

Telecommunications Committee

Adopted in House Comm. on Mar 13, 2008

09500HB5961ham001

LRB095 20018 MJR 46881 a

- 1 AMENDMENT TO HOUSE BILL 5961
- 2 AMENDMENT NO. _____. Amend House Bill 5961 by replacing
- 3 everything after the enacting clause with the following:
- 4 "Section 5. The Emergency Telephone System Act is amended
- 5 by changing Section 15.3 as follows:
- 6 (50 ILCS 750/15.3) (from Ch. 134, par. 45.3)
- 7 Sec. 15.3. Surcharge.
- 8 (a) The corporate authorities of any municipality or any
- 9 county may, subject to the limitations of subsections (c), (d),
- 10 and (h), and in addition to any tax levied pursuant to the
- 11 Simplified Municipal Telecommunications Tax Act, impose a
- 12 monthly surcharge on billed subscribers of network connection
- provided by telecommunication carriers engaged in the business
- of transmitting messages by means of electricity originating
- 15 within the corporate limits of the municipality or county
- 16 imposing the surcharge at a rate per network connection

1 determined in accordance with subsection (c), however the monthly surcharge shall not apply to a network connection 2 provided for use with pay telephone services. Provided, 3 4 however, that where multiple voice grade communications 5 channels are connected between the subscriber's premises and a 6 public switched network through private branch exchange (PBX) or centrex type service, a municipality imposing a surcharge at 7 a rate per network connection, as determined in accordance with 8 9 this Act, shall impose 5 such surcharges per network 10 connection, as determined in accordance with subsections (a) 2.12 mobile 11 and (d) of Section of this Act. For telecommunications services, if a surcharge is imposed it shall 12 13 imposed based upon the municipality or county that encompasses the customer's place of primary use as defined in 14 15 the Mobile Telecommunications Sourcing Conformity Act. A 16 municipality may enter into an intergovernmental agreement with any county in which it is partially located, when the 17 county has adopted an ordinance to impose a surcharge as 18 19 provided in subsection (c), to include that portion of the 20 municipality lying outside the county in that county's surcharge referendum. If the county's surcharge referendum is 21 22 approved, the portion of the municipality identified in the 23 intergovernmental agreement shall automatically be 24 disconnected from the county in which it lies and connected to 25 the county which approved the referendum for purposes of a 26 surcharge on telecommunications carriers.

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(b) For purposes of computing the surcharge imposed by subsection (a), the network connections to which the surcharge shall apply shall be those in-service network connections, other than those network connections assigned municipality or county, where the service address for each such network connection or connections is located within corporate limits of the municipality or county levying the surcharge. Except for mobile telecommunication services, the "service address" shall mean the location of the primary use of network connection or connections. For mobile telecommunication services, "service address" means customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. With respect to network connections provided for use with pay telephone services for which there is no billed subscriber, the telecommunications carrier providing the network connection shall be deemed to be its own billed subscriber for purposes applying the surcharge.

(c) Upon the passage of an ordinance to impose a surcharge under this Section the clerk of the municipality or county shall certify the question of whether the surcharge may be imposed to the proper election authority who shall submit the public question to the electors of the municipality or county in accordance with the general election law; provided that such question shall not be submitted at a consolidated primary election. The public question shall be in substantially the

| 1 | following form: |
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| 2 | |
| 3 | Shall the county (or city, village |
| 4 | or incorporated town) of impose YES |
| 5 | a surcharge of up to¢ per month per |
| 6 | network connection, which surcharge will |
| 7 | be added to the monthly bill you receive |
| 8 | for telephone or telecommunications |
| 9 | charges, for the purpose of installing |
| 10 | (or improving) a 9-1-1 Emergency NO |
| 11 | Telephone System? |
| 12 | |
| 13 | If a majority of the votes cast upon the public question |
| 14 | are in favor thereof, the surcharge shall be imposed. |
| 15 | However, if a Joint Emergency Telephone System Board is to |
| 16 | be created pursuant to an intergovernmental agreement under |
| 17 | Section 15.4, the ordinance to impose the surcharge shall be |
| 18 | subject to the approval of a majority of the total number of |
| 19 | votes cast upon the public question by the electors of all of |
| 20 | the municipalities or counties, or combination thereof, that |
| 21 | are parties to the intergovernmental agreement. |
| 22 | The referendum requirement of this subsection (c) shall not |
| 23 | apply to any municipality with a population over 500,000 or to |
| 24 | any county in which a proposition as to whether a sophisticated |
| 25 | 9-1-1 Emergency Telephone System should be installed in the |
| 26 | county, at a cost not to exceed a specified monthly amount per |

- 1 network connection, has previously been approved by a majority
- of the electors of the county voting on the proposition at an
- 3 election conducted before the effective date of this amendatory
- 4 Act of 1987.
- 5 (d) A county may not impose a surcharge, unless requested
- 6 by a municipality, in any incorporated area which has
- 7 previously approved a surcharge as provided in subsection (c)
- 8 or in any incorporated area where the corporate authorities of
- 9 the municipality have previously entered into a binding
- 10 contract or letter of intent with a telecommunications carrier
- 11 to provide sophisticated 9-1-1 service through municipal
- 12 funds.
- 13 (e) A municipality or county may at any time by ordinance
- 14 change the rate of the surcharge imposed under this Section if
- 15 the new rate does not exceed the rate specified in the
- referendum held pursuant to subsection (c).
- 17 (f) The surcharge authorized by this Section shall be
- 18 collected from the subscriber by the telecommunications
- 19 carrier providing the subscriber the network connection as a
- separately stated item on the subscriber's bill.
- 21 (g) The amount of surcharge collected by the
- 22 telecommunications carrier shall be paid to the particular
- 23 municipality or county or Joint Emergency Telephone System
- 24 Board not later than 30 days after the surcharge is collected,
- 25 net of any network or other 9-1-1 or sophisticated 9-1-1 system
- 26 charges then due the particular telecommunications carrier, as

- shown on an itemized bill. The telecommunications carrier collecting the surcharge shall also be entitled to deduct 3% of the gross amount of surcharge collected to reimburse the telecommunications carrier for the expense of accounting and collecting the surcharge.
 - (h) Except as expressly provided in subsection (a) of this Section, a municipality with a population over 500,000 may not impose a monthly surcharge in excess of \$2.50 per network connection.
 - (i) Any municipality or county or joint emergency telephone system board that has imposed a surcharge pursuant to this Section prior to the effective date of this amendatory Act of 1990 shall hereafter impose the surcharge in accordance with subsection (b) of this Section.
 - (j) The corporate authorities of any municipality or county may issue, in accordance with Illinois law, bonds, notes or other obligations secured in whole or in part by the proceeds of the surcharge described in this Section. Notwithstanding any change in law subsequent to the issuance of any bonds, notes or other obligations secured by the surcharge, every municipality or county issuing such bonds, notes or other obligations shall be authorized to impose the surcharge as though the laws relating to the imposition of the surcharge in effect at the time of issuance of the bonds, notes or other obligations were in full force and effect until the bonds, notes or other obligations are paid in full. The State of Illinois pledges and

- 1 agrees that it will not limit or alter the rights and powers
- 2 vested in municipalities and counties by this Section to impose
- the surcharge so as to impair the terms of or affect the 3
- 4 security for bonds, notes or other obligations secured in whole
- 5 or in part with the proceeds of the surcharge described in this
- 6 Section.
- Any surcharge collected by or 7 (k) imposed
- 8 telecommunications carrier pursuant to this Section shall be
- 9 held to be a special fund in trust for the municipality, county
- 10 or Joint Emergency Telephone Board imposing the surcharge.
- 11 Except for the 3% deduction provided in subsection (q) above,
- the special fund shall not be subject to the claims of 12
- 13 creditors of the telecommunication carrier.
- (Source: P.A. 95-331, eff. 8-21-07; 95-698, eff. 1-1-08.) 14
- 15 Section 99. Effective date. This Act takes effect upon
- becoming law.". 16