

1 AN ACT relating to commercial mobile radio service charges and declaring an
2 emergency.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. KRS 65.7636 is amended to read as follows:

5 (1) As used in this section, "Lifeline provider" means a CMRS provider that the
6 Kentucky Public Service Commission has deemed or deems eligible to participate
7 in the wireless low-income Lifeline program and to receive reimbursement from the
8 universal service fund managed by the Federal Communications Commission
9 pursuant to the federal Telecommunications Act of 1996, 47 U.S.C. secs. 151 et
10 seq.

11 (2) A Lifeline provider shall be liable for a CMRS service charge equal to the amount
12 of the CMRS postpaid service charge levied under KRS 65.7629 and shall remit a
13 monthly payment to the Kentucky 911 Services Board~~[, less the administrative fee~~
14 ~~described in subsection (6) of this section, as follows:~~

15 ~~(a) Beginning February 1, 2017, an amount~~ equal to the product of the following
16 factors:

17 ~~(a)~~^[1.] The amount of the postpaid CMRS service charge levied under KRS
18 65.7629; and

19 ~~(b)~~^[2.] The number of unique end users with Kentucky addresses for which the
20 Lifeline provider received reimbursement from the universal service fund
21 during the immediately preceding month.

22 ~~[(b) A Lifeline provider liable for the CMRS service charge levied under this~~
23 ~~subsection may bill and collect from each end user the charges calculated~~
24 ~~under this subsection with respect to each end user. The Lifeline provider~~
25 ~~shall determine the manner it uses to bill and collect the charges owed under~~
26 ~~this subsection. A Lifeline provider shall not bill or collect from an end user~~
27 ~~an amount greater than the charges paid by the Lifeline provider to the~~

1 ~~Kentucky 911 Services Board with respect to each end user.]~~

2 ~~(3) Each Lifeline provider shall act as a collection agent of the service charge levied by~~
3 ~~this section for the CMRS fund. Each Lifeline provider shall list the service charge~~
4 ~~as a separate entry on any bill which includes the service charge.~~

5 ~~(4) A Lifeline provider has no obligation to take any legal action to enforce the~~
6 ~~collection of the service charge levied by this section. Collection actions to enforce~~
7 ~~the collection of the service charge against any CMRS customer may, however, be~~
8 ~~initiated by the state, on behalf of the board, in the Circuit Court of the county of~~
9 ~~residence of the end user, and the reasonable costs and attorney's fees which are~~
10 ~~incurred in connection with any such collection action may be awarded by the court~~
11 ~~to the prevailing party in the action.~~

12 ~~(5) State and local taxes shall not apply to a separately stated service charge levied by~~
13 ~~this section.~~

14 ~~(6) To reimburse itself for the cost of collecting and remitting the service charge levied~~
15 ~~by this section, each Lifeline provider may deduct and retain from the service~~
16 ~~charges it collects during each calendar month an amount not to exceed one and~~
17 ~~one-half percent (1.5%) of the gross aggregate amount of the service charges it~~
18 ~~collected that month.~~

19 ~~(7) All service charges levied by this section [collected by each Lifeline provider, less~~
20 ~~the administrative fee described in subsection (6) of this section,] are due and~~
21 ~~payable to the board monthly and shall be remitted on or before thirty (30) days~~
22 ~~after the end of the calendar month. Collection actions may be initiated by the state,~~
23 ~~on behalf of the board, in the Franklin Circuit Court or any other court of competent~~
24 ~~jurisdiction, and the reasonable costs and attorney's fees which are incurred in~~
25 ~~connection with any such collection action may be awarded by the court to the~~
26 ~~prevailing party in the action.~~

27 ~~(4) [(8)] Nothing in this section shall be interpreted or otherwise construed to impact~~

1 litigation pending in the courts of the Commonwealth commencing on or before
2 March 1, 2016, regarding the application of CMRS fees imposed prior to January 1,
3 2017, to CMRS providers receiving reimbursement from the universal service fund.

4 ➔Section 2. Whereas the collection of the CMRS service charge imposed by
5 Section 1 of this Act on all Lifeline providers is critical to the funding and operation of
6 emergency communication services in the Commonwealth, an emergency is declared to
7 exist, and this Act takes effect upon its passage and approval by the Governor or upon its
8 otherwise becoming a law.