

Printer's Error Reprinted April 10, 2015

### **ENGROSSED HOUSE BILL No. 1475**

DIGEST OF HB 1475 (Updated April 9, 2015 2:26 pm - DI 103)

**Citations Affected:** IC 6-1.1; IC 6-3.5; IC 36-8.

Synopsis: Statewide 911 system. Removes the requirement that a county council (for a county adjusted gross income tax) or a county income tax council (for a county option income tax) must impose certain additional tax rates as a condition of imposing an additional tax rate for public safety (public safety LOIT). Provides that in a county in which a public safety LOIT is not in effect on July 1, 2015, the county (Continued next page)

**Effective:** January 1, 2015 (retroactive); July 1, 2015.

## Karickhoff, Austin, Frye R, Thompson, Truitt, Mahan, Steuerwald, Behning, Clere, Brown C, Carbaugh, GiaQuinta, Porter, Zent, Smaltz

(SENATE SPONSORS — HERSHMAN, HEAD, ARNOLD J, ECKERTY, RANDOLPH)

January 14, 2015, read first time and referred to Committee on Ways and Means. February 19, 2015, amended, reported — Do Pass. February 24, 2015, read second time, amended, ordered engrossed. February 25, 2015, engrossed. Read third time, passed. Yeas 81, nays 12.

SENATE ACTION
March 2, 2015, read first time and referred to Committee on Tax & Fiscal Policy.
March 19, 2015, amended, reported favorably — Do Pass.
April 9, 2015, read second time, amended, ordered engrossed.



#### Digest Continued

council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the tax revenue from a public safety LOIT imposed by a county shall be dedicated to a PSAP in the county that is part of the statewide 911 system. Provides that in a county in which a public safety LOIT is in effect on July 1, 2015, the county council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the public safety LOIT tax revenue derived from the part of the tax rate that exceeds the tax rate in effect on July 1, 2015, shall be dedicated a PSAP in the county that is part of the statewide 911 system. Authorizes the fiscal bodies of a county and another political subdivision that are parties to a contract under which the county has assumed the responsibility of operating a PSAP to jointly petition the department of local government finance to adjust the maximum property tax levies of the respective units. Increases the enhanced prepaid wireless charge from \$0.50 to \$1. Increases the statewide 911 fee for a standard user from \$0.90 to \$1. Provides that: (1) the statewide 911 board (board) may increase the enhanced prepaid wireless charge and the statewide 911 fee only one time after June 30, 2015, and before July 1, 2020 (and only after review by the budget committee); and (2) if the charge or fee is increased, the amount of the increase must be ten cents. Establishes a \$1 enhanced prepaid wireless charge, a \$1 statewide 911 fee, and payment schedules for providers that are designated as eligible telecommunications carriers for purposes of receiving reimbursement from the universal service fund. Authorizes the board to audit wireless telecommunications service providers on an annual basis to determine compliance with statewide 911 laws. Beginning with the 2016 fiscal year, requires the board to ensure a distribution of statewide 911 fees to each county in an amount equal to the amount distributed to the county in the 2014 fiscal year. Requires PSAPs to provide an annual report to the board concerning dispatch costs and funding. Requires the board to forward the report to the general assembly. Makes technical corrections.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

### ENGROSSED HOUSE BILL No. 1475

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-18.5-23 IS ADDED TO THE INDIANA CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2015]: Sec. 23. (a) This section applies to a
county in which the county has contractually assumed from another political subdivision the responsibility of operating a
public safety answering point.  (b) The fiscal bodies of a county and another political
subdivision that are parties to a contract described in subsection (a) may jointly petition the department of local government finance
to adjust the maximum permissible ad valorem property tax levies

for the ensuing calendar year of the petitioning units as follows:

(1) To increase the county's maximum permissible ad valorem property tax levy for the ensuing calendar year by an amount not greater than the amount levied in the preceding calendar year by the petitioning political subdivision to pay expenses



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1	incurred to operate the public safety answering point.
2	(2) To decrease the maximum permissible ad valorem
2 3	property tax levy for the ensuing calendar year of the
4	petitioning political subdivision by an amount not greater
5	than the amount that the petitioning political subdivision
6	levied in the preceding calendar year to pay expenses incurred
7	to operate the public safety answering point.
8	If such a petition is made to the department of local government
9	finance in accordance with subdivisions (1) and (2), the department
10	of local government finance shall adjust the levies for the
11	petitioning units.
12	SECTION 2. IC 6-3.5-1.1-25, AS AMENDED BY P.L.261-2013,
13	SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14	JULY 1, 2015]: Sec. 25. (a) As used in this section, "public safety"
15	refers to the following:
16	(1) A police and law enforcement system to preserve public peace
17	and order.
18	(2) A firefighting and fire prevention system.
19	(3) Emergency ambulance services (as defined in
20	IC 16-18-2-107).
21	(4) Emergency medical services (as defined in IC 16-18-2-110).
22	(5) Emergency action (as defined in IC 13-11-2-65).
23	(6) A probation department of a court.
24	(7) Confinement, supervision, services under a community
25	corrections program (as defined in IC 35-38-2.6-2), or other
26	correctional services for a person who has been:
27	(A) diverted before a final hearing or trial under an agreement
28	that is between the county prosecuting attorney and the person
29	or the person's custodian, guardian, or parent and that provides
30	for confinement, supervision, community corrections services,
31	or other correctional services instead of a final action
32	described in clause (B) or (C);
33	(B) convicted of a crime; or
34	(C) adjudicated as a delinquent child or a child in need of
35	services.
36	(8) A juvenile detention facility under IC 31-31-8.
37	(9) A juvenile detention center under IC 31-31-9.
38	(10) A county jail.
39	(11) A communications system (as defined in IC 36-8-15-3), an
40	enhanced emergency telephone system (as defined in
41	IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide
42	911 system (as defined in IC 36-8-16.7-22).



1	(12) Medical and health expenses for jail inmates and other
2	confined persons.
3	(13) Pension payments for any of the following:
4	(A) A member of the fire department (as defined in
5	IC 36-8-1-8) or any other employee of a fire department.
6	(B) A member of the police department (as defined in
7	IC 36-8-1-9), a police chief hired under a waiver under
8	IC 36-8-4-6.5, or any other employee hired by a police
9	department.
10	(C) A county sheriff or any other member of the office of the
11	county sheriff.
12	(D) Other personnel employed to provide a service described
13	in this section.
14	(b) If a county council has imposed a tax rate of at least twenty-five
15	hundredths of one percent (0.25%) under section 24 of this chapter, a
16	tax rate of at least twenty-five hundredths of one percent (0.25%) under
17	section 26 of this chapter, or a total combined tax rate of at least
18	twenty-five hundredths of one percent (0.25%) under sections 24 and
19	26 of this chapter, the A county council may also adopt an ordinance
20	to impose an additional tax rate under this section to provide funding
21	for public safety.
22	(c) A tax rate under this section may not exceed twenty-five
23	hundredths of one percent (0.25%).
24	(d) If a county council adopts an ordinance to impose a tax rate
25	under this section, not more than ten (10) days after the vote, the
26	county auditor shall send a certified copy of the ordinance to the
27	commissioner of the department, the director of the budget agency, and
28	the commissioner of the department of local government finance in an
29	electronic format approved by the director of the budget agency.
30	(e) A tax rate under this section is in addition to any other tax rates
31	imposed under this chapter and does not affect the purposes for which
32	other tax revenue under this chapter may be used.
33	(f) Except as provided in subsection subsections (k), or (l), (m),
34	and (n), the county auditor shall distribute the portion of the certified
35	distribution that is attributable to a tax rate under this section to the
36	county and to each municipality in the county that is carrying out or
37	providing at least one (1) of the public safety purposes described in
38	subsection (a). The amount that shall be distributed to the county or
39	municipality is equal to the result of:
40	(1) the portion of the certified distribution that is attributable to a
41	tax rate under this section; multiplied by
42	(2) a fraction equal to:



1	(A) the attributed allocation amount (as defined in
2	IC 6-3.5-1.1-15) of the county or municipality for the calendar
3	year; divided by
4	(B) the sum of the attributed allocation amounts of the county
5	and each municipality in the county that is entitled to a
6	distribution under this section for the calendar year.
7	The county auditor shall make the distributions required by this
8	subsection not more than thirty (30) days after receiving the portion of
9	the certified distribution that is attributable to a tax rate under this
10	section. Tax revenue distributed to a county or municipality under this
11	subsection must be deposited into a separate account or fund and may
12	be appropriated by the county or municipality only for public safety
13	purposes.
14	(g) The department of local government finance may not require a
15	county or municipality receiving tax revenue under this section to
16	reduce the county's or municipality's property tax levy for a particular
17	year on account of the county's or municipality's receipt of the tax
18	revenue.
19	(h) The tax rate under this section and the tax revenue attributable
20	to the tax rate under this section shall not be considered for purposes
21	of computing:
22	(1) the maximum income tax rate that may be imposed in a county
23	under section 2 of this chapter or any other provision of this
24	chapter;
25	(2) the maximum permissible property tax levy under
26	IC 6-1.1-18.5-3; or
27	(3) the credit under IC 6-1.1-20.6.
28	(i) The tax rate under this section may be imposed or rescinded at
29	the same time and in the same manner that the county may impose or
30	increase a tax rate under section 24 of this chapter.
31	(j) The department of local government finance and the department
32	of state revenue may take any actions necessary to carry out the
33	purposes of this section.
34	(k) Two (2) or more political subdivisions that are entitled to receive
35	a distribution under this section may adopt resolutions providing that
36	some part or all of those distributions shall instead be paid to one (1)
37	political subdivision in the county to carry out specific public safety
38	purposes specified in the resolutions.
39	(l) A fire department, volunteer fire department, or emergency
40	medical services provider that:
41	(1) provides fire protection or emergency medical services within



the county; and

(2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county council for a distribution of tax revenue under this section during the following calendar year. The county council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency medical services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

- (m) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.
- (n) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

SECTION 3. IC 6-3.5-6-31, AS AMENDED BY P.L.261-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 31. (a) As used in this section, "public safety" refers to the following:

(1) A police and law enforcement system to preserve public peace



1	and order.
2	(2) A firefighting and fire prevention system.
3	(3) Emergency ambulance services (as defined in
4	IC 16-18-2-107).
5	(4) Emergency medical services (as defined in IC 16-18-2-110).
6	(5) Emergency action (as defined in IC 13-11-2-65).
7	(6) A probation department of a court.
8	(7) Confinement, supervision, services under a community
9	corrections program (as defined in IC 35-38-2.6-2), or other
10	correctional services for a person who has been:
11	(A) diverted before a final hearing or trial under an agreement
12	that is between the county prosecuting attorney and the person
13	or the person's custodian, guardian, or parent and that provides
14	for confinement, supervision, community corrections services,
15	or other correctional services instead of a final action
16	described in clause (B) or (C);
17	(B) convicted of a crime; or
18	(C) adjudicated as a delinquent child or a child in need of
19	services.
20	(8) A juvenile detention facility under IC 31-31-8.
21	(9) A juvenile detention center under IC 31-31-9.
22	(10) A county jail.
23	(11) A communications system (as defined in IC 36-8-15-3), an
24	enhanced emergency telephone system (as defined in
25	IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide
26	911 system (as defined in IC 36-8-16.7-22).
27	(12) Medical and health expenses for jail inmates and other
28	confined persons.
29	(13) Pension payments for any of the following:
30	(A) A member of the fire department (as defined in
31	IC 36-8-1-8) or any other employee of a fire department.
32	(B) A member of the police department (as defined in
33	IC 36-8-1-9), a police chief hired under a waiver under
34	IC 36-8-4-6.5, or any other employee hired by a police
35	department.
36	(C) A county sheriff or any other member of the office of the
37	county sheriff.
38	(D) Other personnel employed to provide a service described
39	in this section.
40	(b) The county income tax council may adopt an ordinance to
41	impose an additional tax rate under this section to provide funding for
42	public safety. if:



1	(1) the county income tax council has imposed a tax rate under
2	section 30 of this chapter, in the case of a county containing a
3	consolidated city; or
4	(2) the county income tax council has imposed a tax rate of at
5	least twenty-five hundredths of one percent (0.25%) under section
6	30 of this chapter, a tax rate of at least twenty-five hundredths of
7	one percent (0.25%) under section 32 of this chapter, or a total
8	combined tax rate of at least twenty-five hundredths of one
9	percent (0.25%) under sections 30 and 32 of this chapter, in the
10	case of a county other than a county containing a consolidated
11	city.
12	(c) A tax rate under this section may not exceed the following:
13	(1) Five-tenths of one percent (0.5%), in the case of a county
14 15	containing a consolidated city.
15 16	(2) Twenty-five hundredths of one percent (0.25%), in the case of
10 17	<ul><li>a county other than a county containing a consolidated city.</li><li>(d) If a county income tax council adopts an ordinance to impose a</li></ul>
18	tax rate under this section, not more than ten (10) days after the vote,
19	the county auditor shall send a certified copy of the ordinance to the
20	commissioner of the department, the director of the budget agency, and
21	the commissioner of the department of local government finance in an
	electronic format approved by the director of the budget agency.
22	(e) A tax rate under this section is in addition to any other tax rates
22 23 24	imposed under this chapter and does not affect the purposes for which
25	other tax revenue under this chapter may be used.
26	(f) Except as provided in subsections (l), and (m), (n), and (o), the
27	county auditor shall distribute the portion of the certified distribution
28	that is attributable to a tax rate under this section to the county and to
29	each municipality in the county that is carrying out or providing at least
30	one (1) of the public safety purposes described in subsection (a). The
31	amount that shall be distributed to the county or municipality is equal
32	to the result of:
33	(1) the portion of the certified distribution that is attributable to a
34	tax rate under this section; multiplied by
35	(2) a fraction equal to:
36	(A) the total property taxes being collected in the county by
37	the county or municipality for the calendar year; divided by
38	(B) the sum of the total property taxes being collected in the
39	county by the county and each municipality in the county that
40	is entitled to a distribution under this section for the calendar
41	year.
42	The county auditor shall make the distributions required by this



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1	subsection not more than thirty (30) days after receiving the portion of
2	the certified distribution that is attributable to a tax rate under this
3	section. Tax revenue distributed to a county or municipality under this
4	subsection must be deposited into a separate account or fund and may
5	be appropriated by the county or municipality only for public safety
6	purposes.
7	(g) The department of local government finance may not require a
8	county or municipality receiving tax revenue under this section to
9	reduce the county's or municipality's property tax levy for a particular
10	year on account of the county's or municipality's receipt of the tax
11	revenue.
12	(h) The tax rate under this section and the tax revenue attributable
13	to the tax rate under this section shall not be considered for purposes
14	of computing:

- of computing:
  - (1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;
  - (2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or
  - (3) the credit under IC 6-1.1-20.6.
- (i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 30 of this chapter.
- (j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.
- (k) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the additional tax rate under this section.
- (1) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.
- (m) A fire department, volunteer fire department, or emergency medical services provider that:
  - (1) provides fire protection or emergency medical services within the county; and
  - (2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;
- may before July 1 of a year apply to the county income tax council for



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a distribution of tax revenue under this section during the following calendar year. The county income tax council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

- (n) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.
- (o) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

SECTION 4. IC 36-8-16.6-11, AS AMENDED BY P.L.107-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The board shall impose an enhanced prepaid wireless charge on each retail transaction. that occurs after June 30, 2010. Except as provided in subsection (e), the amount of the initial charge imposed under this section may not exceed one-half (1/2) of the monthly wireless emergency enhanced 911 fee assessed



1	under IC 36-8-16.5-25.5 (before its repeal on July 1, 2012). The board
2	shall increase the amount of the charge imposed under this section so
3	that the amount of the charge imposed after June 30, 2012, under this
4	section equals fifty cents (\$0.50). is one dollar (\$1).
5	(b) Subject to legislative approval, after the increase described in
6	subsection (a) and after June 30, 2012, The board may increase the
7	enhanced prepaid wireless charge to ensure adequate revenue for the
8	board to fulfill its duties and obligations under this chapter and
9	IC 36-8-16.7. The following apply to an increase in the enhanced
10	prepaid wireless charge:
11	(1) The board may increase the charge only one (1) time after
12	June 30, 2015, and before July 1, 2020.
13	(2) The board may increase the charge only after review by
14	the budget committee.
15	(3) If the board increases the charge, the amount of the
16	increase must be ten cents (\$0.10).
17	(c) A consumer that is the federal government or an agency of the
18	federal government is exempt from the enhanced prepaid wireless
19	charge imposed under this section.
20	(d) This subsection applies to a provider that is designated by the
21	Indiana utility regulatory commission as an eligible
22	telecommunications carrier for purposes of receiving reimbursemen
23	from the universal service fund through the administrator designated
24	by the Federal Communications Commission. A provider:
25	(1) is not considered an agency of the federal government for
26	purposes of the exemption set forth in subsection (c); and
27	(2) is liable for the enhanced prepaid wireless charge imposed
28	under this section with respect to prepaid wireless
29	telecommunications service provided to end users by the
30	provider in its capacity as an eligible telecommunications carrier
31	is liable for the enhanced prepaid wireless charge imposed
32	under subsection (e).
33	(e) A provider described in subsection (d) shall pay to the board
34	the following charges:
35	(1) Not later than August 1, 2015, a one (1) time charge equa
36	to the product of the following factors:
37	(A) The enhanced prepaid wireless charge established
38	under subsection (a).
39	(B) The number of unique end users for which the provide
40	received reimbursement from the universal service fund
41	during the immediately preceding month.

(C) The number of months under the current service



1	agreement between each end user described in clause (B)
2	and the provider for which the provider has received
3	reimbursement from the universal service fund before
4	August 1, 2015.
5	(2) Beginning September 1, 2015, and on the first day of each
6	month thereafter, a charge equal to the product of the
7	following factors:
8	(A) The enhanced prepaid wireless charge established
9	under subsection (a).
10	(B) The number of unique end users for which the provider
11	received reimbursement from the universal service fund
12	during the immediately preceding month.
13	The provider may bill and collect from each end user the charges
14	calculated under this subdivision with respect to the end user. The
15	provider shall determine the manner in which the provider bills
16	and collects the charges. A provider may not bill and collect from
17	an end user an amount greater than the charges paid by the
18	provider to the board with respect to the end user.
19	SECTION 5. IC 36-8-16.6-17, AS ADDED BY P.L.113-2010,
20	SECTION 151, IS AMENDED TO READ AS FOLLOWS
21	[EFFECTIVE JULY 1, 2015]: Sec. 17. (a) The department, in
22	conjunction and coordination with the board, shall establish
23	procedures:
24	(1) governing the collection and remittance of enhanced prepaid
25	wireless charges in accordance with the procedures established
26	under IC 6-8.1 concerning listed taxes; and
27	(2) allowing a seller to document that a sale of prepaid wireless
28	telecommunications service is not a retail transaction.
29	(b) A procedure established under subsection (a)(1):
30	(1) must take into consideration the differences between large and
31	small sellers, including smaller sales volumes; and
32	(2) may establish lower thresholds for the remittance of enhanced
33	prepaid wireless charges by small sellers.
34	For purposes of this subsection, a small seller is a seller that sells less
35	than one hundred dollars (\$100) of prepaid wireless
36	telecommunications service each month.
37	(c) On an annual basis, the board may audit providers to
38	determine compliance with procedures established under
39	subsection (a). Not later than March 1 of the year immediately
40	following an audit, the board shall submit, in an electronic format
41	under IC 5-14-6, a copy of the audit to the general assembly and
<b>T</b> I	under 10 3-14-0, a copy of the addit to the general assembly and



the budget committee.

1	SECTION 6. IC 36-8-16.7-10, AS ADDED BY P.L.132-2012,
2	SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2015]: Sec. 10. (a) As used in this chapter, "exchange access
4	facility" means the access from a particular service user's premises to
5	a telephone system.
6	(b) Regardless of technology, the term includes:
7	(1) an access line;
8	(2) a private branch exchange; (PBX) trunk; and
9	(3) a centrex line trunk equivalent;
10	that is provided by the service supplier. The term also includes a
11	mobile telephone system access trunk, whether the trunk is provided by
12	a telephone company or a radio common carrier. In the ease of a
13	service user receiving interconnected VoIP service, the term refers to
14	the Internet protocol compatible customer premises equipment that
15	enables the service user to access the interconnected VoIP service.
16	(c) The term does not include:
17	(1) a service supplier owned and operated telephone pay station
18	line;
19	(2) a wide area telecommunications service (WATS) line;
20	(3) a foreign exchange (FX) line; or
21	(4) an incoming only line; <b>or</b>
22	(5) the provision of broadband Internet access service.
23	SECTION 7. IC 36-8-16.7-24, AS ADDED BY P.L.132-2012,
24	SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25	JULY 1, 2015]: Sec. 24. (a) The statewide 911 board is established to
26	develop, implement, and oversee the statewide 911 system. The board
27	is a body corporate and politic, and though it is separate from the state,
28	the exercise by the board of its powers constitutes an essential
29	governmental function.
30	(b) The following recommendations must be made to the governor
31	concerning the membership of the board:
32	(1) The executive committees of:
33	(A) the Indiana chapter of the National Emergency Number
34	Association (NENA); and
35	(B) the Indiana chapter of the Association of Public Safety
36	Communication Officials International (APCO);
37	shall jointly recommend three (3) individuals, at least one (1) of
38	whom must have budget experience at the local level.
39	(2) The facilities based CMRS providers authorized to provide
40	CMRS in Indiana shall jointly recommend one (1) individual.
41	(3) The Indiana Association of County Commissioners shall

recommend one (1) individual who is a county commissioner in



1	Indiana.
2	(4) The Indiana Sheriffs' Association shall recommend one (1)
3	individual who is a county sheriff in Indiana.
4	(5) The Indiana Telecommunications Association shall
5	recommend two (2) individuals as follows:
6	(A) One (1) individual representing a local exchange carrier
7	that serves less than fifty thousand (50,000) local exchange
8	access lines in Indiana.
9	(B) One (1) individual representing a local exchange carrier
10	that serves at least fifty thousand (50,000) local exchange
11	access lines in Indiana.
12	(6) The Indiana Cable Telecommunications Association shall
13	recommend one (1) individual representing a VOIP provider.
14	(7) The Indiana Association of Cities and Towns shall
15	recommend one (1) individual representing municipalities.
16	(c) The board consists of the following thirteen (13) fifteen (15)
17	members:
18	(1) The treasurer of state or the treasurer's designee. The treasurer
19	of state or the treasurer's designee is chairperson of the board for
20	a term concurrent with the treasurer of state's term of office.
21	However, the treasurer of state's designee serves at the pleasure
22	of the treasurer of state.
23	(2) Three (3) members for a term of three (3) years who are
24	appointed by the governor after considering the recommendations
25	submitted under subsection (b)(1) by the executive committees of
26	NENA and APCO. At least one (1) member appointed under this
27	subdivision must have budget experience at the local level.
28	(3) One (1) facilities based CMRS member who is appointed by
29	the governor after considering the recommendation submitted
30	under subsection (b)(2) by the facilities based CMRS providers
31	authorized to provide CMRS in Indiana. A member appointed
32	under this subdivision may not be affiliated with the same
33	business entity as a member appointed under subdivision (6), (7),
34	or (8).
35	(4) One (1) county commissioner member appointed by the
36	governor after considering the recommendation submitted under
37	subsection (b)(3) by the Indiana Association of County
38	Commissioners.
39	(5) One (1) county sheriff member appointed by the governor
40	after considering the recommendation submitted under subsection
41	(b)(4) by the Indiana Sheriffs' Association.
42	(6) One (1) member who represents a local exchange carrier that



serves less than fifty thousand (50,000) local exchange access
• • • • • • • • • • • • • • • • • • • •
lines in Indiana and who is appointed by the governor after
considering the recommendation of the Indiana
Telecommunications Association under subsection (b)(5)(A). A
member appointed under this subdivision may not be affiliated
with the same business entity as a member appointed under
subdivision (3), (7), or (8).

- (7) One (1) member who represents a local exchange carrier that serves at least fifty thousand (50,000) local exchange access lines in Indiana and who is appointed by the governor after considering the recommendation of the Indiana Telecommunications Association under subsection (b)(5)(B). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (8).
- (8) One (1) member who represents a VOIP provider and who is appointed by the governor after considering the recommendation of the Indiana Cable Telecommunications Association under subsection (b)(6). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (7).
- (9) One (1) member who represents municipalities and is appointed by the governor after considering the recommendation of the Indiana Association of Cities and Towns submitted under subsection (b)(7).
- (10) The state fire marshal or the state fire marshal's designee.
- (11) The superintendent of the state police department or the superintendent's designee.
- (12) The executive director of the department of homeland security, or the executive director's designee. The executive director of the department of homeland security or the executive director's designee is a nonvoting member of the board.

# (13) The state GIS officer. The state GIS officer is a nonvoting member of the board.

(d) This subsection applies to a member appointed by the governor under subsection (c)(2) through (c)(9). The governor shall ensure that the terms of the initial members appointed by the governor are staggered so that the terms of not more than five (5) members expire in a single calendar year. After the initial appointments, subsequent appointments shall be for three (3) year terms. A vacancy on the board shall be filled for the vacating member's unexpired term in the same



manner as the original appointment, and a member of the board is eligible for reappointment. In making an appointment under subsection (c)(2) through (c)(9), the governor shall take into account the various geographical areas of Indiana, including rural and urban areas. A member appointed by the governor serves at the pleasure of the governor.

- (e) A member must be a resident of Indiana.
- (f) A member may not vote by proxy.

SECTION 8. IC 36-8-16.7-25, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. A majority of the **voting** members of the board constitutes a quorum for the purposes of taking action. A meeting of the board is subject to IC 5-14-1.5.

SECTION 9. IC 36-8-16.7-30, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 30. (a) The state board of accounts shall audit the fund on an annual basis to determine whether the fund is being managed in accordance with this chapter. For each of the two (2) state fiscal years ending:

- (A) (1) June 30, 2013; and
- (B) (2) June 30, 2014;

the state board of accounts shall submit, not later than November 1 of each year during which the particular state fiscal year ends, a report of the audit required by this subsection to the budget committee for the budget committee's review. A report submitted under this subsection must be in an electronic format under IC 5-14-6.

- (b) On an annual basis, and in conjunction with the board's review under section 38(d) of this chapter of the state board of accounts' annual audit of PSAPs, the board shall review 911 service in Indiana, including the collection, disbursement, and use of the statewide 911 fee assessed under section 32 of this chapter. The purpose of the review is to ensure that the statewide 911 fee:
  - (1) does not exceed the amount reasonably necessary to provide adequate and efficient 911 service; and
  - (2) is used only for the purposes set forth in this chapter.
  - (c) For each of the two (2) calendar years ending:
    - (A) (1) December 31, 2013; and
    - (B) (2) December 31, 2014;

the board shall submit, not later than March 1 of the year immediately following the particular calendar year, a summary report of the board's findings under the review required by subsection (b) to the budget committee for the budget committee's review. A report submitted under



1	this subsection must be in an electronic format under IC 5-14-6.
2	SECTION 10. IC 36-8-16.7-32, AS AMENDED BY P.L.107-2014,
3	SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4	JULY 1, 2015]: Sec. 32. (a) Except as provided in subsections (c) and
5	(e), and subject to subsection (b) and section 48(e) of this chapter, the
6	board shall assess a monthly statewide 911 fee on each standard user
7	that is a customer having a place of primary use in Indiana at a rate
8	that:
9	(1) ensures full recovery of the amount needed for the board to
10	make distributions to county treasurers consistent with this
11	chapter; and
12	(2) provides for the proper development, operation, and
13	maintenance of a statewide 911 system.
14	Except as provided in subsection (g), the amount of the initial fee
15	assessed under this subsection is ninety cents (\$0.90). one dollar (\$1).
16	(b) The board may adjust the statewide 911 fee to ensure adequate
17	revenue for the board to fulfill the board's duties and obligations under
18	this chapter, subject to the following:
19	(1) The following apply to an increase in the fee:
20	(A) The board may increase the fee only one (1) time after
21	June 30, 2015, and before July 1, 2020.
22	(B) The board may increase the fee only after review by
23	the budget committee.
24	(C) If the board increases the fee, the amount of the
25	increase must be ten cents (\$0.10).
26	(1) (2) The fee may not be raised or lowered more than one (1)
27	time in a calendar year.
28	(2) (3) The fee
29	(A) may not be raised by an amount that is less than or equal
30	to ten cents (\$0.10) without review by the budget committee;
31	<del>and</del>
32	(B) may not be raised or lowered by an amount that is more
33	than ten cents (\$0.10) without legislative approval.
34	(c) The fee assessed under this section does not apply to a prepaid
35	user in a retail transaction under IC 36-8-16.6.
36	(d) An additional fee relating to the provision of 911 service may
37	not be levied by a state agency or local unit of government. An
38	enhanced prepaid wireless charge (as defined in IC 36-8-16.6-4) is not
39	considered an additional fee relating to the provision of wireless 911
40	service for purposes of this section.
41	(e) A user is exempt from the fee if the user is any of the following:

(1) The federal government or an agency of the federal



1	government.
2	(2) The state or an agency or instrumentality of the state.
3	(3) A political subdivision (as defined in IC 36-1-2-13) or an
4	agency of a political subdivision.
5	(4) A user that accesses communications service solely through
6	a wireless data only service plan.
7	(f) This subsection applies to a provider that is designated by the
8	Indiana utility regulatory commission as an eligible
9	telecommunications carrier for purposes of receiving reimbursement
10	from the universal service fund through the administrator designated
11	by the Federal Communications Commission. A provider:
12	(1) is not considered an agency of the federal government for
13	purposes of the exemption set forth in subsection (e); and
14	(2) is liable for the monthly statewide 911 fee assessed under
15	subsection (a) with respect to communications service provided
16	to end users by the provider in its capacity as an eligible
17	telecommunications carrier, is liable for the statewide 911 fee
18	assessed under subsection (g).
19	(g) A provider described in subsection (f) shall pay to the board
20	the following fees:
21	(1) Not later than August 1, 2015, a fee equal to the product of
22	the following factors:
23	(A) The monthly statewide 911 fee established under
24	subsection (a).
25	(B) The number of unique end users for which the provider
26	received reimbursement from the universal service fund
27	during the immediately preceding month.
28	(C) The number of months under the current service
29	agreement between each end user described in clause (B)
30	and the provider for which the provider has received
31	reimbursement from the universal service fund before
32	August 1, 2015.
33	(2) Beginning September 1, 2015, and on the first day of each
34	month thereafter, a monthly statewide 911 fee equal to the
35	product of the following factors:
36	(A) The monthly statewide 911 fee established under
37	subsection (a).
38	(B) The number of unique end users for which the provider
39	received reimbursement from the universal service fund
40	during the immediately preceding month.
41	The provider may bill and collect from each end user the fees

calculated under this subdivision with respect to the end user. The



1	provider shall determine the manner in which the provider bills
2	and collects the fees. A provider may not bill and collect from an
3	end user an amount greater than the fees paid by the provider to
4	the board with respect to the end user.
5	SECTION 11. IC 36-8-16.7-37, AS ADDED BY P.L.132-2012,
6	SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7	JULY 1, 2015]: Sec. 37. (a) Subject to subsection (b), the board shall
8	administer the fund in the following manner:
9	(1) In each state fiscal year, the board may retain the lesser of:
10	(A) ten percent (10%) of the statewide 911 fees deposited in
11	the fund in the previous state fiscal year; or
12	(B) the amount of fees deposited in the fund in the previous
13	state fiscal year that would provide for the operating expenses
14	of the statewide 911 system during the state fiscal year for
15	which the fees are retained;
16	to pay the board's expenses in administering this chapter and to
17	develop, operate, and maintain a statewide 911 system. The board
18	may decrease the amount of fees retained by the board under this
19	subdivision.
20	(2) After retaining the amount set forth in subdivision (1), the
21	board shall distribute to the counties in a manner determined by
22	the board, the remainder of the statewide 911 fees in the fund.
23	However, With respect to any state fiscal year beginning after
24	June 30, <del>2012,</del> <b>2015,</b> the board shall first ensure a distribution to
25	each county in an amount that is equal to the average annual total
26	amount of statewide 911 fees distributed to all PSAPs in the
27	county under IC 36-8-16 (before its repeal on July 1, 2012) and to
28	the county under IC 36-8-16.5 (before its repeal on July 1, 2012)
29	during the three (3) state fiscal years ending:
30	(A) June 30, 2009;
31	(B) June 30, 2010; and
32	<del>(C) June 30, 2011;</del>
33	increased by a percentage that does not exceed the percent of
34	increase in the United States Department of Labor Consumer
35	Price Index during the twelve (12) months preceding the state
36	fiscal year for which the distribution is made. to the county
37	during the fiscal year ending June 30, 2014.
38	(3) If any statewide 911 fees remain in the fund after the
39	distributions ensured under subdivision (2), the board shall
40	distribute the fees as follows:
41	(A) Ninety percent (90%) of the fees shall be distributed to the

counties based upon each county's percentage of the state's



1	population.
2	(B) Ten percent (10%) of the fees shall be distributed equally
3	among the counties.
4	(b) The board may not distribute money in the fund in a manner that
5	impairs the ability of the board to fulfill its management and
6	administrative obligations under this chapter.
7	SECTION 12. IC 36-8-16.7-38, AS ADDED BY P.L.132-2012,
8	SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9	JULY 1, 2015]: Sec. 38. (a) A PSAP may use a distribution from a
10	county under this chapter only for the following:
11	(1) The lease, purchase, or maintenance of communications
12	service equipment.
13	(2) Necessary system hardware and software and data base
14	equipment.
15	(3) Personnel expenses, including wages, benefits, training, and
16	continuing education, only to the extent reasonable and necessary
17	for the provision and maintenance of:
18	(A) the statewide 911 system; or
19	(B) a wireline enhanced emergency telephone system funded
20	under IC 36-8-16 (before its repeal on July 1, 2012).
21	(4) Operational costs, including costs associated with:
22	(A) utilities;
23	(B) maintenance;
24	(C) equipment designed to provide backup power or system
25	redundancy, including generators; and
26	(D) call logging equipment.
27	(5) An emergency notification system that is approved by the
28	board under section 40 of this chapter.
29	(6) Connectivity to the Indiana data and communications system
30	(IDACS).
31	(7) Rates associated with communications service providers'
32	enhanced emergency communications system network services.
33	(8) Mobile radio equipment used by first responders, other than
34	radio equipment purchased under subdivision (9) as a result of the
35	narrow banding requirements specified by the Federal
36	Communications Commission.
37	(9) Up to fifty percent (50%) of the costs associated with the
38	narrow banding or replacement of radios or other equipment as a
39	result of the narrow banding requirements specified by the
40	Federal Communications Commission.
41	(b) A PSAP may not use a distribution from a county under this
42	chapter for the following:



2	buildings.
3	(2) Vehicles.
4	(c) Not later than January 31 of each year, each PSAP shall submit
5	to the board a report of the following:
6	(1) All expenditures made during the immediately preceding
7	calendar year from distributions under this chapter.
8	(2) Call data and statistics for the immediately preceding calendar
9	year, as specified by the board and collected in accordance with
10	any reporting method established or required by the board.
11	(3) All costs associated with dispatching appropriate public
12	safety agencies to respond to 911 calls received by the PSAP.
13	(4) All funding sources and amounts of funding used for costs
14	described in subdivision (3).
15	(d) Beginning in 2013, the state board of accounts annually shall
16	audit the expenditures of distributions under this chapter made during
17	the immediately preceding calendar year by each PSAP that receives
18	distributions under this chapter. In conducting an audit under this
19	subsection, the state board of accounts shall determine, in conjunction
20	with the board, whether the expenditures made by each PSAP are in
21	compliance with subsections (a) and (b). The board shall review and
22	further audit any ineligible expenditure identified by the state board of
23	accounts under this subsection or through any other report. If the board
24	verifies that the expenditure did not comply with this section, the board
25	shall ensure that the fund is reimbursed in the dollar amount of the
26	noncomplying expenditure from any source of funding, other than a
27	fund described in subsection (f), that is available to the PSAP or to a
28	unit in which the PSAP is located.
29	(e) For each of the two (2) calendar years ending:
30	(A) (1) December 31, 2013; and
31	<del>(B)</del> <b>(2)</b> December 31, 2014;
32	the state board of accounts shall submit, not later than March 1 of the
33	year immediately following the particular calendar year, a summary
34	report of the audits required by subsection (d) for the particular
35	calendar year to the budget committee for the budget committee's
36	review. A report submitted under this subsection must be in an
37	electronic format under IC 5-14-6.
38	(f) A distribution under section 37(a)(2) of this chapter must be
39	deposited by the treasurer of the county in a separate fund set aside for
40	the purposes allowed by subsections (a) and (b). The fund must be
41	known as the (insert name of county) 911 fund. The county
42	treasurer may invest money in the fund in the same manner that other



1	money of the county may be invested, but income earned from the
2	investment must be deposited in the fund set aside under this
3	subsection.
4	(g) Not later than November 1 of each year, the board shall
5	provide in an electronic format under IC 5-14-6 to the general
6	assembly the information submitted under subsection (c)(3) and
7	(c)(4).
8	SECTION 13. IC 36-8-16.7-38.5 IS ADDED TO THE INDIANA
9	CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS
10	[EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 38.5. (a)
11	This section applies to a political subdivision that operates a PSAP.
12	(b) Notwithstanding any other law, the fiscal body of a political
13	subdivision may adopt an ordinance to authorize payment in
14	advance of all or part of the cost of:
15	(1) the lease, purchase, or maintenance of communications
16	service equipment; and
17	(2) rates associated with a communications service provider's
18	enhanced emergency communications system network
19	services;
20	from any legally available fund of the political subdivision,
21	including the political subdivision's rainy day fund.
22	(c) If a political subdivision makes a payment in advance under
23	this section, the political subdivision shall reimburse the fund from
24	which the advance payment was made.
25	SECTION 14. An emergency is declared for this act.



#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1475, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 13, delete "by the" and insert "by an".

Page 1, line 13, after "amount" insert "not greater than the amount".

Page 2, line 4, delete "by the" and insert "by an".

Page 2, line 4, after "amount" insert "not greater than the amount".

Page 2, between lines 7 and 8, begin a new line blocked left and insert:

"If such a petition is made to the department of local government finance in accordance with subdivisions (1) and (2), the department of local government finance shall adjust the levies for the petitioning units.".

Page 5, between lines 13 and 14, begin a new paragraph and insert:

"(m) The county council may adopt a resolution to provide that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under subsection (f)."

Page 8, between lines 31 and 32, begin a new paragraph and insert:

"(n) A county income tax council may adopt a resolution to provide that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under subsection (f)."

Page 10, between lines 1 and 2, begin a new paragraph and insert: "SECTION 6. IC 36-8-16.7-24, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 24. (a) The statewide 911 board is established to develop, implement, and oversee the statewide 911 system. The board is a body corporate and politic, and though it is separate from the state,



the exercise by the board of its powers constitutes an essential governmental function.

- (b) The following recommendations must be made to the governor concerning the membership of the board:
  - (1) The executive committees of:
    - (A) the Indiana chapter of the National Emergency Number Association (NENA); and
    - (B) the Indiana chapter of the Association of Public Safety Communication Officials International (APCO);
  - shall jointly recommend three (3) individuals, at least one (1) of whom must have budget experience at the local level.
  - (2) The facilities based CMRS providers authorized to provide CMRS in Indiana shall jointly recommend one (1) individual.
  - (3) The Indiana Association of County Commissioners shall recommend one (1) individual who is a county commissioner in Indiana.
  - (4) The Indiana Sheriffs' Association shall recommend one (1) individual who is a county sheriff in Indiana.
  - (5) The Indiana Telecommunications Association shall recommend two (2) individuals as follows:
    - (A) One (1) individual representing a local exchange carrier that serves less than fifty thousand (50,000) local exchange access lines in Indiana.
    - (B) One (1) individual representing a local exchange carrier that serves at least fifty thousand (50,000) local exchange access lines in Indiana.
  - (6) The Indiana Cable Telecommunications Association shall recommend one (1) individual representing a VOIP provider.
  - (7) The Indiana Association of Cities and Towns shall recommend one (1) individual representing municipalities.
- (c) The board consists of the following thirteen (13) fifteen (15) members:
  - (1) The treasurer of state or the treasurer's designee. The treasurer of state or the treasurer's designee is chairperson of the board for a term concurrent with the treasurer of state's term of office. However, the treasurer of state's designee serves at the pleasure of the treasurer of state.
  - (2) Three (3) members for a term of three (3) years who are appointed by the governor after considering the recommendations submitted under subsection (b)(1) by the executive committees of NENA and APCO. At least one (1) member appointed under this subdivision must have budget experience at the local level.



- (3) One (1) facilities based CMRS member who is appointed by the governor after considering the recommendation submitted under subsection (b)(2) by the facilities based CMRS providers authorized to provide CMRS in Indiana. A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (6), (7), or (8).
- (4) One (1) county commissioner member appointed by the governor after considering the recommendation submitted under subsection (b)(3) by the Indiana Association of County Commissioners.
- (5) One (1) county sheriff member appointed by the governor after considering the recommendation submitted under subsection (b)(4) by the Indiana Sheriffs' Association.
- (6) One (1) member who represents a local exchange carrier that serves less than fifty thousand (50,000) local exchange access lines in Indiana and who is appointed by the governor after considering the recommendation of the Indiana Telecommunications Association under subsection (b)(5)(A). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (7), or (8).
- (7) One (1) member who represents a local exchange carrier that serves at least fifty thousand (50,000) local exchange access lines in Indiana and who is appointed by the governor after considering the recommendation of the Indiana Telecommunications Association under subsection (b)(5)(B). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (8).
- (8) One (1) member who represents a VOIP provider and who is appointed by the governor after considering the recommendation of the Indiana Cable Telecommunications Association under subsection (b)(6). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (7).
- (9) One (1) member who represents municipalities and is appointed by the governor after considering the recommendation of the Indiana Association of Cities and Towns submitted under subsection (b)(7).
- (10) The state fire marshal or the state fire marshal's designee.
- (11) The superintendent of the state police department or the



superintendent's designee.

- (12) The executive director of the department of homeland security, or the director's designee.
- (13) The state GIS officer.
- (d) This subsection applies to a member appointed by the governor under subsection (c)(2) through (c)(9). The governor shall ensure that the terms of the initial members appointed by the governor are staggered so that the terms of not more than five (5) members expire in a single calendar year. After the initial appointments, subsequent appointments shall be for three (3) year terms. A vacancy on the board shall be filled for the vacating member's unexpired term in the same manner as the original appointment, and a member of the board is eligible for reappointment. In making an appointment under subsection (c)(2) through (c)(9), the governor shall take into account the various geographical areas of Indiana, including rural and urban areas. A member appointed by the governor serves at the pleasure of the governor.
  - (e) A member must be a resident of Indiana.
  - (f) A member may not vote by proxy.".

Page 11, line 3, after "(\$1)." insert "The fee under this subsection shall be assessed only on the primary access line (not a secondary or extension line) of a residential standard user. As used in this subsection, "access line" means a communications line that is used by a subscriber residential user to place and receive telephone calls with the public switched telephone network. As used in this subsection, "secondary or extension line" means a communications line that provides services in connection with a subscriber's primary access line."

Page 11, delete lines 41 through 42, begin a new paragraph and insert:

"SECTION 8. IC 36-8-16.7-37, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 37. (a) Subject to subsection (b), the board shall administer the fund in the following manner:

- (1) In each state fiscal year, the board may retain the lesser of:
  - (A) ten percent (10%) of the statewide 911 fees deposited in the fund in the previous state fiscal year; or
  - (B) the amount of fees deposited in the fund in the previous state fiscal year that would provide for the operating expenses of the statewide 911 system during the state fiscal year for which the fees are retained;

to pay the board's expenses in administering this chapter and to



develop, operate, and maintain a statewide 911 system. The board may decrease the amount of fees retained by the board under this subdivision.

- (2) After retaining the amount set forth in subdivision (1), the board shall distribute to the counties in a manner determined by the board, the remainder of the statewide 911 fees in the fund. However, With respect to any state fiscal year beginning after June 30, 2012, 2015, the board shall first ensure a distribution to each county in an amount that is equal to the average annual total amount of statewide 911 fees distributed to all PSAPs in the county under IC 36-8-16 (before its repeal on July 1, 2012) and to the county under IC 36-8-16.5 (before its repeal on July 1, 2012) during the three (3) state fiscal years ending:
  - (A) June 30, 2009;
  - (B) June 30, 2010; and
  - (C) June 30, 2011;

increased by a percentage that does not exceed the percent of increase in the United States Department of Labor Consumer Price Index during the twelve (12) months preceding the state fiscal year for which the distribution is made. to the county during the fiscal year ending June 30, 2014.

- (3) If any statewide 911 fees remain in the fund after the distributions ensured under subdivision (2), the board shall distribute the fees as follows:
  - (A) Ninety percent (90%) of the fees shall be distributed to the counties based upon each county's percentage of the state's population.
  - (B) Ten percent (10%) of the fees shall be distributed equally among the counties.
- (b) The board may not distribute money in the fund in a manner that impairs the ability of the board to fulfill its management and administrative obligations under this chapter.".

Delete page 12.

Page 13, delete lines 1 through 3.

Page 15, after line 4, begin a new paragraph and insert:

"SECTION 10. IC 36-8-16.7-38.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 38.5. (a) This section applies to a political subdivision that operates a PSAP.** 

(b) Notwithstanding any other law, the fiscal body of a political subdivision may adopt an ordinance to authorize payment in advance of all or part of the cost of:



- (1) the lease, purchase, or maintenance of communications service equipment; and
- (2) rates associated with a communications service providers' enhanced emergency communications system network services;

from any legally available fund of the political subdivision, including the political subdivision's rainy day fund.

(c) If a political subdivision makes a payment in advance under this section, the political subdivision shall reimburse the fund from which the advance payment was made.

SECTION 11. IC 36-8-16.7-48, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 48. (a) The budget committee shall review the statewide 911 system governed by this chapter:

- (1) for the two (2) calendar years ending  $\frac{1}{1}$  December 31, 2013, and  $\frac{2}{1}$  December 31, 2014; and
- (2) for the two (2) calendar years ending December 31, 2018, and December 31, 2019.
- (b) In conducting the review required by this section, the budget committee may examine the following:
  - (1) Whether the fund is being administered by the board in accordance with this chapter. In performing a review under this subdivision, the budget committee may consider the audit reports submitted to the budget committee by the state board of accounts under section 30(a) of this chapter.
  - (2) The collection, disbursement, and use of the statewide 911 fee assessed under section 32 of this chapter. In performing a review under this subdivision, the budget committee may:
    - (A) examine whether the statewide 911 fee:
      - (i) is being assessed in an amount that is reasonably necessary to provide adequate and efficient 911 service; and
      - (ii) is being used only for the purposes set forth in this chapter; and
    - (B) consider:
      - (i) the reports submitted to the budget committee by the board under section 30(c) of this chapter; and
      - (ii) the audit reports submitted to the budget committee by the state board of accounts under section 38(e) of this chapter.
  - (3) The report submitted to the budget committee by the Indiana advisory commission on intergovernmental relations under IC 4-23-24.2-5(b).



- (4) Any other data, reports, or information the budget committee determines is necessary to review the statewide 911 system governed by this chapter.
- (c) Subject to section 42 of this chapter, the board, the state board of accounts, political subdivisions, providers, and PSAPs shall provide to the budget committee all relevant data, reports, and information requested by the budget committee to assist the budget committee in carrying out its duties under this section.
- (d) After conducting the review required by subsection (a), the budget committee shall, not later than June 1, 2015, report its findings to the legislative council in an electronic format under IC 5-14-6.
- (d) (e) After conducting the review required by this section, subsection (a)(2), the budget committee shall, not later than June 1, 2015, 2020, report its findings to the legislative council in an electronic format under IC 5-14-6. The budget committee's findings under this subsection:
  - (1) must include a recommendation as to whether the statewide 911 fee assessed under section 32 of this chapter should continue to be assessed and collected under this chapter after June 30, 2015; 2020; and
  - (2) if the budget committee recommends under subdivision (1) that the statewide 911 fee assessed under section 32 of this chapter should continue to be assessed and collected under this chapter after June 30, 2015, 2020, may include recommendations for the introduction in the general assembly of any legislation that the budget committee determines is necessary to ensure that the statewide 911 system governed by this chapter is managed in a fair and fiscally prudent manner.

A report to the legislative council under this subsection must be in an electronic format under IC 5-14-6.

(e) (f) If the budget committee does not recommend in its report under subsection (d) (e) that the statewide 911 fee assessed under section 32 of this chapter should continue to be assessed and collected under this chapter after June 30, 2015, 2020, the statewide 911 fee



assessed under section 32 of this chapter expires July 1, <del>2015,</del> **2020,** and may not be assessed or collected after June 30, <del>2015.</del> **2020.** 

SECTION 12. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1475 as introduced.)

**BROWN T** 

Committee Vote: yeas 14, nays 7.

#### **HOUSE MOTION**

Mr. Speaker: I move that House Bill 1475 be amended to read as follows:

Page 9, line 2, after "council" insert "or, in Lake County, the county council,".

Page 10, between lines 21 and 22, begin a new paragraph and insert: "SECTION 2. IC 36-8-16.7-10, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) As used in this chapter, "exchange access facility" means the access from a particular service user's premises to a telephone system.

- (b) The term includes:
  - (1) an access line;
  - (2) a private branch exchange (PBX) trunk; and
  - (3) a centrex line trunk equivalent;

that is provided by the service supplier. The term also includes a mobile telephone system access trunk, whether the trunk is provided by a telephone company or a radio common carrier. In the case of a service user receiving interconnected VoIP service, the term refers to the Internet protocol compatible customer premises equipment that enables the service user to access the interconnected VoIP service.

- (c) The term does not include:
  - (1) a service supplier owned and operated telephone pay station line:
  - (2) a wide area telecommunications service (WATS) line;
  - (3) a foreign exchange (FX) line; or
  - (4) an incoming only line; or
  - (5) the provision of broadband Internet access service.



- (b) For purposes of determining a standard user who is a nonmobile communications service user under section 21(2) of this chapter, "exchange access facility" means:
  - (1) for a retail voice user line, the maximum number of active telephone numbers, functional equivalents, or successors capable of simultaneously contacting the PSAP, regardless of technology; or
  - (2) for a multiline telephone system, the maximum number of voice grade equivalent channels capable of simultaneously contacting the PSAP, regardless of technology.".

Page 14, line 5, delete "The fee under this subsection shall be". Page 14, delete lines 6 through 13.

Page 18, line 14, delete "UPON PASSAGE]:" and insert "JANUARY 1, 2015 (RETROACTIVE)]:".

Renumber all SECTIONS consecutively.

(Reference is to HB 1475 as printed February 20, 2015.)

KARICKHOFF

#### **HOUSE MOTION**

Mr. Speaker: I move that House Bill 1475 be amended to read as follows:

Page 9, line 20, delete "equals one dollar (\$1)." and insert "is as follows:

- (1) For the period beginning July 1, 2015, and ending June 30, 2017, seventy-five cents (\$0.75).
- (2) After June 30, 2017, one dollar (\$1).".

(Reference is to HB 1475 as printed February 20, 2015.)

**AUSTIN** 



#### COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1475, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, line 33, strike "subsection" and insert "subsections".

Page 3, line 33, after "(k)" insert ",".

Page 3, line 33, strike "or".

Page 3, line 33, after "(1)," insert "(m), and (n),".

Page 5, delete lines 18 through 25, begin a new paragraph and insert:

"(m) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

(n) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section."

Page 7, line 14, after "(1)" insert ",".

Page 7, line 14, strike "and".

Page 7, line 14, after "(m)," insert "(n), and (o),".

Page 9, delete lines 2 through 10, begin a new paragraph and insert:

"(n) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part



of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

(o) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section."

Page 9, line 21, delete "as follows:" and insert "one dollar (\$1).".

Page 9, delete lines 22 through 24.

Page 9, line 25, strike "Subject to legislative approval,".

Page 9, line 26, after "2012," delete "the" and insert "The".

Page 9, line 29, after "IC 36-8-16.7." insert "The following apply to an increase in the enhanced prepaid wireless charge:

- (1) The board may increase the charge only one (1) time after June 30, 2015, and before July 1, 2020.
- (2) The board may increase the charge only after review by the budget committee.
- (3) If the board increases the charge, the amount of the increase must be ten cents (\$0.10).".

Page 9, line 41, strike "prepaid wireless".

Page 9, line 42, strike "telecommunications service provided by the provider" and insert "service to each end user for which the provider receives reimbursement".

Page 15, between lines 2 and 3, begin a new line block indented and insert:

- "(1) The following apply to an increase in the fee:
  - (A) The board may increase the fee only one (1) time after June 30, 2015, and before July 1, 2020.
  - (B) The board may increase the fee only after review by the budget committee.
  - (C) If the board increases the fee, the amount of the increase must be ten cents (\$0.10).".

Page 15, line 3, strike "(1)" and insert "(2)".



Page 15, line 3, strike "raised or".

Page 15, line 5, strike "(2)" and insert "(3)".

Page 15, line 5, after "fee" delete ":".

Page 15, strike lines 6 through 8.

Page 15, line 9, strike "(B)".

Page 15, line 9, strike "raised or".

Page 19, line 7, delete "providers" and insert "provider's".

Page 19, delete lines 15 through 42.

Page 20, delete lines 1 through 41.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1475 as reprinted February 25, 2015.)

HERSHMAN, Chairperson

Committee Vote: Yeas 13, Nays 0.

#### SENATE MOTION

Madam President: I move that Engrossed House Bill 1475 be amended to read as follows:

Page 14, line 11, after "the" insert "executive".

Page 14, line 11, after "designee." insert "The executive director of the department of homeland security or the executive director's designee is a nonvoting member of the board."

Page 14, line 12, after "officer." insert "The state GIS officer is a nonvoting member of the board.".

Page 14, between lines 27 and 28, begin a new paragraph and insert: "SECTION 8. IC 36-8-16.7-25, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. A majority of the **voting** members of the board constitutes a quorum for the purposes of taking action. A meeting of the board is subject to IC 5-14-1.5.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1475 as printed March 20, 2015.)

**HERSHMAN** 



#### SENATE MOTION

Madam President: I move that Engrossed House Bill 1475 be amended to read as follows:

Page 11, line 19, reset in roman "(b)" and insert "**Regardless of technology**,".

Page 11, line 19, reset in roman "The".

Page 11, line 19, delete "The" and insert "the".

Page 11, line 19, reset in roman "term includes:".

Page 11, reset in roman line 20.

Page 11, line 21, reset in roman "(2) a private branch exchange".

Page 11, line 21, after "exchange" insert ";".

Page 11, line 21, reset in roman "and".

Page 11, line 22, reset in roman "(3) a centrex line".

Page 11, line 22, reset in roman "equivalent;".

Page 11, reset in roman lines 23 through 24.

Page 11, line 25, reset in roman "a telephone company or a radio common carrier.".

Page 11, line 29, reset in roman "(c)".

Page 11, delete lines 36 through 42.

Page 12, delete lines 1 through 3.

(Reference is to EHB 1475 as printed March 20, 2015.)

**HERSHMAN** 

#### SENATE MOTION

Madam President: I move that Engrossed House Bill 1475 be amended to read as follows:

Page 9, delete lines 36 through 42, begin a new paragraph and insert:

"SECTION 4. IC 36-8-16.6-11, AS AMENDED BY P.L.107-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The board shall impose an enhanced prepaid wireless charge on each retail transaction. that occurs after June 30, 2010. Except as provided in subsection (e), the amount of the initial charge imposed under this section may not exceed one-half (1/2) of the monthly wireless emergency enhanced 911 fee assessed under IC 36-8-16.5-25.5 (before its repeal on July 1, 2012). The board shall increase the amount of the charge imposed under this section so that the amount of the charge imposed after June 30, 2012, under this



section equals fifty cents (\$0.50). is one dollar (\$1).

- (b) Subject to legislative approval, after the increase described in subsection (a) and after June 30, 2012, The board may increase the enhanced prepaid wireless charge to ensure adequate revenue for the board to fulfill its duties and obligations under this chapter and IC 36-8-16.7. The following apply to an increase in the enhanced prepaid wireless charge:
  - (1) The board may increase the charge only one (1) time after June 30, 2015, and before July 1, 2020.
  - (2) The board may increase the charge only after review by the budget committee.
  - (3) If the board increases the charge, the amount of the increase must be ten cents (\$0.10).
- (c) A consumer that is the federal government or an agency of the federal government is exempt from the enhanced prepaid wireless charge imposed under this section.
- (d) This subsection applies to a provider that is designated by the Indiana utility regulatory commission as an eligible telecommunications carrier for purposes of receiving reimbursement from the universal service fund through the administrator designated by the Federal Communications Commission. A provider:
  - (1) is not considered an agency of the federal government for purposes of the exemption set forth in subsection (c); and
  - (2) is liable for the enhanced prepaid wireless charge imposed under this section with respect to prepaid wireless telecommunications service provided to end users by the provider in its capacity as an eligible telecommunications carrier, is liable for the enhanced prepaid wireless charge imposed under subsection (e).
- (e) A provider described in subsection (d) shall pay to the board the following charges:
  - (1) Not later than August 1, 2015, a one (1) time charge equal to the product of the following factors:
    - (A) The enhanced prepaid wireless charge established under subsection (a).
    - (B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.
    - (C) The number of months under the current service agreement between each end user described in clause (B) and the provider for which the provider has received reimbursement from the universal service fund before



August 1, 2015.

- (2) Beginning September 1, 2015, and on the first day of each month thereafter, a charge equal to the product of the following factors:
  - (A) The enhanced prepaid wireless charge established under subsection (a).
  - (B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.

The provider may bill and collect from each end user the charges calculated under this subdivision with respect to the end user. The provider shall determine the manner in which the provider bills and collects the charges. A provider may not bill and collect from an end user an amount greater than the charges paid by the provider to the board with respect to the end user."

Page 10, delete lines 1 through 31.

Page 11, line 19, reset in roman "(b)".

Page 11, line 19, after "(b)" insert "Regardless of technology,".

Page 11, line 19, delete "The" and insert "the".

Page 11, line 19, reset in roman "term includes:".

Page 11, reset in roman lines 20 through 24.

Page 11, line 25, reset in roman "a telephone company or a radio common carrier.".

Page 11, line 29, reset in roman "(c)".

Page 11, delete lines 36 through 42.

Page 12, delete lines 1 through 3.

Page 15, line 28, delete "The" and insert "Except as provided in subsection (g), the".

Page 16, line 28, strike "is liable for the monthly statewide 911 fee assessed under".

Page 16, line 29, strike "subsection (a)".

Page 16, line 29, after "provided" insert "to end users".

Page 16, line 31, delete "." and insert ", is liable for the statewide 911 fee assessed under subsection (g).

- (g) A provider described in subsection (f) shall pay to the board the following fees:
  - (1) Not later than August 1, 2015, a fee equal to the product of the following factors:
    - (A) The monthly statewide 911 fee established under subsection (a).
    - (B) The number of unique end users for which the provider received reimbursement from the universal service fund



during the immediately preceding month.

- (C) The number of months under the current service agreement between each end user described in clause (B) and the provider for which the provider has received reimbursement from the universal service fund before August 1, 2015.
- (2) Beginning September 1, 2015, and on the first day of each month thereafter, a monthly statewide 911 fee equal to the product of the following factors:
  - (A) The monthly statewide 911 fee established under subsection (a).
  - (B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.

The provider may bill and collect from each end user the fees calculated under this subdivision with respect to the end user. The provider shall determine the manner in which the provider bills and collects the fees. A provider may not bill and collect from an end user an amount greater than the fees paid by the provider to the board with respect to the end user."

(Reference is to EHB 1475 as printed March 20, 2015.)

**HERSHMAN** 

