



March 20, 2015

ENGROSSED HOUSE BILL No. 1475

DIGEST OF HB 1475 (Updated March 17, 2015 1:19 pm - DI 73)

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 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
(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.

EH 1475—LS 6973/DI 103



Digest Continued

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. Specifies that a provider is liable for the enhanced prepaid wireless charge with respect to service provided to each end user for which the provider receives reimbursement. 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.

EH 1475—LS 6973/DI 103



March 20, 2015

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:

1 SECTION 1. IC 6-1.1-18.5-23 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2015]: **Sec. 23. (a) This section applies to a**
4 **county in which the county has contractually assumed from**
5 **another political subdivision the responsibility of operating a**
6 **public safety answering point.**
7 **(b) The fiscal bodies of a county and another political**
8 **subdivision that are parties to a contract described in subsection**
9 **(a) may jointly petition the department of local government finance**
10 **to adjust the maximum permissible ad valorem property tax levies**
11 **for the ensuing calendar year of the petitioning units as follows:**
12 **(1) To increase the county's maximum permissible ad valorem**
13 **property tax levy for the ensuing calendar year by an amount**
14 **not greater than the amount levied in the preceding calendar**
15 **year by the petitioning political subdivision to pay expenses**

EH 1475—LS 6973/DI 103



1 **incurred to operate the public safety answering point.**

2 **(2) To decrease the maximum permissible ad valorem**
 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
42 the county; and



1 (2) is operated by or serves a political subdivision that is not
 2 otherwise entitled to receive a distribution of tax revenue under
 3 this section;
 4 may before July 1 of a year apply to the county council for a
 5 distribution of tax revenue under this section during the following
 6 calendar year. The county council shall review an application
 7 submitted under this subsection and may before September 1 of a year
 8 adopt a resolution requiring that one (1) or more of the applicants shall
 9 receive a specified amount of the tax revenue to be distributed under
 10 this section during the following calendar year. A resolution approved
 11 under this subsection providing for a distribution to one (1) or more fire
 12 departments, volunteer fire departments, or emergency medical
 13 services providers applies only to distributions in the following
 14 calendar year. Any amount of tax revenue distributed under this
 15 subsection to a fire department, volunteer fire department, or
 16 emergency medical services provider shall be distributed before the
 17 remainder of the tax revenue is distributed under subsection (f).

18 **(m) This subsection applies to a county in which a tax rate under**
 19 **this section is not in effect on July 1, 2015. The county council may**
 20 **adopt a resolution providing that up to one hundred percent**
 21 **(100%) of the tax revenue to be distributed under this section shall**
 22 **be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part**
 23 **of the statewide 911 system (as defined in IC 36-8-16.7-22) and**
 24 **contained in the county. Any amount of tax revenue dedicated to**
 25 **a PSAP under this subsection shall be distributed before the**
 26 **remainder of the tax revenue is distributed under this section.**

27 **(n) This subsection applies to a county in which a tax rate under**
 28 **this section is in effect on July 1, 2015. If the tax rate under this**
 29 **section is increased after July 1, 2015, the county council may**
 30 **adopt a resolution providing that up to one hundred percent**
 31 **(100%) of the tax revenue derived from the part of the tax rate**
 32 **under this section that exceeds the tax rate in effect on July 1, 2015,**
 33 **shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is**
 34 **part of the statewide 911 system (as defined in IC 36-8-16.7-22) and**
 35 **contained in the county. Any amount of tax revenue dedicated to**
 36 **a PSAP under this subsection shall be distributed before the**
 37 **remainder of the tax revenue is distributed under this section.**

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

42 (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 containing a consolidated city.

15 (2) Twenty-five hundredths of one percent (0.25%), in the case of
 16 a county other than a county containing a consolidated city.

17 (d) If a county income tax council adopts an ordinance to impose a
 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
 22 electronic format approved by the director of the budget agency.

23 (e) A tax rate under this section is in addition to any other tax rates
 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



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:

15 (1) the maximum income tax rate that may be imposed in a county
 16 under section 8 or 9 of this chapter or any other provision of this
 17 chapter;

18 (2) the maximum permissible property tax levy under
 19 IC 6-1.1-18.5-3; or

20 (3) the credit under IC 6-1.1-20.6.

21 (i) The tax rate under this section may be imposed or rescinded at
 22 the same time and in the same manner that the county may impose or
 23 increase a tax rate under section 30 of this chapter.

24 (j) The department of local government finance and the department
 25 of state revenue may take any actions necessary to carry out the
 26 purposes of this section.

27 (k) Notwithstanding any other provision, in Lake County the county
 28 council (and not the county income tax council) is the entity authorized
 29 to take actions concerning the additional tax rate under this section.

30 (l) Two (2) or more political subdivisions that are entitled to receive
 31 a distribution under this section may adopt resolutions providing that
 32 some part or all of those distributions shall instead be paid to one (1)
 33 political subdivision in the county to carry out specific public safety
 34 purposes specified in the resolutions.

35 (m) A fire department, volunteer fire department, or emergency
 36 medical services provider that:

37 (1) provides fire protection or emergency medical services within
 38 the county; and

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

42 may before July 1 of a year apply to the county income tax council for



1 a distribution of tax revenue under this section during the following
 2 calendar year. The county income tax council shall review an
 3 application submitted under this subsection and may before September
 4 1 of a year adopt a resolution requiring that one (1) or more of the
 5 applicants shall receive a specified amount of the tax revenue to be
 6 distributed under this section during the following calendar year. A
 7 resolution approved under this subsection providing for a distribution
 8 to one (1) or more fire departments, volunteer fire departments, or
 9 emergency services providers applies only to distributions in the
 10 following calendar year. Any amount of tax revenue distributed under
 11 this subsection to a fire department, volunteer fire department, or
 12 emergency medical services provider shall be distributed before the
 13 remainder of the tax revenue is distributed under subsection (f).

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

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

36 SECTION 4. IC 36-8-16.6-11, AS AMENDED BY P.L.107-2014,
 37 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2015]: Sec. 11. (a) The board shall impose an enhanced
 39 prepaid wireless charge on each retail transaction. ~~that occurs after~~
 40 ~~June 30, 2010.~~ The amount of the ~~initial~~ charge imposed under this
 41 section may not exceed one-half (1/2) of the monthly wireless
 42 emergency enhanced 911 fee assessed under IC 36-8-16.5-25.5 (before



1 its repeal on July 1, 2012). The board shall increase the amount of the
 2 charge imposed under this section so that the amount of the charge
 3 imposed after June 30, 2012, under this section equals fifty cents
 4 (~~\$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 reimbursement
 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 by the provider~~ **service to**
 30 **each end user for which the provider receives reimbursement**
 31 in its capacity as an eligible telecommunications carrier.

32 SECTION 5. IC 36-8-16.6-17, AS ADDED BY P.L.113-2010,
 33 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) The department, in
 35 conjunction and coordination with the board, shall establish
 36 procedures:

37 (1) governing the collection and remittance of enhanced prepaid
 38 wireless charges in accordance with the procedures established
 39 under IC 6-8.1 concerning listed taxes; and

40 (2) allowing a seller to document that a sale of prepaid wireless
 41 telecommunications service is not a retail transaction.

42 (b) A procedure established under subsection (a)(1):



1 (1) must take into consideration the differences between large and
2 small sellers, including smaller sales volumes; and

3 (2) may establish lower thresholds for the remittance of enhanced
4 prepaid wireless charges by small sellers.

5 For purposes of this subsection, a small seller is a seller that sells less
6 than one hundred dollars (\$100) of prepaid wireless
7 telecommunications service each month.

8 **(c) On an annual basis, the board may audit providers to**
9 **determine compliance with procedures established under**
10 **subsection (a). Not later than March 1 of the year immediately**
11 **following an audit, the board shall submit, in an electronic format**
12 **under IC 5-14-6, a copy of the audit to the general assembly and**
13 **the budget committee.**

14 SECTION 6. IC 36-8-16.7-10, AS ADDED BY P.L.132-2012,
15 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2015]: Sec. 10. **(a)** As used in this chapter, "exchange access
17 facility" means the access from a particular service user's premises to
18 a telephone system.

19 **(b) The term includes:**

20 **(1) an access line;**

21 **(2) a private branch exchange (PBX) trunk; and**

22 **(3) a centrex line trunk equivalent;**

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

29 **(c) The term does not include:**

30 **(1) a service supplier owned and operated telephone pay station**
31 **line;**

32 **(2) a wide area telecommunications service (WATS) line;**

33 **(3) a foreign exchange (FX) line; or**

34 **(4) an incoming only line; or**

35 **(5) the provision of broadband Internet access service.**

36 **(b) For purposes of determining a standard user who is a**
37 **nonmobile communications service user under section 21(2) of this**
38 **chapter, "exchange access facility" means:**

39 **(1) for a retail voice user line, the maximum number of active**
40 **telephone numbers, functional equivalents, or successors**
41 **capable of simultaneously contacting the PSAP, regardless of**
42 **technology; or**



1 **(2) for a multiline telephone system, the maximum number of**
 2 **voice grade equivalent channels capable of simultaneously**
 3 **contacting the PSAP, regardless of technology.**

4 SECTION 7. IC 36-8-16.7-24, AS ADDED BY P.L.132-2012,
 5 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2015]: Sec. 24. (a) The statewide 911 board is established to
 7 develop, implement, and oversee the statewide 911 system. The board
 8 is a body corporate and politic, and though it is separate from the state,
 9 the exercise by the board of its powers constitutes an essential
 10 governmental function.

11 (b) The following recommendations must be made to the governor
 12 concerning the membership of the board:

13 (1) The executive committees of:

14 (A) the Indiana chapter of the National Emergency Number
 15 Association (NENA); and

16 (B) the Indiana chapter of the Association of Public Safety
 17 Communication Officials International (APCO);

18 shall jointly recommend three (3) individuals, at least one (1) of
 19 whom must have budget experience at the local level.

20 (2) The facilities based CMRS providers authorized to provide
 21 CMRS in Indiana shall jointly recommend one (1) individual.

22 (3) The Indiana Association of County Commissioners shall
 23 recommend one (1) individual who is a county commissioner in
 24 Indiana.

25 (4) The Indiana Sheriffs' Association shall recommend one (1)
 26 individual who is a county sheriff in Indiana.

27 (5) The Indiana Telecommunications Association shall
 28 recommend two (2) individuals as follows:

29 (A) One (1) individual representing a local exchange carrier
 30 that serves less than fifty thousand (50,000) local exchange
 31 access lines in Indiana.

32 (B) One (1) individual representing a local exchange carrier
 33 that serves at least fifty thousand (50,000) local exchange
 34 access lines in Indiana.

35 (6) The Indiana Cable Telecommunications Association shall
 36 recommend one (1) individual representing a VOIP provider.

37 (7) The Indiana Association of Cities and Towns shall
 38 recommend one (1) individual representing municipalities.

39 (c) The board consists of the following ~~thirteen (13)~~ **fifteen (15)**
 40 members:

41 (1) The treasurer of state or the treasurer's designee. The treasurer
 42 of state or the treasurer's designee is chairperson of the board for



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



1 may not be affiliated with the same business entity as a member
2 appointed under subdivision (3), (6), or (7).

3 (9) One (1) member who represents municipalities and is
4 appointed by the governor after considering the recommendation
5 of the Indiana Association of Cities and Towns submitted under
6 subsection (b)(7).

7 (10) The state fire marshal or the state fire marshal's designee.

8 (11) The superintendent of the state police department or the
9 superintendent's designee.

10 **(12) The executive director of the department of homeland**
11 **security, or the director's designee.**

12 **(13) The state GIS officer.**

13 (d) This subsection applies to a member appointed by the governor
14 under subsection (c)(2) through (c)(9). The governor shall ensure that
15 the terms of the initial members appointed by the governor are
16 staggered so that the terms of not more than five (5) members expire in
17 a single calendar year. After the initial appointments, subsequent
18 appointments shall be for three (3) year terms. A vacancy on the board
19 shall be filled for the vacating member's unexpired term in the same
20 manner as the original appointment, and a member of the board is
21 eligible for reappointment. In making an appointment under subsection
22 (c)(2) through (c)(9), the governor shall take into account the various
23 geographical areas of Indiana, including rural and urban areas. A
24 member appointed by the governor serves at the pleasure of the
25 governor.

26 (e) A member must be a resident of Indiana.

27 (f) A member may not vote by proxy.

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

34 ~~(A)~~ (1) June 30, 2013; and

35 ~~(B)~~ (2) June 30, 2014;

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

41 (b) On an annual basis, and in conjunction with the board's review
42 under section 38(d) of this chapter of the state board of accounts'



1 annual audit of PSAPs, the board shall review 911 service in Indiana,
 2 including the collection, disbursement, and use of the statewide 911 fee
 3 assessed under section 32 of this chapter. The purpose of the review is
 4 to ensure that the statewide 911 fee:

5 (1) does not exceed the amount reasonably necessary to provide
 6 adequate and efficient 911 service; and

7 (2) is used only for the purposes set forth in this chapter.

8 (c) For each of the two (2) calendar years ending:

9 ~~(A)~~ (1) December 31, 2013; and

10 ~~(B)~~ (2) December 31, 2014;

11 the board shall submit, not later than March 1 of the year immediately
 12 following the particular calendar year, a summary report of the board's
 13 findings under the review required by subsection (b) to the budget
 14 committee for the budget committee's review. A report submitted under
 15 this subsection must be in an electronic format under IC 5-14-6.

16 SECTION 9. IC 36-8-16.7-32, AS AMENDED BY P.L.107-2014,
 17 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2015]: Sec. 32. (a) Except as provided in subsections (c) and
 19 (e), and subject to subsection (b) and section 48(e) of this chapter, the
 20 board shall assess a monthly statewide 911 fee on each standard user
 21 that is a customer having a place of primary use in Indiana at a rate
 22 that:

23 (1) ensures full recovery of the amount needed for the board to
 24 make distributions to county treasurers consistent with this
 25 chapter; and

26 (2) provides for the proper development, operation, and
 27 maintenance of a statewide 911 system.

28 The amount of the ~~initial~~ fee assessed under this subsection is ~~ninety~~
 29 ~~cents (\$0.90): one dollar (\$1).~~

30 (b) The board may adjust the statewide 911 fee to ensure adequate
 31 revenue for the board to fulfill the board's duties and obligations under
 32 this chapter, subject to the following:

33 (1) **The following apply to an increase in the fee:**

34 **(A) The board may increase the fee only one (1) time after**
 35 **June 30, 2015, and before July 1, 2020.**

36 **(B) The board may increase the fee only after review by**
 37 **the budget committee.**

38 **(C) If the board increases the fee, the amount of the**
 39 **increase must be ten cents (\$0.10).**

40 ~~(+)~~ (2) The fee may not be ~~raised or~~ lowered more than one (1)
 41 time in a calendar year.

42 ~~(2)~~ (3) The fee



- 1 (A) may not be raised by an amount that is less than or equal
2 to ten cents (\$0.10) without review by the budget committee;
3 and
4 (B) may not be raised or lowered by an amount that is more
5 than ten cents (\$0.10) without legislative approval.
- 6 (c) The fee assessed under this section does not apply to a prepaid
7 user in a retail transaction under IC 36-8-16.6.
- 8 (d) An additional fee relating to the provision of 911 service may
9 not be levied by a state agency or local unit of government. An
10 enhanced prepaid wireless charge (as defined in IC 36-8-16.6-4) is not
11 considered an additional fee relating to the provision of wireless 911
12 service for purposes of this section.
- 13 (e) A user is exempt from the fee if the user is any of the following:
14 (1) The federal government or an agency of the federal
15 government.
16 (2) The state or an agency or instrumentality of the state.
17 (3) A political subdivision (as defined in IC 36-1-2-13) or an
18 agency of a political subdivision.
19 (4) A user that accesses communications service solely through
20 a wireless data only service plan.
- 21 (f) This subsection applies to a provider that is designated by the
22 Indiana utility regulatory commission as an eligible
23 telecommunications carrier for purposes of receiving reimbursement
24 from the universal service fund through the administrator designated
25 by the Federal Communications Commission. A provider:
26 (1) is not considered an agency of the federal government for
27 purposes of the exemption set forth in subsection (e); and
28 (2) is liable for the monthly statewide 911 fee assessed under
29 subsection (a) with respect to communications service provided
30 by the provider in its capacity as an eligible telecommunications
31 carrier.
- 32 SECTION 10. IC 36-8-16.7-37, AS ADDED BY P.L.132-2012,
33 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2015]: Sec. 37. (a) Subject to subsection (b), the board shall
35 administer the fund in the following manner:
36 (1) In each state fiscal year, the board may retain the lesser of:
37 (A) ten percent (10%) of the statewide 911 fees deposited in
38 the fund in the previous state fiscal year; or
39 (B) the amount of fees deposited in the fund in the previous
40 state fiscal year that would provide for the operating expenses
41 of the statewide 911 system during the state fiscal year for
42 which the fees are retained;



1 to pay the board's expenses in administering this chapter and to
 2 develop, operate, and maintain a statewide 911 system. The board
 3 may decrease the amount of fees retained by the board under this
 4 subdivision.

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

- 15 (A) June 30, 2009;
- 16 (B) June 30, 2010; and
- 17 (C) June 30, 2011;

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

23 (3) If any statewide 911 fees remain in the fund after the
 24 distributions ensured under subdivision (2), the board shall
 25 distribute the fees as follows:

- 26 (A) Ninety percent (90%) of the fees shall be distributed to the
 27 counties based upon each county's percentage of the state's
 28 population.
- 29 (B) Ten percent (10%) of the fees shall be distributed equally
 30 among the counties.

31 (b) The board may not distribute money in the fund in a manner that
 32 impairs the ability of the board to fulfill its management and
 33 administrative obligations under this chapter.

34 SECTION 11. IC 36-8-16.7-38, AS ADDED BY P.L.132-2012,
 35 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2015]: Sec. 38. (a) A PSAP may use a distribution from a
 37 county under this chapter only for the following:

- 38 (1) The lease, purchase, or maintenance of communications
 39 service equipment.
- 40 (2) Necessary system hardware and software and data base
 41 equipment.
- 42 (3) Personnel expenses, including wages, benefits, training, and



- 1 continuing education, only to the extent reasonable and necessary
 2 for the provision and maintenance of:
 3 (A) the statewide 911 system; or
 4 (B) a wireline enhanced emergency telephone system funded
 5 under IC 36-8-16 (before its repeal on July 1, 2012).
 6 (4) Operational costs, including costs associated with:
 7 (A) utilities;
 8 (B) maintenance;
 9 (C) equipment designed to provide backup power or system
 10 redundancy, including generators; and
 11 (D) call logging equipment.
 12 (5) An emergency notification system that is approved by the
 13 board under section 40 of this chapter.
 14 (6) Connectivity to the Indiana data and communications system
 15 (IDACS).
 16 (7) Rates associated with communications service providers'
 17 enhanced emergency communications system network services.
 18 (8) Mobile radio equipment used by first responders, other than
 19 radio equipment purchased under subdivision (9) as a result of the
 20 narrow banding requirements specified by the Federal
 21 Communications Commission.
 22 (9) Up to fifty percent (50%) of the costs associated with the
 23 narrow banding or replacement of radios or other equipment as a
 24 result of the narrow banding requirements specified by the
 25 Federal Communications Commission.
 26 (b) A PSAP may not use a distribution from a county under this
 27 chapter for the following:
 28 (1) The construction, purchase, renovation, or furnishing of PSAP
 29 buildings.
 30 (2) Vehicles.
 31 (c) Not later than January 31 of each year, each PSAP shall submit
 32 to the board a report of the following:
 33 (1) All expenditures made during the immediately preceding
 34 calendar year from distributions under this chapter.
 35 (2) Call data and statistics for the immediately preceding calendar
 36 year, as specified by the board and collected in accordance with
 37 any reporting method established or required by the board.
 38 (3) **All costs associated with dispatching appropriate public**
 39 **safety agencies to respond to 911 calls received by the PSAP.**
 40 (4) **All funding sources and amounts of funding used for costs**
 41 **described in subdivision (3).**
 42 (d) Beginning in 2013, the state board of accounts annually shall



1 audit the expenditures of distributions under this chapter made during
 2 the immediately preceding calendar year by each PSAP that receives
 3 distributions under this chapter. In conducting an audit under this
 4 subsection, the state board of accounts shall determine, in conjunction
 5 with the board, whether the expenditures made by each PSAP are in
 6 compliance with subsections (a) and (b). The board shall review and
 7 further audit any ineligible expenditure identified by the state board of
 8 accounts under this subsection or through any other report. If the board
 9 verifies that the expenditure did not comply with this section, the board
 10 shall ensure that the fund is reimbursed in the dollar amount of the
 11 noncomplying expenditure from any source of funding, other than a
 12 fund described in subsection (f), that is available to the PSAP or to a
 13 unit in which the PSAP is located.

14 (e) For each of the two (2) calendar years ending:

15 ~~(A)~~ (1) December 31, 2013; and

16 ~~(B)~~ (2) December 31, 2014;

17 the state board of accounts shall submit, not later than March 1 of the
 18 year immediately following the particular calendar year, a summary
 19 report of the audits required by subsection (d) for the particular
 20 calendar year to the budget committee for the budget committee's
 21 review. A report submitted under this subsection must be in an
 22 electronic format under IC 5-14-6.

23 (f) A distribution under section 37(a)(2) of this chapter must be
 24 deposited by the treasurer of the county in a separate fund set aside for
 25 the purposes allowed by subsections (a) and (b). The fund must be
 26 known as the _____ (insert name of county) 911 fund. The county
 27 treasurer may invest money in the fund in the same manner that other
 28 money of the county may be invested, but income earned from the
 29 investment must be deposited in the fund set aside under this
 30 subsection.

31 **(g) Not later than November 1 of each year, the board shall**
 32 **provide in an electronic format under IC 5-14-6 to the general**
 33 **assembly the information submitted under subsection (c)(3) and**
 34 **(c)(4).**

35 SECTION 12. IC 36-8-16.7-38.5 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 38.5. (a)**
 38 **This section applies to a political subdivision that operates a PSAP.**

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

42 **(1) the lease, purchase, or maintenance of communications**



1 **service equipment; and**
2 **(2) rates associated with a communications service provider's**
3 **enhanced emergency communications system network**
4 **services;**
5 **from any legally available fund of the political subdivision,**
6 **including the political subdivision's rainy day fund.**
7 **(c) If a political subdivision makes a payment in advance under**
8 **this section, the political subdivision shall reimburse the fund from**
9 **which the advance payment was made.**
10 **SECTION 13. 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 (~~+~~) December 31, 2013, and (~~2~~) 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, ~~2015~~; **2020**, and may not be assessed or collected after June 30, ~~2015~~; **2020**.

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

Re-number 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.**

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(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)]".

Re-number 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 "(l)," 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 "(l)" 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.
Re-number 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.

