

34A.7A Emergency communications service surcharge — fund established — distribution and permissible expenditures.

1. a. The director shall adopt by rule a monthly surcharge of one dollar to be imposed on each communications service number provided in this state. The surcharge shall be imposed uniformly on a statewide basis and simultaneously on all communications service numbers as provided by rule of the director. The surcharge shall not be imposed on wire-line-based communications or prepaid wireless telecommunications service.

b. The program manager shall provide no less than sixty days' notice of the surcharge to be imposed to each communications service provider.

c. (1) The surcharge shall be collected as part of the communications service provider's periodic billing to a subscriber. The surcharge shall appear as a single line item on a subscriber's periodic billing indicating that the surcharge is for E911 emergency communications service.

(2) In compensation for the costs of billing and collection, the communications service provider may retain one percent of the gross surcharges collected.

(3) The surcharges shall be remitted quarterly by the communications service provider to the program manager for deposit into the fund established in subsection 2.

(4) A communications service provider is not liable for an uncollected surcharge for which the communications service provider has billed a subscriber but which has not been paid.

2. Moneys collected pursuant to subsection 1 and section 34A.7B, subsection 2, shall be deposited in a separate E911 emergency communications fund within the state treasury under the control of the program manager. Section 8.33 shall not apply to moneys in the fund. Moneys earned as income, including as interest, from the fund shall remain in the fund until expended as provided in this section. Moneys in the fund shall be expended and distributed in the following priority order:

a. An amount as appropriated by the general assembly to the director shall be allocated to the director and program manager for implementation, support, and maintenance of the functions of the director and program manager and to employ the auditor of state to perform an annual audit of the E911 emergency communications fund.

b. For the three-year period beginning July 1, 2013, and ending June 30, 2016, the program manager shall allocate thirteen percent of the total amount of surcharge generated to wireless carriers to recover their costs to deliver E911 phase 1 services. If the allocation in this paragraph is insufficient to reimburse all wireless carriers for such carrier's eligible expenses, the program manager shall allocate a prorated amount to each wireless carrier equal to the percentage of such carrier's eligible expenses as compared to the total of all eligible expenses for all wireless carriers for the calendar quarter during which such expenses were submitted. When prorated expenses are paid, the remaining unpaid expenses shall no longer be eligible for payment under this paragraph.

c. The program manager shall reimburse communications service providers on a calendar quarter basis for carriers' eligible expenses for transport costs between the selective router and the public safety answering points related to the delivery of wireless E911 phase 1 services.

d. The program manager shall reimburse wire-line carriers and third-party E911 automatic location information database providers on a calendar quarterly basis for the costs of maintaining and upgrading the E911 components and functionalities beyond the input to the E911 selective router, including the E911 selective router and the automatic location information database.

e. (1) The program manager shall allocate to each joint E911 service board and to the department of public safety a minimum of one thousand dollars per calendar quarter for each public safety answering point within the service area of the department of public safety or joint E911 service board that has submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.

(2) The amount allocated under this paragraph "e" shall be forty-six percent of the total amount of surcharge generated per calendar quarter allocated as follows:

(a) Sixty-five percent of the total dollars available for allocation shall be allocated in proportion to the square miles of the service area to the total square miles in this state.

(b) Thirty-five percent of the total dollars available for allocation shall be allocated in proportion to the wireless E911 calls taken at the public safety answering point in the service area to the total number of wireless E911 calls originating in this state.

(c) Notwithstanding subparagraph divisions (a) and (b), the minimum amount allocated to each joint E911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint E911 service board.

(3) The funds allocated in this paragraph “e” shall be used for communication equipment utilized by the public safety answering points for the implementation and maintenance of E911 services.

f. If moneys remain in the fund after fully paying all obligations under paragraphs “a”, “b”, “c”, “d”, and “e”, the remainder may be accumulated in the fund as a carryover operating surplus. This surplus shall be used to fund future network and public safety answering point improvements, including hardware and software for an internet protocol-enabled next generation network, and wireless carriers’ transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager in consultation with the E911 communications council. Notwithstanding section 8.33, any moneys remaining in the fund at the end of each fiscal year shall not revert to the general fund of the state but shall remain available for the purposes of the fund.

g. The director, in consultation with the program manager and the E911 communications council, shall adopt rules pursuant to chapter 17A governing the distribution of the surcharge collected and distributed pursuant to this subsection. The rules shall include provisions that all joint E911 service boards and the department of public safety which answer or service wireless E911 calls are eligible to receive an equitable portion of the receipts.

3. a. The program manager shall submit an annual report by January 15 of each year to the general assembly’s standing committees on government oversight advising the general assembly of the status of E911 implementation and operations, including both wire-line and wireless services, the distribution of surcharge receipts, and an accounting of the revenues and expenses of the E911 program.

b. The program manager shall submit a calendar quarter report of the revenues and expenses of the E911 program to the fiscal services division of the legislative services agency.

c. The general assembly’s standing committees on government oversight shall review the priorities of distribution of funds under this chapter at least every two years.

4. The amount collected from a communications service provider and deposited in the fund, pursuant to section 22.7, subsection 6, information provided by a communications service provider to the program manager consisting of trade secrets, pursuant to section 22.7, subsection 3, and other financial or commercial operations information provided by a communications service provider to the program manager, shall be kept confidential as provided under section 22.7. This subsection does not prohibit the inclusion of information in any report providing aggregate amounts and information which does not identify numbers of accounts or customers, revenues, or expenses attributable to an individual communications service provider.

5. a. The program manager, in consultation with the E911 communications council and the auditor of state, shall establish a methodology for determining and collecting comprehensive public safety answering point cost and expense data through the county joint E911 service boards. The methodology shall include the collection of data for all costs and expenses related to the operation of a public safety answering point and account for the extent to which identified costs and expenses are compensated for or addressed through E911 surcharges versus other sources of funding.

b. Data collection pursuant to paragraph “a” shall commence no later than January 1, 2014, and shall be subject to an audit by the auditor of state beginning July 1, 2014. The program manager shall prepare a report detailing the methodology developed and the data collected after such data has been collected for a two-year period. The report and the results of the initial audit shall be submitted to the general assembly by March 1, 2016. A new report regarding data collection and the results of an ongoing audit for each successive two-year

period shall be submitted by March 1 every two years thereafter. Expenses associated with the audit shall be paid to the auditor of state by the program manager from the E911 emergency communications fund established in subsection 2.

c. A county joint E911 service board which fails to submit expenses and costs pursuant to the methodology developed pursuant to paragraph “a” by March 31 of each year shall be allocated sixty-five cents out of the one dollar emergency communications service surcharge until March 31 of the following year. Remaining funds shall be held in the carryover operating surplus fund until the expenses and cost report is submitted by the county joint E911 service board. If the county joint E911 service board submits the expense and cost report before March 30 of the following year, the set aside funds shall be provided to the county joint E911 service board. If the county joint E911 service board fails to submit the expense and cost report within one year, funds shall revert to the carryover operating surplus fund and be used in accordance with subsection 2, paragraph “f”.

98 Acts, ch 1101, §9, 16; 99 Acts, ch 96, §5; 2004 Acts, ch 1175, §453 – 455; 2005 Acts, ch 140, §2; 2007 Acts, ch 213, §21; 2009 Acts, ch 41, §263; 2009 Acts, ch 86, §4; 2012 Acts, ch 1111, §9; 2013 Acts, ch 29, §35, 36; 2013 Acts, ch 30, §13; 2013 Acts, ch 120, §5 – 8

Referred to in §34A.2, 34A.7B

[SP] Department of homeland security and emergency management to study efficiency of E911 emergency communication systems and report to general assembly by July 1, 2014; 2013 Acts, ch 120, §10

[SP] Department of homeland security and emergency management to study administration and expenditures of enhanced E911 emergency telephone communications systems and assessment of surcharges and report to general assembly by January 1, 2016; 2013 Acts, ch 120, §10

[T] See Code editor’s note on simple harmonization

[T] Subsection 1, paragraphs a and b amended

[T] Subsection 2, paragraph a amended

[T] Subsection 2, NEW paragraph b and former paragraph b amended and redesignated as c

[T] Subsection 2, former paragraphs c and d redesignated as d and e

[T] Subsection 2, former paragraphs e and f amended and redesignated as f and g

[T] NEW subsection 5