



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. H.B. 360 of the 129th G.A.](#)

Date: June 12, 2012

Status: As Passed by the House

Sponsor: Rep. Rosenberger

Local Impact Statement Procedure Required: Yes

Contents: To change, beginning July 1, 2013, the method of collection and the amount of the wireless 9-1-1 charge for prepaid wireless calling services

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

H.B. 360 changes the amount and method of collection of the prepaid wireless 9-1-1 charge, but makes those changes effective July 1, 2013. The charge is imposed under current law on all wireless subscribers with Ohio billing addresses, until December 31, 2012. The bill does not extend the date on which the charge expires.

Presently, wireless service providers remit 28 cents per \$50 of monthly prepaid wireless telephone revenues. The bill replaces this method with a new charge equal to 0.56% of the sales price, which is collected directly from the prepaid wireless customer by sellers at the point of sale, and it is remitted to the Department of Taxation by the retailer. In order for the Department of Taxation to carry out its duties assigned by the bill, H.B. 360 creates the Prepaid Wireless 9-1-1 Administrative Fund, which will receive 1% of the prepaid wireless 9-1-1 charges.

The Revised Code requires that the wireless 9-1-1 charge, including those charges incurred by prepaid users, be deposited into the Wireless 9-1-1 Administrative Fund (Fund 5BP0). Approximately 99.8% of the \$26.9 million fund balance in Fund 5BP0 was transferred to counties in FY 2011. Counties are authorized to use these funds for the acquisition and implementation of enhanced wireless 9-1-1 technology. Once a county has implemented enhanced wireless 9-1-1 service, it may use the funds to pay any of its personnel costs of one or more public safety answering points providing countywide service.

Fiscal effect

The bill's effective date is six months after the existing wireless 9-1-1 fee is scheduled to expire under current law, unchanged by the bill. As a result, changing the amount and method of collecting the prepaid wireless 9-1-1 charge will not incur a fiscal effect.