in State fiscal  
18 years 2016 ~~and 2017~~; up to \$23.1 million ~~\$13.5 million~~  
19 in State fiscal years 2017, year 2018, 2019, 2020,  
20 2021, and 2022; ~~up to \$14.4 million in State fiscal~~  
21 ~~year 2019; up to \$15.3 million in State fiscal year~~  
22 ~~2020; up to \$16.2 million in State fiscal year 2021; up~~  
23 ~~to \$23.1 million in State fiscal year 2022~~; and up to  
24 \$17.0 million per year for State fiscal year 2023 and  
25 each year thereafter.

26 (E) All remaining funds per remit month shall be

1 used to make monthly proportional grants to the  
2 appropriate 9-1-1 Authority currently taking wireless  
3 9-1-1 based upon the United States Postal Zip Code of  
4 the billing addresses of subscribers of wireless  
5 carriers.

6 (F) Grants shall be distributed on a per capita  
7 basis, with priority to Emergency Telephone System  
8 Boards that received a disproportionately large number  
9 of ambulance or emergency medical service dispatch  
10 9-1-1 calls based on the population served by the  
11 Board. Data on 9-1-1 calls collected annually by the  
12 Department of State Police shall be used to determine  
13 priority of grant distributions.

14 (G) Entities which began the consolidation process  
15 on or before January 1, 2016 shall be eligible for  
16 reimbursement grants if the entity is otherwise  
17 eligible under this Act.

18 (c) The moneys deposited into the Statewide 9-1-1 Fund  
19 under this Section shall not be subject to administrative  
20 charges or chargebacks unless otherwise authorized by this Act.

21 (d) Whenever two or more 9-1-1 Authorities consolidate, the  
22 resulting Joint Emergency Telephone System Board shall be  
23 entitled to the monthly payments that had theretofore been made  
24 to each consolidating 9-1-1 Authority. Any reserves held by any  
25 consolidating 9-1-1 Authority shall be transferred to the  
26 resulting Joint Emergency Telephone System Board. Whenever a

1 county that has no 9-1-1 service as of January 1, 2016 enters  
2 into an agreement to consolidate to create or join a Joint  
3 Emergency Telephone System Board, the Joint Emergency  
4 Telephone System Board shall be entitled to the monthly  
5 payments that would have otherwise been paid to the county if  
6 it had provided 9-1-1 service.

7 (Source: P.A. 99-6, eff. 1-1-16.)

8 (50 ILCS 750/99)

9 (Section scheduled to be repealed on July 1, 2017)

10 Sec. 99. Repealer. This Act is repealed on July 1, 2022  
11 ~~2017~~.

12 (Source: P.A. 99-6, eff. 6-29-15.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.