

UTAH COMMUNICATIONS AUTHORITY AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE

General Description:

This bill makes amendments related to the amount and collection of charges for the Utah Communications Authority.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ revokes the Utah Communications Authority's existing exemption from the Budgetary Procedures Act;
- ▶ authorizes the State Tax Commission to contract with an auditor to ensure compliance with and collect fees for the 911 emergency services charges, including when collecting fees for the:
 - Utah Statewide Radio System Restricted Account; and
 - Unified Statewide 911 Emergency Service Account;
- ▶ adjusts the collection amount for:
 - the Utah Statewide Radio Restricted Account; and
 - the 911 emergency service charge;
- ▶ adjusts the collection amount for the 911 emergency service charge;
- ▶ sets future repeal dates for collection amounts for the Utah Statewide Radio System Restricted Account; and
- ▶ makes technical and conforming changes.



28 **Money Appropriated in this Bill:**

29 This bill appropriates in fiscal year 2021:

30 ▶ to the Utah Communications Authority -- Administrative Services Division -- as a
31 one-time appropriation:

- 32 • from the General Fund, One-time, \$17,500,000.

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **63H-7a-104**, as last amended by Laws of Utah 2021, Chapters 84 and 345

38 **63H-7a-304**, as last amended by Laws of Utah 2021, Chapters 162 and 345

39 **63H-7a-403**, as last amended by Laws of Utah 2020, Chapter 294

40 **63H-7a-803**, as last amended by Laws of Utah 2021, Chapters 84 and 345

41 **63I-1-269**, as last amended by Laws of Utah 2019, Chapter 509

42 **63I-2-263**, as last amended by Laws of Utah 2021, First Special Session, Chapter 4

43 **69-2-102**, as renumbered and amended by Laws of Utah 2017, Chapter 430

44 **69-2-402**, as enacted by Laws of Utah 2017, Chapter 430

45 **69-2-403**, as last amended by Laws of Utah 2019, Chapter 509

46 **69-2-404**, as enacted by Laws of Utah 2017, Chapter 430

47 **69-2-405**, as last amended by Laws of Utah 2020, Chapter 294



49 *Be it enacted by the Legislature of the state of Utah:*

50 Section 1. Section **63H-7a-104** is amended to read:

51 **63H-7a-104. Relation to certain acts.**

52 (1) The authority is exempt from:

53 (a) Title 51, Chapter 5, Funds Consolidation Act;

54 (b) Title 63A, Utah Government Operations Code; and

55 [~~(c) Title 63J, Chapter 1, Budgetary Procedures Act; and]~~

56 [~~(d)~~] (c) Title 63A, Chapter 17, Utah State Personnel Management Act.

57 (2) The authority is subject to:

58 (a) Title 52, Chapter 4, Open and Public Meetings Act;

- 59 (b) Section 67-3-12;
- 60 (c) Title 63G, Chapter 2, Government Records Access and Management Act; and
- 61 (d) Title 63G, Chapter 6a, Utah Procurement Code.

62 Section 2. Section **63H-7a-304** is amended to read:

63 **63H-7a-304. Unified Statewide 911 Emergency Service Account -- Creation --**
64 **Administration -- Permitted uses.**

65 (1) There is created a restricted account within the General Fund known as the "Unified
66 Statewide 911 Emergency Service Account," consisting of:

- 67 (a) proceeds from the fee imposed in Section [69-2-403](#);
- 68 (b) money appropriated or otherwise made available by the Legislature; and
- 69 (c) contributions of money, property, or equipment from federal agencies, political
70 subdivisions of the state, persons, or corporations.

71 (2) (a) Except as provided in Subsection (4) and subject to Subsection (3) and
72 appropriations by the Legislature, the authority shall disburse funds in the 911 account for the
73 purpose of enhancing and maintaining the statewide public safety communications network and
74 911 call processing equipment in order to rapidly, efficiently, effectively, and with greater
75 interoperability deliver 911 services in the state.

76 (b) In expending funds in the 911 account, the authority shall give a higher priority to
77 an expenditure that:

- 78 (i) best promotes statewide public safety;
- 79 (ii) best promotes interoperability;
- 80 (iii) impacts the largest service territory;
- 81 (iv) impacts a densely populated area; or
- 82 (v) impacts an underserved area.

83 (c) The authority shall expend funds in the 911 account in accordance with the
84 authority strategic plan described in Section [63H-7a-206](#).

85 (d) The authority may not expend funds from the 911 account collected through the
86 911 emergency service charge imposed in Section [69-2-403](#) on behalf of a PSAP that chooses
87 not to participate in the:

- 88 (i) public safety communications network; and
- 89 (ii) the 911 emergency service defined in Section [69-2-102](#).

90 (e) The authority may not expend funds from the 911 account collected through the
91 prepaid wireless 911 service charge revenue distributed in [~~Subsection 69-2-405(9)(c)~~]
92 Subsections 69-2-405(9)(a)(iii) and 69-2-405(9)(b)(iii) on behalf of a PSAP that chooses not to
93 participate in the:

- 94 (i) public safety communications network; and
- 95 (ii) 911 emergency service defined in Section 69-2-102.

96 (f) The executive director shall recommend to the board expenditures for the authority
97 to make from the 911 account in accordance with this Subsection (2).

98 (3) Subject to an appropriation by the Legislature and approval by the board, the
99 Administrative Services Division may use funds in the 911 account to cover the Administrative
100 Services Division's administrative costs related to the 911 account.

101 (4) (a) The authority shall reimburse from the 911 account to the Utah Geospatial
102 Resource Center created in Section 63A-16-505 an amount equal to up to 1 cent of each unified
103 statewide 911 emergency service charge deposited into the 911 account under Section
104 69-2-403.

105 (b) The Utah Geospatial Resource Center shall use the funds reimbursed to the Utah
106 Geospatial Resource Center under Subsection (4)(a) to:

- 107 (i) enhance and upgrade digital mapping standards; and
- 108 (ii) maintain a statewide geospatial database for unified statewide 911 emergency
109 service.

110 (5) Subject to an appropriation by the Legislature and approval by the board, the State
111 Tax Commission may use funds in the Unified Statewide 911 Emergency Service account to
112 reimburse the State Tax Commission for costs related to the contracting with an auditor to
113 recover funds collected under Sections 69-2-402 and 69-2-403.

114 Section 3. Section 63H-7a-403 is amended to read:

115 **63H-7a-403. Utah Statewide Radio System Restricted Account -- Creation --**
116 **Administration.**

117 (1) There is created a restricted account within the General Fund known as the "Utah
118 Statewide Radio System Restricted Account," consisting of:

- 119 (a) money appropriated or otherwise made available by the Legislature; and
- 120 (b) contributions of money from federal agencies, political subdivisions of the state,

121 persons, or corporations.

122 (2) (a) Subject to appropriations by the Legislature and subject to this Subsection (2),
 123 the authority may expend funds in the Utah Statewide Radio System Restricted Account for the
 124 purpose of acquiring, constructing, operating, maintaining, and repairing a statewide radio
 125 system public safety communications network as authorized in Section 63H-7a-202, including:

126 (i) public safety communications network and related facilities, real property,
 127 improvements, and equipment necessary for the acquisition, construction, and operation of
 128 services and facilities;

129 (ii) installation, implementation, and maintenance of the public safety communications
 130 network;

131 (iii) maintaining and upgrading VHF and 800 MHz radio networks; and

132 (iv) an operating budget to include personnel costs not otherwise covered by funds
 133 from another account.

134 (b) For each radio network charge that is deposited into the Utah Statewide Radio
 135 System Restricted Account under Section 69-2-404, the authority shall spend, subject to an
 136 appropriation by the Legislature and this Subsection (2):

137 (i) on and after July 1, 2017, ~~[+8]~~ and before July 1, 2023, 21 cents of each total radio
 138 network charge to maintain the public safety communications network, including:

139 (A) the 700 MHz, 800 MHz, and VHF radio networks;

140 (B) the authority's radio console network connectivity;

141 (C) funding a statewide interoperability coordinator; and

142 ~~[(D) supplementing costs formerly offset by public safety communications network
 143 user fees assessed by the authority before July 1, 2017; and]~~

144 (D) authority administration costs;

145 (ii) on and after July 1, 2023, 24 cents of each total radio network charge to maintain
 146 the public safety communications network, including:

147 (A) the 700 MHz, 800 MHz, and VHF radio networks;

148 (B) the authority's radio console network connectivity;

149 (C) funding a statewide interoperability coordinator; and

150 (D) authority administration costs; and

151 ~~[(iii)]~~ (iii) on and after January 1, 2018, [34] and before July 1, 2023, 31 cents of each

152 total radio network charge to acquire, construct, equip, and install property for, and to make
153 improvements to, the 800 MHz radio system, including debt service costs.

154 (c) In expending funds in the Utah Statewide Radio System Restricted Account, the
155 authority shall give a higher priority to an expenditure that:

- 156 (i) best promotes statewide public safety;
- 157 (ii) best promotes interoperability;
- 158 (iii) impacts the largest service territory;
- 159 (iv) impacts a densely populated area; or
- 160 (v) impacts an underserved area.

161 (d) The authority shall expend funds in the Utah Statewide Radio System Restricted
162 Account in accordance with the authority strategic plan described in Section 63H-7a-206.

163 (e) The authority may not expend funds from the Utah Statewide Radio System
164 Restricted Account collected through the radio network charge imposed in Section 69-2-404 on
165 behalf of a public agency or PSAP if the public agency or PSAP chooses not to participate in
166 the:

- 167 (i) public safety communications network; and
- 168 (ii) radio communications service defined in Section 69-2-102.

169 (f) The authority may not expend funds from the Utah Statewide Radio System
170 Restricted Account collected through the prepaid wireless 911 service charge revenue
171 distributed in [~~Subsection 69-2-405(9)(c)~~] Subsections 69-2-405(9)(a)(iii) and
172 69-2-405(9)(b)(iii) on behalf of a public agency or PSAP if the public agency or PSAP chooses
173 not to participate in the:

- 174 (i) public safety communications network; and
- 175 (ii) radio communications service defined in Section 69-2-102.

176 (g) The executive director shall recommend to the board expenditures for the authority
177 to make from the Utah Statewide Radio System Restricted Account in accordance with this
178 Subsection (2).

179 (3) Subject to appropriations by the Legislature, the Administrative Services Division
180 may expend funds in the Utah Statewide Radio System Restricted Account for administrative
181 costs that the Administrative Services Division incurs related to the Utah Statewide Radio
182 System Restricted Account.

183 (4) Subject to an appropriation by the Legislature and approval by the board, the State
184 Tax Commission may use funds in the Utah Statewide Radio System Restricted account to
185 reimburse the State Tax Commission for costs related to the contracting with an auditor to
186 recover funds for the Utah Statewide Radio System Restricted Account.

187 Section 4. Section **63H-7a-803** is amended to read:

188 **63H-7a-803. Relation to certain acts -- Participation in Risk Management Fund.**

189 (1) The Utah Communications Authority is exempt from:

190 (a) except as provided in Subsection (3), Title 63A, Utah Government Operations

191 Code;

192 (b) Title 63G, Chapter 4, Administrative Procedures Act; and

193 (c) Title 63A, Chapter 17, Utah State Personnel Management Act.

194 (2) (a) The board shall adopt [budgetary] procedures, accounting, and personnel and
195 human resource policies substantially similar to those from which they have been exempted in
196 Subsection (1).

197 (b) The authority, the board, and the committee members are subject to Title 67,
198 Chapter 16, Utah Public Officers' and Employees' Ethics Act.

199 (c) The authority is subject to Title 52, Chapter 4, Open and Public Meetings Act.

200 (d) The authority is subject to Title 63G, Chapter 6a, Utah Procurement Code.

201 (e) The authority is subject to Title 63J, Chapter 1, Budgetary Procedures Act, only
202 with respect to money appropriated to the authority by the Legislature.

203 (3) (a) Subject to the requirements of Subsection [63E-1-304\(2\)](#), the administration may
204 participate in coverage under the Risk Management Fund created by Section [63A-4-201](#).

205 (b) The authority is subject to Section [67-3-12](#).

206 Section 5. Section **63I-1-269** is amended to read:

207 **63I-1-269. Repeal dates, Title 69.**

208 (1) Section [69-2-403](#), emergency services telecommunications charge to fund unified
209 statewide 911 emergency service, is repealed July 1, [~~2025~~] 2035.

210 (2) Subsection [69-2-402\(2\)\(a\)](#), regarding 71 cent 911 emergency service charge, is
211 repealed July 1, 2023.

212 Section 6. Section **63I-2-263** is amended to read:

213 **63I-2-263. Repeal dates, Title 63A to Title 63N.**

- 214 [~~(1)~~ Section ~~63A-3-111~~ is repealed June 30, 2021.]
- 215 [~~(2)~~ Title 63C, Chapter 19, Higher Education Strategic Planning Commission is
- 216 repealed July 1, 2021.]
- 217 [~~(3)~~ (1) Title 63C, Chapter 22, Digital Wellness, Citizenship, and Safe Technology
- 218 Commission is repealed July 1, 2023.
- 219 [~~(4)~~ (2) Section ~~63G-1-502~~ is repealed July 1, 2022.
- 220 [~~(5)~~ (3) The following sections regarding the World War II Memorial Commission are
- 221 repealed on July 1, 2022:
- 222 (a) Section ~~63G-1-801~~;
- 223 (b) Section ~~63G-1-802~~;
- 224 (c) Section ~~63G-1-803~~; and
- 225 (d) Section ~~63G-1-804~~.
- 226 [~~(6)~~ (4) Section ~~63H-7a-303~~ is repealed July 1, 2024.
- 227 (5) Subsection ~~63H-7a-403~~ (2)(b)(iii), regarding the 31 cent allocation, is repealed July
- 228 1, 2024.
- 229 [~~(7)~~ Subsection ~~63J-1-206~~(3)(c), relating to coronavirus, is repealed July 1, 2021.]
- 230 [~~(8)~~ (6) Sections ~~63M-7-213~~ and ~~63M-7-213.5~~ are repealed on January 1, 2023.
- 231 [~~(9)~~ (7) Section ~~63M-7-217~~ is repealed on July 1, 2022.
- 232 [~~(10)~~ (8) Title 63N, Chapter 13, Part 3, Facilitating Public-private Partnerships Act, is
- 233 repealed January 1, 2024.
- 234 [~~(11)~~ Title 63N, Chapter 15, COVID-19 Economic Recovery Programs, is repealed
- 235 ~~December 31, 2021.~~]
- 236 Section 7. Section **69-2-102** is amended to read:
- 237 **69-2-102. Definitions.**
- 238 As used in this chapter:
- 239 (1) "911 emergency communication" means a direct 911 communication received by a
- 240 public safety answering point.
- 241 (2) "911 emergency service" means a unified statewide communication system that
- 242 provides a user with direct access to a public safety answering point by dialing or accessing
- 243 911.
- 244 (3) (a) "Access line" means a circuit-switched connection, or the functional equivalent

245 of a circuit-switched connection, from an end user to the public switched network.

246 (b) "Access line" includes:

247 (i) a local exchange service switched access line within the state;

248 (ii) a revenue producing radio communications access line with a billing address within
249 the state; and

250 (iii) a line provided by a service, including voice over Internet protocol, to a user with
251 an address within the state, that allows the user to receive a call that originates on the public
252 switched network and terminate a call to the public switched network.

253 (4) "Board" means the Utah Communications Authority Board, created in Section
254 [63H-7-203](#).

255 [~~(4)~~] (5) "Commission" means the State Tax Commission.

256 [~~(5)~~] (6) "Dispatch center" means the same as that term is defined in Section
257 [63H-7a-103](#).

258 [~~(6)~~] (7) "Local exchange service" means the provision of public telecommunications
259 services by a wireline common carrier to customers within a geographic area encompassing one
260 or more local communities as described in the carrier's service territory maps, tariffs, price lists,
261 or rate schedules filed with and approved by the Public Service Commission.

262 [~~(7)~~] (8) "Local exchange service switched access line" means the transmission facility
263 and local switching equipment used by a wireline common carrier to connect a customer
264 location to a carrier's local exchange switching network for providing two-way interactive
265 voice, or voice capable, services.

266 [~~(8)~~] (9) "Mobile telecommunications service" means the same as that term is defined
267 in 4 U.S.C. Sec. 124.

268 [~~(9)~~] (10) "Public agency" means a state government entity, a political subdivision of
269 the state, a special service district, or an entity created by interlocal agreement that provides or
270 has authority to provide fire fighting, law enforcement, ambulance, medical, or other
271 emergency services.

272 [~~(10)~~] (11) "Public safety agency" means a functional division of a public agency
273 which provides fire fighting, law enforcement, medical, or other emergency services.

274 [~~(11)~~] (12) "Public safety answering point" means the same as that term is defined in
275 Section [63H-7a-103](#).

276 [~~(12)~~] (13) "Public switched network" means the same as that term is defined in 47
277 C.F.R. Sec. 20.3.

278 [~~(13)~~] (14) "Radio communications access line" means the radio equipment and
279 assigned customer identification number used to connect a mobile or fixed radio customer in
280 Utah to a radio communication service provider's network for two-way interactive voice, or
281 voice capable, services.

282 [~~(14)~~] (15) (a) "Radio communications service" means a public telecommunications
283 service providing the capability of two-way interactive telecommunications between mobile
284 and fixed radio customers, and between mobile or fixed radio customers and the local
285 exchange service network customers of a wireline common carrier.

286 (b) "Radio communications service" includes:

287 (i) cellular telephone service;

288 (ii) enhanced specialized mobile radio service;

289 (iii) rural radio service;

290 (iv) a radio common carrier;

291 (v) a personal communications service; and

292 (vi) any wireless public telecommunications service equivalent to the services
293 described in this Subsection [~~(14)~~] (15)(b), as defined in 47 CFR, parts 20, 22, 24, and 90.

294 [~~(15)~~] (16) "Voice over Internet protocol service" means the same as that term is
295 defined in Section [54-19-102](#).

296 [~~(16)~~] (17) "Wireline common carrier" means a public telecommunications service
297 provider that primarily uses metallic or nonmetallic cables and wires for connecting customers
298 to its local exchange service networks.

299 Section 8. Section **69-2-402** is amended to read:

300 **69-2-402. 911 emergency service charge.**

301 (1) As used in this section, "911 emergency service charge" means the 911 emergency
302 service charge levied by the state under Subsection (2).

303 (2) (a) [~~Subject~~] Before July 1, 2023, and subject to Subsection (6), there is imposed on
304 each access line in the state a 911 emergency service charge of 71 cents per month.

305 (b) On and after July 1, 2023, and subject to Subsection (6), there is imposed on each
306 access line in the state a 911 emergency service charge of 73 cents per month.

307 ~~[(b)]~~ (c) An access line is within the state for the purposes of ~~[Subsection]~~ Subsections
308 (2)(a) and (2)(b) if the telecommunications services provided over the access line are located
309 within the state:

310 (i) for the purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use
311 Tax Act; and

312 (ii) as determined in accordance with Section 59-12-215.

313 (3) (a) Subject to Subsection (6), the person that provides service to an access line shall
314 bill and collect the 911 emergency service charge.

315 (b) A person that bills and collects the 911 emergency service charge shall, except for
316 costs retained under Subsection (3)(g)(iii), remit the 911 emergency service charge to the
317 commission:

318 (i) monthly on or before the last day of the month immediately following the last day of
319 the previous month if:

320 (A) the person is required to file a sales and use tax return with the commission
321 monthly under Section 59-12-108; or

322 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
323 12, Sales and Use Tax Act; or

324 (ii) quarterly on or before the last day of the month immediately following the last day
325 of the previous quarter if the person is required to file a sales and use tax return with the
326 commission quarterly under Section 59-12-107.

327 (c) Except as provided in Subsections (3)(d) and (e), if an access line user is not
328 required to pay for the service, the access line provider shall collect the 911 emergency service
329 charge from the person that is required to pay for the access line.

330 (d) The 911 emergency service charge is not imposed on a provider of a consumer of
331 federal wireless lifeline service if the consumer does not pay the provider for the service.

332 (e) A consumer of federal wireless lifeline service shall pay, and the provider of the
333 service shall collect and remit, the 911 emergency service charge when the consumer purchases
334 from the provider optional services in addition to the federally funded lifeline benefit.

335 (f) The 911 emergency service charge is not imposed on an access line provided for
336 public pay telecommunications service.

337 (g) The person that bills and collects the 911 emergency service charge:

338 (i) shall remit the 911 emergency service charge along with a form prescribed by the
339 commission;

340 (ii) may bill the 911 emergency service charge in combination with the charges levied
341 under Sections 69-2-403 and 69-2-404 as one line item charge for 911 emergency service; and

342 (iii) may retain an amount not to exceed 1.5% of the 911 emergency service charge as
343 reimbursement for the cost of billing, collecting, and remitting the 911 emergency service
344 charge.

345 (4) The commission shall transmit the funds the commission collects from the 911
346 emergency service charge monthly to a public safety answering point in accordance with
347 Section 69-2-302.

348 (5) An access line provider that fails to comply with this section is subject to penalties
349 and interest as provided in Sections 59-1-401 and 59-1-402.

350 (6) The state may impose, bill, and collect the 911 emergency service charge on a
351 mobile telecommunications service only to the extent permitted by the Mobile
352 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

353 (7) Subject to an appropriation by the Legislature and approval by the board, the
354 commission may contract with an auditor to audit a person that bills and collects the 911
355 emergency service charge.

356 Section 9. Section 69-2-403 is amended to read:

357 **69-2-403. Unified statewide 911 emergency service charge to fund Unified**
358 **Statewide 911 Emergency Service Account.**

359 (1) As used in this section, "unified statewide 911 emergency service charge" means
360 the unified statewide 911 emergency service charge imposed under Subsection (2).

361 (2) (a) Subject to Subsection (6), there is imposed on each access line in the state a
362 unified statewide 911 emergency service charge of:

363 (i) until June 30, 2019, 9 cents per month; and

364 (ii) beginning July 1, 2019, 25 cents per month.

365 (b) An access line is within the state for the purposes of Subsection (2)(a) if the
366 telecommunications services provided over the access line are located within the state:

367 (i) for the purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use
368 Tax Act; and

- 369 (ii) as determined in accordance with Section 59-12-215.
- 370 (3) (a) The person that provides service to an access line shall bill and collect the
371 unified statewide 911 emergency service charge.
- 372 (b) A person that bills and collects the unified statewide 911 emergency service charge
373 shall pay the unified statewide 911 emergency service charge to the commission:
- 374 (i) monthly on or before the last day of the month immediately following the last day of
375 the previous month if:
- 376 (A) the person is required to file a sales and use tax return with the commission
377 monthly under Section 59-12-108; or
- 378 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
379 12, Sales and Use Tax Act; or
- 380 (ii) quarterly on or before the last day of the month immediately following the last day
381 of the previous quarter if the person is required to file a sales and use tax return with the
382 commission quarterly under Section 59-12-107.
- 383 (c) If an access line user is not required to pay for the access line, the access line
384 provider shall collect the unified statewide 911 emergency service charge from the person that
385 is required to pay for the access line.
- 386 (d) The person that bills and collects the unified statewide 911 emergency service
387 charge:
- 388 (i) shall remit the unified statewide 911 emergency service charge along with a form
389 prescribed by the commission;
- 390 (ii) may bill the unified statewide 911 emergency service charge in combination with
391 the charges levied under Sections 69-2-402 and 69-2-404 as one line item charge for 911
392 emergency service; and
- 393 (iii) may retain an amount not to exceed 1.5% of the unified statewide 911 emergency
394 service charge collected under this section as reimbursement for the cost of billing, collecting,
395 and remitting the unified statewide 911 emergency service charge.
- 396 (4) The commission shall deposit any unified 911 emergency service charge remitted to
397 the commission into the Unified Statewide 911 Emergency Service Account created in Section
398 63H-7a-304.
- 399 (5) An access line provider that fails to comply with this section is subject to penalties

400 and interest as provided in Sections 59-1-401 and 59-1-402.

401 (6) The state may impose, bill, and collect an emergency services telecommunications
402 charge under this section on a mobile telecommunications service only to the extent permitted
403 by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

404 (7) This section sunsets in accordance with Section 63I-1-269.

405 (8) Subject to an appropriation from the Legislature and approval by the board, the
406 commission may contract with an auditor to audit a person that bills and collects the unified
407 statewide 911 emergency service charge.

408 Section 10. Section 69-2-404 is amended to read:

409 **69-2-404. Radio network charge to fund the Utah Statewide Radio System**
410 **Restricted Account.**

411 (1) As used in this section, "radio network charge" means the radio network charge
412 imposed under Subsection (2).

413 (2) (a) Subject to Subsection (6), there is imposed on each access line in the state a
414 radio network charge of:

415 (i) on and after July 1, 2017, and before January 1, 2018, 18 cents per month; [~~and~~]

416 (ii) on and after January 1, 2018, and before July 1, 2023, 52 cents per month[-]; and

417 (iii) on and after July 1, 2023, 24 cents per month.

418 (b) An access line is within the state for the purposes of Subsection (2)(a) if the
419 telecommunications services provided over the access line are located within the state:

420 (i) for the purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use
421 Tax Act; and

422 (ii) as determined in accordance with Section 59-12-215.

423 (3) (a) The person that provides service to an access line shall bill and collect the radio
424 network charge.

425 (b) A person that bills and collects the radio network charge shall pay the radio
426 network charge to the commission:

427 (i) monthly on or before the last day of the month immediately following the last day of
428 the previous month if:

429 (A) the person is required to file a sales and use tax return with the commission
430 monthly under Section 59-12-108; or

431 (B) the person is not required to file a sales and use tax return under Title 59, Chapter
432 12, Sales and Use Tax Act; or

433 (ii) quarterly on or before the last day of the month immediately following the last day
434 of the previous quarter if the person is required to file a sales and use tax return with the
435 commission quarterly under Section 59-12-107.

436 (c) If an access line user is not required to pay for the access line, the access line
437 provider shall collect the radio network charge from the person that is required to pay for the
438 access line.

439 (d) The person that bills and collects a radio network charge:

440 (i) shall remit the radio network charge along with a form prescribed by the
441 commission; and

442 (ii) may bill the radio network charge in combination with the charges levied under
443 Sections 69-2-402 and 69-2-403 as one line item charge for 911 emergency service.

444 (4) The commission shall deposit any radio network charge remitted to the commission
445 into the Utah Statewide Radio System Restricted Account created in Section 63H-7a-403.

446 (5) An access line provider that fails to comply with this section is subject to penalties
447 and interest as provided in Sections 59-1-401 and 59-1-402.

448 (6) The state may impose, bill, and collect the radio network charge under this section
449 on a mobile telecommunications service only to the extent permitted by the Mobile
450 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

451 (7) Subject to appropriation by the Legislature and approval by the board, the
452 commission may contract with an auditor to audit a person that bills and collects the radio
453 network charge.

454 Section 11. Section 69-2-405 is amended to read:

455 **69-2-405. Service charges -- Collection and distribution of revenue.**

456 (1) As used in this section:

457 (a) "Consumer" means a person who purchases prepaid wireless telecommunications
458 service in a transaction.

459 (b) "Prepaid wireless 911 service charge" means the charge that is required to be
460 collected by a seller from a consumer in the amount established under Subsection (2).

461 (c) (i) "Prepaid wireless telecommunications service" means a wireless

462 telecommunications service that:

463 (A) is paid for in advance;

464 (B) is sold in predetermined units of time or dollars that decline with use in a known
465 amount or provides unlimited use of the service for a fixed amount or time; and

466 (C) allows a caller to access 911 emergency service.

467 (ii) "Prepaid wireless telecommunications service" does not include a wireless
468 telecommunications service that is billed:

469 (A) to a customer on a recurring basis; and

470 (B) in a manner that includes the charges levied under Sections [69-2-402](#), [69-2-403](#),
471 and [69-2-404](#), for each radio communication access line assigned to the customer.

472 (d) "Seller" means a person that sells prepaid wireless telecommunications service to a
473 consumer.

474 (e) "Transaction" means each purchase of prepaid wireless telecommunications service
475 from a seller.

476 (f) "Wireless telecommunications service" means commercial mobile radio service as
477 defined by 47 C.F.R. Sec. 20.3, as amended.

478 (2) There is imposed:

479 (a) a prepaid wireless 911 service charge of 3.7% of the sales price per transaction; and

480 (b) a prepaid wireless telecommunications service charge of 1.2% of the sales price per
481 transaction.

482 (3) (a) Each charge described in Subsection (2) shall be collected by the seller from the
483 consumer for each transaction occurring in this state.

484 (b) (i) Except as provided in Subsections (3)(b)(ii) and (iii), if a user of a service
485 subject to a charge described in Subsection (2) is not the consumer, the seller shall collect the
486 charge from the consumer for the service.

487 (ii) A charge described in Subsection (2) is not imposed on a seller or a consumer of
488 federal wireless lifeline service if the consumer does not pay the seller for the service.

489 (iii) A consumer of federal wireless lifeline service shall pay, and the seller of the
490 service shall collect and remit, each charge described in Subsection (2) when the consumer
491 purchases from the seller optional services in addition to the federally funded lifeline benefit.

492 (4) Each charge described in Subsection (2) shall be separately stated on an invoice,

493 receipt, or similar document that is provided by the seller to the consumer.

494 (5) For purposes of Subsection (3), the location of a transaction is determined in
495 accordance with Sections [59-12-211](#) through [59-12-215](#).

496 (6) When prepaid wireless telecommunications service is sold with one or more other
497 products or services for a single non-itemized price, then the percentage specified in
498 Subsection (2) shall apply to the entire non-itemized price.

499 (7) A seller may retain 3% of the charges described in Subsection (2) that are collected
500 by the seller from consumers as reimbursement for the cost of billing, collecting, and remitting
501 the charge.

502 (8) A person that collects a charge described in Subsection (2), except as retained
503 under Subsection (7), shall remit each charge to the commission at the same time that the seller
504 remits to the commission money collected by the person under Title 59, Chapter 12, Sales and
505 Use Tax Act.

506 (9) The commission shall distribute revenues collected under this section as follows:

507 (a) Before July 1, 2023:

508 [~~(a)~~] (i) 47.97% of the prepaid wireless 911 service charge revenue to a public safety
509 answering point in accordance with Section [69-2-302](#);

510 [~~(b)~~] (ii) 16.89% of the prepaid wireless 911 service charge revenue to the Unified
511 Statewide 911 Emergency Service Account created in Section [63H-7a-304](#);

512 [~~(c)~~] (iii) 35.14% of the prepaid wireless 911 service charge revenue to the Utah
513 Statewide Radio System Restricted Account created in Section [63H-7a-403](#); and

514 [~~(d)~~] (iv) 100% of the prepaid wireless telecommunications service charge revenue to
515 the Universal Public Telecommunications Service Support Fund created in Section
516 [54-8b-15](#)[~~;~~]; and

517 (b) after July 1, 2023:

518 (i) 59.84% of the prepaid wireless 911 service charge revenue to a public safety
519 answering point in accordance with Section [69-2-302](#);

520 (ii) 20.49% of the prepaid wireless 911 service charge revenue to the Unified Statewide
521 911 Emergency Service Account created in Section [63H-7a-304](#);

522 (iii) 19.67% of the prepaid wireless 911 service charge revenue to the Utah Statewide
523 Radio System Restricted Account created in Section [63H-7a-403](#); and

524 (iv) 100% of the prepaid wireless telecommunications service charge revenue to the
525 Universal Public Telecommunications Service Support Fund created in Section 54-8b-15.

526 Section 12. **Appropriation.**

527 The following sums of money are appropriated for the fiscal year beginning July 1,
528 2022, and ending June 30, 2023. These are additions to amounts previously appropriated for
529 fiscal year 2023. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
530 Act, the Legislature appropriates the following sums of money from the funds or accounts
531 indicated for the use and support of the government of the state of Utah.

532 ITEM 1

533 To Utah Communications Authority -- Administrative Services Division

534 From General Fund, One-time \$17,500,000

535 Schedule of Programs:

536 Administrative Services Division \$17,500,000

537 Under Section 63J-1-603 the Legislature intends that appropriations provided under this
538 section not lapse at the close of fiscal year 2021. The use of any nonlapsing funds is limited to
539 the purchase of radios.

540 Section 13. **Effective date.**

541 This bill takes effect on July 1, 2022.