
A BILL FOR AN ACT

RELATING TO ENHANCED 911 SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 138, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§138- Prepaid wireless E911 surcharge. (a) A prepaid
5 wireless E911 surcharge of 1.5 per cent shall be imposed on the
6 amount of prepaid wireless telecommunications service purchased.
7 The prepaid wireless E911 surcharge is the liability of the
8 consumer and not of the seller or provider.

9 (b) The prepaid wireless E911 surcharge shall be collected
10 by the seller from the consumer with respect to each retail
11 transaction occurring within the State. The amount of the
12 prepaid wireless E911 surcharge shall be separately listed on an
13 invoice, receipt, or other similar document that is provided to
14 the consumer by the seller.

15 (c) A retail transaction occurring within the state that
16 is transacted in person by a consumer at a seller's business
17 location shall be treated as occurring within the State if the
18 business location is within the State. A transaction shall also



1 be treated as occurring within the State if the tangible
2 personal property is shipped and the consumer's shipping address
3 is within the State or, if there is no shipment, if the
4 consumer's billing address is within the State. If no tangible
5 personal property is shipped and the consumer's billing address
6 is not known, the transaction shall be treated as occurring
7 within the State if the consumer's prepaid wireless device is
8 associated with an address within the State.

9 (d) A seller may deduct and retain three per cent of
10 prepaid wireless E911 surcharges collected from consumers for
11 administrative purposes.

12 (e) The seller shall remit monthly, quarterly, or semi-
13 annually on a calendar year basis to the board the balance of
14 prepaid wireless E911 surcharges collected from consumers not
15 later than the twentieth day after the end of the filing period.
16 The frequency of filing shall be determined as follows:

17 (1) If the seller will collect more than \$4,000 in prepaid
18 wireless E911 surcharge during the year, the seller
19 shall file monthly;
20 (2) If the seller will collect \$4,000 or less during the
21 year, the seller may file quarterly; and



1 (3) If the seller will collect \$2,000 or less during the
2 year, the seller may file semi-annually.

3 (f) The board may require sellers to remit electronically
4 the balance of the surcharges collected and shall establish
5 registration and payment procedures.

6 (g) The amount of the prepaid wireless E911 surcharge that
7 is collected by a seller from a consumer shall not be included
8 in the base for measuring any tax, fee, surcharge, or other
9 charge that is imposed by the State, any political subdivision
10 of the State, or any governmental agency.

11 (h) If a minimal amount of prepaid wireless
12 telecommunications service is sold with a prepaid wireless
13 device for a single, non-itemized price, the seller shall not
14 apply the surcharge imposed in subsection (a) to the
15 transaction. For purposes of this subsection, a "minimal
16 amount" means service of ten minutes or less or \$5 or less.

17 (i) The board shall establish procedures by which a seller
18 of prepaid wireless telecommunications service may document that
19 a sale is not a retail transaction occurring within the state.

20 (j) Section 138-9 shall apply to providers and sellers.



1 (k) No provider or seller shall be liable for damages to
2 any person resulting from or incurred in connection with the
3 provision of any lawful assistance to any investigative or law
4 enforcement officer of the United States or any political
5 subdivision, in connection with any lawful investigation or
6 other law enforcement activity by such law enforcement officer.

7 (l) The prepaid wireless E911 surcharge imposed by this
8 section shall be the only funding obligation imposed on prepaid
9 wireless telecommunications service in the State for enhanced
10 911 services. No other tax, fee, surcharge, or other charge for
11 enhanced 911 services shall be imposed by the State, any
12 political subdivision of the State, or any governmental agency,
13 upon any provider, seller, or consumer with respect to the sale,
14 purchase, use, or provision of prepaid wireless
15 telecommunications service."

16 SECTION 2. Section 138-1, Hawaii Revised Statutes, is
17 amended by adding seven new definitions to be appropriately
18 inserted and to read as follows:

19 "Consumer" means a person or entity who purchases
20 commercial mobile radio service or prepaid wireless



1 telecommunications service in a retail transaction occurring
2 within the State.

3 "Prepaid wireless E911 surcharge" means the surcharge that
4 is required to be collected by a seller from a consumer in the
5 amount established under section 138- .

6 "Prepaid wireless telecommunications service" means a
7 wireless telecommunications service that is sold in
8 predetermined (minutes usage or period of time) units or dollars
9 that decline with use in a known amount and allows a caller to
10 dial 911 to access the 911 system, a service that shall be paid
11 for in advance.

12 "Provider" means a person or entity that provides
13 commercial mobile radio service or prepaid wireless
14 telecommunications service pursuant to a license issued by the
15 Federal Communications Commission.

16 "Retail transaction" means the purchase of commercial
17 mobile radio service or prepaid wireless telecommunications
18 service from a seller for any purpose other than resale.

19 "Seller" means a person or entity who sells commercial
20 mobile radio service or prepaid wireless telecommunications
21 service to another person.



1 "Wireless telecommunications service" means commercial
2 mobile radio service as defined by title 47 Code of Federal
3 Regulations section 20.3."

4 SECTION 3. Section 138-3, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§138-3 Enhanced 911 fund.** There is established outside
7 the state treasury a special fund, to be known as the enhanced
8 911 fund, to be administered by the board. The fund shall
9 consist of amounts collected under [~~section~~] sections 138-4[-]
10 and 138- . The board shall place the funds in an interest-
11 bearing account at any federally insured financial institution,
12 separate and apart from the general fund of the State. Moneys
13 in the fund shall be expended exclusively by the board for the
14 purposes of ensuring adequate funding to deploy and sustain
15 enhanced 911 service, developing and funding future enhanced 911
16 technologies, and funding expenses of administering the fund."

17 SECTION 4. Section 138-4, Hawaii Revised Statutes, is
18 amended by amending subsection (b) to read as follows:

19 "(b) The rate of the surcharge shall be set at 66 cents
20 per month for each communications service connection. The
21 surcharge shall have uniform application and shall be imposed on



1 each communications service connection operating within the
2 State except:

- 3 (1) Connections billed to federal, state, and county
4 governmental entities;
- 5 (2) Prepaid connections [~~+~~ and], including prepaid wireless
6 telecommunications service; and
- 7 (3) Connections provided by the public utility providing
8 telecommunications services and land line enhanced 911
9 services through section 269-16.95."

10 SECTION 5. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2018.

13



Report Title:

Prepaid Wireless; Enhanced 911 Services

Description:

Establishes a prepaid wireless E911 surcharge of 1.5 per cent of prepaid wireless service purchased at the point of sale. Allows sellers to deduct and retain 3 per cent of the surcharge that is collected for administrative purposes. Requires the amounts collected by the Enhanced 911 Board to be placed in the Enhanced 911 Fund. Effective on July 1, 2018. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

