

BILL ANALYSIS

Senate Research Center
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S.B. 745
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, Chapter 771, Health and Safety Code, authorizes the Commission on State Emergency Communications (commission) to impose a fee or surcharge of \$.50 per month on end-user subscribers or customers of wireless telecommunications services. The law requires a wireless service provider to collect the fee and remit it to the comptroller. The existing 9-1-1 wireless law in Texas did not anticipate the development of pre-paid wireless services and providers that do not have a billing platform. Unlike conventional billed wireless services, prepaid services or airtime cards are purchased by consumers on a pay-as-you-go basis without contracts associated with post-paid services. Because neither prepaid service providers nor third party retailers of airtime cards send bills to customers, there is no opportunity to collect a monthly fee from the prepaid customer.

S.B. 745 clarifies Chapter 771 by stating that the commission does not have the authority or responsibility to impose the 9-1-1 surcharge directly on the prepaid service provider.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 771.001, Health and Safety Code, by adding Subdivision (14), to define "prepaid wireless telecommunications connection."

SECTION 2. Amends Subchapter D, Chapter 771, Health and Safety Code, by adding Section 771.0745, as follows:

Sec. 771.0745. EXEMPTION FOR CERTAIN WIRELESS CONNECTIONS. Prohibits a fee or surcharge authorized by this subchapter, Chapter 772 (Local Administration of Emergency Communications), or a home-rule municipality from being imposed on or collected from a wireless service provider for a prepaid wireless telecommunications connection.

SECTION 3. Effective date: September 1, 2005.