



Rep. Kathleen Willis

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10200HB3702ham002

LRB102 14080 RLC 26324 a

1 AMENDMENT TO HOUSE BILL 3702

2 AMENDMENT NO. _____. Amend House Bill 3702 on page 1,
3 line 6, by inserting "15.3, 15.3a," after "15.2a,"; and

4 on page 19, line 15, by inserting ", except in a municipality
5 with a population over 500,000," after "Illinois"; and

6 on page 19, line 16, by inserting after the period the
7 following:

8 "A municipality with a population over 500,000 shall establish
9 a statewide Next Generation 9-1-1 network by December 31,
10 2023."; and

11 on page 31, by inserting immediately below line 1 the
12 following:

13 "(50 ILCS 750/15.3) (from Ch. 134, par. 45.3)

14 (Section scheduled to be repealed on December 31, 2021)

1 Sec. 15.3. Local non-wireless surcharge.

2 (a) Except as provided in subsection (l) of this Section,
3 the corporate authorities of any municipality or any county
4 may, subject to the limitations of subsections (c), (d), and
5 (h), and in addition to any tax levied pursuant to the
6 Simplified Municipal Telecommunications Tax Act, impose a
7 monthly surcharge on billed subscribers of network connection
8 provided by telecommunication carriers engaged in the business
9 of transmitting messages by means of electricity originating
10 within the corporate limits of the municipality or county
11 imposing the surcharge at a rate per network connection
12 determined in accordance with subsection (c), however the
13 monthly surcharge shall not apply to a network connection
14 provided for use with pay telephone services. Provided,
15 however, that where multiple voice grade communications
16 channels are connected between the subscriber's premises and a
17 public switched network through private branch exchange (PBX)
18 or centrex type service, a municipality imposing a surcharge
19 at a rate per network connection, as determined in accordance
20 with this Act, shall impose:

21 (i) in a municipality with a population of 500,000 or
22 less or in any county, 5 such surcharges per network
23 connection, as defined under Section 2 of this Act, for
24 both regular service and advanced service provisioned
25 trunk lines;

26 (ii) in a municipality with a population, prior to

1 March 1, 2010, of 500,000 or more, 5 surcharges per
2 network connection, as defined under Section 2 of this
3 Act, for both regular service and advanced service
4 provisioned trunk lines;

5 (iii) in a municipality with a population, as of March
6 1, 2010, of 500,000 or more, 5 surcharges per network
7 connection, as defined under Section 2 of this Act, for
8 regular service provisioned trunk lines, and 12 surcharges
9 per network connection, as defined under Section 2 of this
10 Act, for advanced service provisioned trunk lines, except
11 where an advanced service provisioned trunk line supports
12 at least 2 but fewer than 23 simultaneous voice grade
13 calls ("VGC's"), a telecommunication carrier may elect to
14 impose fewer than 12 surcharges per trunk line as provided
15 in subsection (iv) of this Section; or

16 (iv) for an advanced service provisioned trunk line
17 connected between the subscriber's premises and the public
18 switched network through a P.B.X., where the advanced
19 service provisioned trunk line is capable of transporting
20 at least 2 but fewer than 23 simultaneous VGC's per trunk
21 line, the telecommunications carrier collecting the
22 surcharge may elect to impose surcharges in accordance
23 with the table provided in this Section, without limiting
24 any telecommunications carrier's obligations to otherwise
25 keep and maintain records. Any telecommunications carrier
26 electing to impose fewer than 12 surcharges per an

1 advanced service provisioned trunk line shall keep and
 2 maintain records adequately to demonstrate the VGC
 3 capability of each advanced service provisioned trunk line
 4 with fewer than 12 surcharges imposed, provided that 12
 5 surcharges shall be imposed on an advanced service
 6 provisioned trunk line regardless of the VGC capability
 7 where a telecommunications carrier cannot demonstrate the
 8 VGC capability of the advanced service provisioned trunk
 9 line.

10	Facility	VGC's	911 Surcharges
11	Advanced service provisioned trunk line	18-23	12
12	Advanced service provisioned trunk line	12-17	10
13	Advanced service provisioned trunk line	2-11	8

14 Subsections (i), (ii), (iii), and (iv) are not intended to
 15 make any change in the meaning of this Section, but are
 16 intended to remove possible ambiguity, thereby confirming the
 17 intent of paragraph (a) as it existed prior to and following
 18 the effective date of this amendatory Act of the 97th General
 19 Assembly.

20 For mobile telecommunications services, if a surcharge is
 21 imposed it shall be imposed based upon the municipality or
 22 county that encompasses the customer's place of primary use as
 23 defined in the Mobile Telecommunications Sourcing Conformity
 24 Act. A municipality may enter into an intergovernmental

1 agreement with any county in which it is partially located,
2 when the county has adopted an ordinance to impose a surcharge
3 as provided in subsection (c), to include that portion of the
4 municipality lying outside the county in that county's
5 surcharge referendum. If the county's surcharge referendum is
6 approved, the portion of the municipality identified in the
7 intergovernmental agreement shall automatically be
8 disconnected from the county in which it lies and connected to
9 the county which approved the referendum for purposes of a
10 surcharge on telecommunications carriers.

11 (b) For purposes of computing the surcharge imposed by
12 subsection (a), the network connections to which the surcharge
13 shall apply shall be those in-service network connections,
14 other than those network connections assigned to the
15 municipality or county, where the service address for each
16 such network connection or connections is located within the
17 corporate limits of the municipality or county levying the
18 surcharge. Except for mobile telecommunication services, the
19 "service address" shall mean the location of the primary use
20 of the network connection or connections. For mobile
21 telecommunication services, "service address" means the
22 customer's place of primary use as defined in the Mobile
23 Telecommunications Sourcing Conformity Act.

24 (c) Upon the passage of an ordinance to impose a surcharge
25 under this Section the clerk of the municipality or county
26 shall certify the question of whether the surcharge may be

1 imposed to the proper election authority who shall submit the
 2 public question to the electors of the municipality or county
 3 in accordance with the general election law; provided that
 4 such question shall not be submitted at a consolidated primary
 5 election. The public question shall be in substantially the
 6 following form:

7 -----

8 Shall the county (or city, village
 9 or incorporated town) of impose YES
 10 a surcharge of up to ...¢ per month per
 11 network connection, which surcharge will
 12 be added to the monthly bill you receive -----
 13 for telephone or telecommunications
 14 charges, for the purpose of installing
 15 (or improving) a 9-1-1 Emergency NO
 16 Telephone System?

17 -----

18 If a majority of the votes cast upon the public question
 19 are in favor thereof, the surcharge shall be imposed.

20 However, if a Joint Emergency Telephone System Board is to
 21 be created pursuant to an intergovernmental agreement under
 22 Section 15.4, the ordinance to impose the surcharge shall be
 23 subject to the approval of a majority of the total number of
 24 votes cast upon the public question by the electors of all of
 25 the municipalities or counties, or combination thereof, that
 26 are parties to the intergovernmental agreement.

1 The referendum requirement of this subsection (c) shall
2 not apply to any municipality with a population over 500,000
3 or to any county in which a proposition as to whether a
4 sophisticated 9-1-1 Emergency Telephone System should be
5 installed in the county, at a cost not to exceed a specified
6 monthly amount per network connection, has previously been
7 approved by a majority of the electors of the county voting on
8 the proposition at an election conducted before the effective
9 date of this amendatory Act of 1987.

10 (d) A county may not impose a surcharge, unless requested
11 by a municipality, in any incorporated area which has
12 previously approved a surcharge as provided in subsection (c)
13 or in any incorporated area where the corporate authorities of
14 the municipality have previously entered into a binding
15 contract or letter of intent with a telecommunications carrier
16 to provide sophisticated 9-1-1 service through municipal
17 funds.

18 (e) A municipality or county may at any time by ordinance
19 change the rate of the surcharge imposed under this Section if
20 the new rate does not exceed the rate specified in the
21 referendum held pursuant to subsection (c).

22 (f) The surcharge authorized by this Section shall be
23 collected from the subscriber by the telecommunications
24 carrier providing the subscriber the network connection as a
25 separately stated item on the subscriber's bill.

26 (g) The amount of surcharge collected by the

1 telecommunications carrier shall be paid to the particular
2 municipality or county or Joint Emergency Telephone System
3 Board not later than 30 days after the surcharge is collected,
4 net of any network or other 9-1-1 or sophisticated 9-1-1
5 system charges then due the particular telecommunications
6 carrier, as shown on an itemized bill. The telecommunications
7 carrier collecting the surcharge shall also be entitled to
8 deduct 3% of the gross amount of surcharge collected to
9 reimburse the telecommunications carrier for the expense of
10 accounting and collecting the surcharge.

11 (h) Except as expressly provided in subsection (a) of this
12 Section, on or after the effective date of this amendatory Act
13 of the 98th General Assembly and until December 31, 2017, a
14 municipality with a population of 500,000 or more shall not
15 impose a monthly surcharge per network connection in excess of
16 the highest monthly surcharge imposed as of January 1, 2014 by
17 any county or municipality under subsection (c) of this
18 Section. Beginning January 1, 2018 and until December 31, 2023
19 ~~2021~~, a municipality with a population over 500,000 may not
20 impose a monthly surcharge in excess of \$5.00 per network
21 connection. On or after January 1, 2024 ~~2022~~, a municipality
22 with a population over 500,000 may not impose a monthly
23 surcharge in excess of \$2.50 per network connection.

24 (i) Any municipality or county or joint emergency
25 telephone system board that has imposed a surcharge pursuant
26 to this Section prior to the effective date of this amendatory

1 Act of 1990 shall hereafter impose the surcharge in accordance
2 with subsection (b) of this Section.

3 (j) The corporate authorities of any municipality or
4 county may issue, in accordance with Illinois law, bonds,
5 notes or other obligations secured in whole or in part by the
6 proceeds of the surcharge described in this Section. The State
7 of Illinois pledges and agrees that it will not limit or alter
8 the rights and powers vested in municipalities and counties by
9 this Section to impose the surcharge so as to impair the terms
10 of or affect the security for bonds, notes or other
11 obligations secured in whole or in part with the proceeds of
12 the surcharge described in this Section. The pledge and
13 agreement set forth in this Section survive the termination of
14 the surcharge under subsection (l) by virtue of the
15 replacement of the surcharge monies guaranteed under Section
16 20; the State of Illinois pledges and agrees that it will not
17 limit or alter the rights vested in municipalities and
18 counties to the surcharge replacement funds guaranteed under
19 Section 20 so as to impair the terms of or affect the security
20 for bonds, notes or other obligations secured in whole or in
21 part with the proceeds of the surcharge described in this
22 Section.

23 (k) Any surcharge collected by or imposed on a
24 telecommunications carrier pursuant to this Section shall be
25 held to be a special fund in trust for the municipality, county
26 or Joint Emergency Telephone Board imposing the surcharge.

1 Except for the 3% deduction provided in subsection (g) above,
2 the special fund shall not be subject to the claims of
3 creditors of the telecommunication carrier.

4 (1) Any surcharge imposed pursuant to this Section by a
5 county or municipality, other than a municipality with a
6 population in excess of 500,000, shall cease to be imposed on
7 January 1, 2016.

8 (Source: P.A. 100-20, eff. 7-1-17; 101-639, eff. 6-12-20.)

9 (50 ILCS 750/15.3a)

10 (Section scheduled to be repealed on December 31, 2021)

11 Sec. 15.3a. Local wireless surcharge.

12 (a) Notwithstanding any other provision of this Act, a
13 unit of local government or emergency telephone system board
14 providing wireless 9-1-1 service and imposing and collecting a
15 wireless carrier surcharge prior to July 1, 1998 may continue
16 its practices of imposing and collecting its wireless carrier
17 surcharge, but, except as provided in subsection (b) of this
18 Section, in no event shall that monthly surcharge exceed \$2.50
19 per commercial mobile radio service (CMRS) connection or
20 in-service telephone number billed on a monthly basis. For
21 mobile telecommunications services provided on and after
22 August 1, 2002, any surcharge imposed shall be imposed based
23 upon the municipality or county that encompasses the
24 customer's place of primary use as defined in the Mobile
25 Telecommunications Sourcing Conformity Act.

1 (b) Until December 31, 2017, the corporate authorities of
2 a municipality with a population in excess of 500,000 on the
3 effective date of this amendatory Act of the 99th General
4 Assembly may by ordinance continue to impose and collect a
5 monthly surcharge per commercial mobile radio service (CMRS)
6 connection or in-service telephone number billed on a monthly
7 basis that does not exceed the highest monthly surcharge
8 imposed as of January 1, 2014 by any county or municipality
9 under subsection (c) of Section 15.3 of this Act. Beginning
10 January 1, 2018, and until December 31, 2023 ~~2021~~, a
11 municipality with a population in excess of 500,000 may by
12 ordinance continue to impose and collect a monthly surcharge
13 per commercial mobile radio service (CMRS) connection or
14 in-service telephone number billed on a monthly basis that
15 does not exceed \$5.00. On or after January 1, 2024 ~~2022~~, the
16 municipality may continue imposing and collecting its wireless
17 carrier surcharge as provided in and subject to the
18 limitations of subsection (a) of this Section.

19 (c) In addition to any other lawful purpose, a
20 municipality with a population over 500,000 may use the moneys
21 collected under this Section for any anti-terrorism or
22 emergency preparedness measures, including, but not limited
23 to, preparedness planning, providing local matching funds for
24 federal or State grants, personnel training, and specialized
25 equipment, including surveillance cameras, as needed to deal
26 with natural and terrorist-inspired emergency situations or

1 events.

2 (Source: P.A. 100-20, eff. 7-1-17; 101-639, eff. 6-12-20.);

3 and

4 on page 66, line 20, by replacing "bi-annually" with

5 "biennially"; and

6 by replacing line 24 on page 66 through line 8 on page 72 with

7 the following:

8 "Section 20. The Prepaid Wireless 9-1-1 Surcharge Act is

9 amended by changing Section 15 as follows:

10 (50 ILCS 753/15)

11 Sec. 15. Prepaid wireless 9-1-1 surcharge.

12 (a) Until September 30, 2015, there is hereby imposed on
13 consumers a prepaid wireless 9-1-1 surcharge of 1.5% per
14 retail transaction. Beginning October 1, 2015, the prepaid
15 wireless 9-1-1 surcharge shall be 3% per retail transaction.
16 The surcharge authorized by this subsection (a) does not apply
17 in a home rule municipality having a population in excess of
18 500,000.

19 (a-5) On or after the effective date of this amendatory
20 Act of the 98th General Assembly and until December 31, 2023
21 ~~2020~~, a home rule municipality having a population in excess
22 of 500,000 on the effective date of this amendatory Act may

1 impose a prepaid wireless 9-1-1 surcharge not to exceed 9% per
2 retail transaction sourced to that jurisdiction and collected
3 and remitted in accordance with the provisions of subsection
4 (b-5) of this Section. ~~On or after January 1, 2021, a home rule~~
5 ~~municipality having a population in excess of 500,000 on the~~
6 ~~effective date of this Act may only impose a prepaid wireless~~
7 ~~9-1-1 surcharge not to exceed 7% per retail transaction~~
8 ~~sourced to that jurisdiction and collected and remitted in~~
9 ~~accordance with the provisions of subsection (b-5).~~

10 (b) The prepaid wireless 9-1-1 surcharge shall be
11 collected by the seller from the consumer with respect to each
12 retail transaction occurring in this State and shall be
13 remitted to the Department by the seller as provided in this
14 Act. The amount of the prepaid wireless 9-1-1 surcharge shall
15 be separately stated as a distinct item apart from the charge
16 for the prepaid wireless telecommunications service on an
17 invoice, receipt, or other similar document that is provided
18 to the consumer by the seller or shall be otherwise disclosed
19 to the consumer. If the seller does not separately state the
20 surcharge as a distinct item to the consumer as provided in
21 this Section, then the seller shall maintain books and records
22 as required by this Act which clearly identify the amount of
23 the 9-1-1 surcharge for retail transactions.

24 For purposes of this subsection (b), a retail transaction
25 occurs in this State if (i) the retail transaction is made in
26 person by a consumer at the seller's business location and the

1 business is located within the State; (ii) the seller is a
2 provider and sells prepaid wireless telecommunications service
3 to a consumer located in Illinois; (iii) the retail
4 transaction is treated as occurring in this State for purposes
5 of the Retailers' Occupation Tax Act; or (iv) a seller that is
6 included within the definition of a "retailer maintaining a
7 place of business in this State" under Section 2 of the Use Tax
8 Act makes a sale of prepaid wireless telecommunications
9 service to a consumer located in Illinois. In the case of a
10 retail transaction which does not occur in person at a
11 seller's business location, if a consumer uses a credit card
12 to purchase prepaid wireless telecommunications service
13 on-line or over the telephone, and no product is shipped to the
14 consumer, the transaction occurs in this State if the billing
15 address for the consumer's credit card is in this State.

16 (b-5) The prepaid wireless 9-1-1 surcharge imposed under
17 subsection (a-5) of this Section shall be collected by the
18 seller from the consumer with respect to each retail
19 transaction occurring in the municipality imposing the
20 surcharge. The amount of the prepaid wireless 9-1-1 surcharge
21 shall be separately stated on an invoice, receipt, or other
22 similar document that is provided to the consumer by the
23 seller or shall be otherwise disclosed to the consumer. If the
24 seller does not separately state the surcharge as a distinct
25 item to the consumer as provided in this Section, then the
26 seller shall maintain books and records as required by this

1 Act which clearly identify the amount of the 9-1-1 surcharge
2 for retail transactions.

3 For purposes of this subsection (b-5), a retail
4 transaction occurs in the municipality if (i) the retail
5 transaction is made in person by a consumer at the seller's
6 business location and the business is located within the
7 municipality; (ii) the seller is a provider and sells prepaid
8 wireless telecommunications service to a consumer located in
9 the municipality; (iii) the retail transaction is treated as
10 occurring in the municipality for purposes of the Retailers'
11 Occupation Tax Act; or (iv) a seller that is included within
12 the definition of a "retailer maintaining a place of business
13 in this State" under Section 2 of the Use Tax Act makes a sale
14 of prepaid wireless telecommunications service to a consumer
15 located in the municipality. In the case of a retail
16 transaction which does not occur in person at a seller's
17 business location, if a consumer uses a credit card to
18 purchase prepaid wireless telecommunications service on-line
19 or over the telephone, and no product is shipped to the
20 consumer, the transaction occurs in the municipality if the
21 billing address for the consumer's credit card is in the
22 municipality.

23 (c) The prepaid wireless 9-1-1 surcharge is imposed on the
24 consumer and not on any provider. The seller shall be liable to
25 remit all prepaid wireless 9-1-1 surcharges that the seller
26 collects from consumers as provided in Section 20, including

1 all such surcharges that the seller is deemed to collect where
2 the amount of the surcharge has not been separately stated on
3 an invoice, receipt, or other similar document provided to the
4 consumer by the seller. The surcharge collected or deemed
5 collected by a seller shall constitute a debt owed by the
6 seller to this State, and any such surcharge actually
7 collected shall be held in trust for the benefit of the
8 Department.

9 For purposes of this subsection (c), the surcharge shall
10 not be imposed or collected from entities that have an active
11 tax exemption identification number issued by the Department
12 under Section 1g of the Retailers' Occupation Tax Act.

13 (d) The amount of the prepaid wireless 9-1-1 surcharge
14 that is collected by a seller from a consumer, if such amount
15 is separately stated on an invoice, receipt, or other similar
16 document provided to the consumer by the seller, shall not be
17 included in the base for measuring any tax, fee, surcharge, or
18 other charge that is imposed by this State, any political
19 subdivision of this State, or any intergovernmental agency.

20 (e) (Blank).

21 (e-5) Any changes in the rate of the surcharge imposed by a
22 municipality under the authority granted in subsection (a-5)
23 of this Section shall be effective on the first day of the
24 first calendar month to occur at least 60 days after the
25 enactment of the change. The Department shall provide not less
26 than 30 days' notice of the increase or reduction in the rate

1 of such surcharge on the Department's website.

2 (f) When prepaid wireless telecommunications service is
3 sold with one or more other products or services for a single,
4 non-itemized price, then the percentage specified in
5 subsection (a) or (a-5) of this Section 15 shall be applied to
6 the entire non-itemized price unless the seller elects to
7 apply the percentage to (i) the dollar amount of the prepaid
8 wireless telecommunications service if that dollar amount is
9 disclosed to the consumer or (ii) the portion of the price that
10 is attributable to the prepaid wireless telecommunications
11 service if the retailer can identify that portion by
12 reasonable and verifiable standards from its books and records
13 that are kept in the regular course of business for other
14 purposes, including, but not limited to, books and records
15 that are kept for non-tax purposes. However, if a minimal
16 amount of prepaid wireless telecommunications service is sold
17 with a prepaid wireless device for a single, non-itemized
18 price, then the seller may elect not to apply the percentage
19 specified in subsection (a) or (a-5) of this Section 15 to such
20 transaction. For purposes of this subsection, an amount of
21 service denominated as 10 minutes or less or \$5 or less is
22 considered minimal.

23 (g) The prepaid wireless 9-1-1 surcharge imposed under
24 subsections (a) and (a-5) of this Section is not imposed on the
25 provider or the consumer for wireless Lifeline service where
26 the consumer does not pay the provider for the service. Where

1 the consumer purchases from the provider optional minutes,
2 texts, or other services in addition to the federally funded
3 Lifeline benefit, a consumer must pay the prepaid wireless
4 9-1-1 surcharge, and it must be collected by the seller
5 according to subsection (b-5).

6 (Source: P.A. 99-6, eff. 6-29-15; 100-20, eff. 7-1-17.)".