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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE NO. **1464**

February 26, 2007

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The bill was read for the first time and referred to the Committee on Finance

A bill for an act

relating to public safety; increasing 911 emergency telecommunications service fee; providing for completion of statewide public safety radio communication system; authorizing sale of state bonds; appropriating money; amending Minnesota Statutes 2006, sections 403.11, subdivision 1; 403.31, subdivision 1; repealing Minnesota Statutes 2006, section 403.31, subdivision 6.

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

Section 1. Minnesota Statutes 2006, section 403.11, subdivision 1, is amended to read:

Subdivision 1. **Emergency telecommunications service fee; account.** (a) Each customer of a wireless or wire-line switched or packet-based telecommunications service provider connected to the public switched telephone network that furnishes service capable of originating a 911 emergency telephone call is assessed a fee based upon the number of wired or wireless telephone lines, or their equivalent, to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for 911 emergency telecommunications service, to offset administrative and staffing costs of the commissioner related to managing the 911 emergency telecommunications service program, to make distributions provided for in section 403.113, and to offset the costs, including administrative and staffing costs, incurred by the State Patrol Division of the Department of Public Safety in handling 911 emergency calls made from wireless phones.

(b) Money remaining in the 911 emergency telecommunications service account after all other obligations are paid must not cancel and is carried forward to subsequent years and may be appropriated from time to time to the commissioner to provide financial assistance to counties for the improvement of local emergency telecommunications services. The improvements may include providing access to 911 service for telecommunications service subscribers currently without access and upgrading existing

2.1 911 service to include automatic number identification, local location identification,  
2.2 automatic location identification, and other improvements specified in revised county  
2.3 911 plans approved by the commissioner.

2.4 (c) The fee may not be less than eight cents nor more than 65 cents a month until  
2.5 June 30, 2008, not less than eight cents nor more than 75 cents a month until June 30,  
2.6 2009, not less than eight cents nor more than 85 cents a month until June 30, 2010, and  
2.7 not less than eight cents nor more than 95 cents a month on or after July 1, 2010, for  
2.8 each customer access line or other basic access service, including trunk equivalents as  
2.9 designated by the Public Utilities Commission for access charge purposes and including  
2.10 wireless telecommunications services. With the approval of the commissioner of finance,  
2.11 the commissioner of public safety shall establish the amount of the fee within the limits  
2.12 specified and inform the companies and carriers of the amount to be collected. When the  
2.13 revenue bonds authorized under section 403.27, subdivision 1, have been fully paid or  
2.14 defeased, the commissioner shall reduce the fee to reflect that debt service on the bonds is  
2.15 no longer needed. The commissioner shall provide companies and carriers a minimum of  
2.16 45 days' notice of each fee change. The fee must be the same for all customers.

2.17 (d) The fee must be collected by each wireless or wire-line telecommunications  
2.18 service provider subject to the fee. Fees are payable to and must be submitted to the  
2.19 commissioner monthly before the 25th of each month following the month of collection,  
2.20 except that fees may be submitted quarterly if less than \$250 a month is due, or annually if  
2.21 less than \$25 a month is due. Receipts must be deposited in the state treasury and credited  
2.22 to a 911 emergency telecommunications service account in the special revenue fund. The  
2.23 money in the account may only be used for 911 telecommunications services.

2.24 (e) This subdivision does not apply to customers of interexchange carriers.

2.25 (f) The installation and recurring charges for integrating wireless 911 calls into  
2.26 enhanced 911 systems are eligible for payment by the commissioner if the 911 service  
2.27 provider is included in the statewide design plan and the charges are made pursuant to  
2.28 contract.

2.29 (g) Competitive local exchanges carriers holding certificates of authority from the  
2.30 Public Utilities Commission are eligible to receive payment for recurring 911 services.

2.31 Sec. 2. Minnesota Statutes 2006, section 403.31, subdivision 1, is amended to read:

2.32 Subdivision 1. **Allocation of operating costs.** ~~The current costs of the board~~  
2.33 ~~in implementing the regionwide public safety radio communication plan system and~~  
2.34 ~~the first and second phase systems shall be allocated among and paid by the following~~



4.1 \$1,850,000 the first year is a onetime  
4.2 appropriation to complete detailed design  
4.3 and planning of the remaining phases of the  
4.4 statewide radio system. The commissioner  
4.5 of public safety and the commissioner of  
4.6 transportation shall determine the scope  
4.7 of the study, after consulting with the  
4.8 Statewide Radio Board, the commissioner  
4.9 of administration, and the state chief  
4.10 information officer. The study must address  
4.11 the system design for the state backbone  
4.12 and implications for local coverage, how  
4.13 data can be integrated, and whether other  
4.14 public safety communication networks  
4.15 can be integrated with the state backbone.  
4.16 The study must estimate the full cost of  
4.17 completing the state backbone to specified  
4.18 standards, the cost of local subsystems, and  
4.19 the potential advantages of using a request  
4.20 for proposal approach to solicit private sector  
4.21 participation in the project. The study must  
4.22 include a financial analysis of whether the  
4.23 estimated revenue from increasing the 911  
4.24 fee by up to 30 cents will cover the estimated  
4.25 debt service of revenue bonds issued to  
4.26 finance the cost of completing the statewide  
4.27 radio system and a portion of the cost up to  
4.28 50 percent for local subsystems. The study  
4.29 must also review the project organizational  
4.30 structure and governance.  
4.31 **(c) ARMER Debt Service**  
4.32 \$5,704,000 the second year is to the  
4.33 commissioner of finance to pay debt service  
4.34 on revenue bonds issued under Minnesota  
4.35 Statutes, section 403.275, as authorized in  
4.36 subdivision 3.

5.1 Any portion of this appropriation not needed  
 5.2 to pay debt service in a fiscal year may be  
 5.3 used by the commissioner of public safety to  
 5.4 pay cash for any of the capital improvements  
 5.5 for which bond proceeds are appropriated in  
 5.6 subdivision 3.

5.7 The base for this appropriation is \$11,408,000  
 5.8 in fiscal year 2010 and \$17,112,000 in fiscal  
 5.9 year 2011.

5.10 Subd. 3. **ARMER**

5.11 **(a) Public Safety Radio and Communication**  
 5.12 **System**

186,000,000

5.13 The appropriations in this subdivision are  
 5.14 from the 911 revenue bond proceeds account  
 5.15 for the purposes indicated, to be available  
 5.16 until the project is completed or abandoned,  
 5.17 subject to Minnesota Statutes, section  
 5.18 16A.642.

5.19 To the commissioner of public safety for  
 5.20 transfer to the commissioner of transportation  
 5.21 to construct the system backbone of the  
 5.22 public safety radio and communication  
 5.23 system plan under Minnesota Statutes,  
 5.24 section 403.36.

5.25 \$62,000,000 of this appropriation is available  
 5.26 on or after July 1, 2008. \$62,000,000 of this  
 5.27 appropriation is available on or after July 1,  
 5.28 2009. \$62,000,000 of this appropriation is  
 5.29 available on or after July 1, 2010.

5.30 This appropriation is not available until  
 5.31 the commissioner of public safety and the  
 5.32 commissioner of transportation have certified  
 5.33 to the chairs of the House Public Safety  
 5.34 Finance Division of the Finance Committee  
 5.35 and the Senate Public Safety Budget Division

6.1 of the Finance Committee that the detailed  
6.2 design has been completed and that the  
6.3 financial analysis has found that sufficient  
6.4 revenue will be generated by proposed  
6.5 changes in the 911 fee to cover all estimated  
6.6 debt service on revenue bonds proposed  
6.7 to be issued to complete the system. The  
6.8 commissioner of finance shall not approve  
6.9 any fee increase under Minnesota Statutes,  
6.10 section 403.11, subdivision 1, paragraph (c),  
6.11 until the certification has been made.

6.12 **(b) Bond Sale Authorization**

6.13 To provide the money appropriated in this  
6.14 subdivision, the commissioner of finance  
6.15 shall sell and issue bonds of the state in an  
6.16 amount up to \$186,000,000 in the manner,  
6.17 upon the terms, and with the effect prescribed  
6.18 by Minnesota Statutes, section 403.275.

6.19 **Sec. 4. REPEALER.**

6.20 Minnesota Statutes 2006, section 403.31, subdivision 6, is repealed.