



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2321 PRINTER'S NO: 4469 PRIME SPONSOR: Fairchild

FISCAL IMPACT SUMMARY	FY 2010/11	FY 2011/12
Expenditure Increase		
General Fund	\$80,000	See Analysis
Revenue Increase		
Wireless E-911 Emergency Services Fund	\$0	\$7,988,000

OVERVIEW:

House Bill 2321 codifies various statutory provisions related to firefighters and emergency medical services. The provisions are amended into Title 35. In addition, the bill contains language to allow for the collection of the E-911 surcharge from prepaid wireless devices. The bill also requires the Legislative Budget and Finance Committee to study the 911 and E-911 funding system and issue a report with their findings by December 31, 2011. The bill contains language to sunset the newly created Chapter 53, which contains the emergency telephone service provisions. The chapter will sunset on July 1, 2014

The bill takes effect in parts. The language requiring a report from the Legislative Budget and Finance Committee shall take effect immediately. The prepaid wireless surcharge shall take effect on July 1, 2011.

ANALYSIS:

The codification into Title 35 of the various acts and provisions related to firefighters and EMS will not have fiscal impact to the Commonwealth.

The Legislative Budget and Finance Committee will incur an estimated \$80,000 in cost to conduct the study of the 911 system. The LBFC is funded through the General Fund.

The \$1 E-911 surcharge on prepaid wireless devices will be collected by the seller at each retail transaction. In the first 6 months following the implementation of the surcharge, retailers may retain 35% of the surcharge to help defray their start-up costs. Afterwards, retailers may retain 3% of the surcharge. Sellers shall remit the surcharge to the Department of Revenue. The Department expects to incur costs of approximately \$46,000 to implement the surcharge, but the bill allows for the Department to keep up to 2% to cover its costs. Finally, the Pennsylvania Emergency Management Agency, who is responsible for the distribution of the funds, may keep up to 2% of the surcharge for its administrative costs.

PEMA estimates 2010/11 prepaid 911 revenues of approximately \$12 million under the current collection scheme. Under the new method, and after deducting the administrative allowances, revenues are expected to be approximately \$19.98 million, for an increase of \$7.98 million. PEMA also expects that in the first full year of operation, additional new revenues for the Wireless E-911 Emergency Services Fund will exceed \$13 million.

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General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*