

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2169

2007 SENATE POLITICAL SUBDIVISIONS

SB 2169

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2169**

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: **January 18, 2007**

Recorder Job Number: **1388**

Committee Clerk Signature

*Shirley Borg*

Minutes:

**Chairman Cook** called the Political Subdivisions Committee to order. All members (5) present.

**Chairman Cook** opened the hearing on SB 2169 relating to the application, collection, and use of emergency services communication fees/relating to a report on all standards and guidelines.

**Senator Wardner**, District 37. Dickinson, ND, introduced SB 2169. The bill comes about out of an audit. During the last interim the performance audit was conducted by the State Auditors Office of the revenues and expenditures related to fees and phone services that support the enhanced 911. The counties and cities got on the ball and took the auditors recommendations and started to develop a comprehensive bill to address them and that is what this bill is. It is kind of a technical corrections bill, however there are some glitz's in there that had to be ironed out as we develop this bill. There are some repeal of some out of date sections and other things to update.

**Terry Traynor** Assistant Director of ND Associations of Counties testified in support of SB 2169. (See attachment #1) Amendment at end of Testimony.

**Brent Nelson**, Walsh County 911 Coordinator and ND President of 911 Association, testified in support of SB 2169. (See attachment #2)

No further testimony in Support of SB 2169

Testimony opposed.

**John Olson**, appeared on behalf of TracFone Wireless, in opposition of SB 2169. They are opposed to the mechanisms and the provisions that require the assessment directly against the provider. Mr. Richard Salzman has some national experience in other states and will address these details and the problem for you.

**Richard Salzman**, TracFone Wireless, appeared in opposition of SB 2169. TracFone Wireless is the largest prepaid in the country. They do support 911 and think it is a wonderful public service and do think all subscribers should pay. The key is all subscribers and the unfortunate part of this bill is the collection mechanism does not work for prepaid providers. Prepaid is sold through mass providers all over the states. TracFone is different from every other prepaid provider as well. Every prepaid provider in this country except TracFone uses what they call a switch base technology. TracFone Wireless is the largest prepaid provider in the country but it is not the only prepaid. TracFone is a reseller, they are not a self communications company and they don't have a switch based technology. When TracFone business modeled developed a long time ago, the idea was to bring prepaid to a handset to buy off the shelf at mass retail. The way TracFone did that many years ago is it made deals with 72 different wireless carriers so they could cover every square inch of this country that had any wireless service available any where in the country. Then they could go to mass retailers and put TracFone's in every Radio Shack store in the country. The big carriers like verizon could not do that because they did not have service everywhere in the country. That necessitated a business model that did not rely on the carrier switch being a prepaid engine so

to speak. TracFone's prepaid engine is the software in the handset and what that handset does it tracks your minutes for you. There is nothing at the office that tells how many minutes are left. The way this bill is structured it never included prepaid as it wasn't around when these bills were written. The first statutes were: we are the 911 board; we need money for this great public service and nobody disagrees so we will charge people who have phones so they put a line item on the bill and added a dollar on it for us. Let the consumer no they are being charged to provide a valuable service for 911. The collection mechanism is the problem. When prepaid came along, it could not be put on the bill because there is no bill. TraFone agrees the prepaid guys have to pay but there is no bill to put it on. The mechanism that has been suggested and will be suggested is that it should be funded out of a general fund or sales tax. It is a service that everyone receives and should pay for. TracFone suggest they work with the association and Mr. Traynor to come up with a workable solution that will be the right thing with prepaid that will work across all carriers and is fair to all carriers and all subscribers and there will not be a difference between prepaid and postpaid.

**Chairman Cook** assigned Senator Hacker to meet with John Olson and Terry Traynor to further discuss the prepaid and try to obtain a solution with Richard Salzman.

No further testimony opposed to SB 2169.

**David Crothers**, ND Telephones Association of Telephone Co-ops, testified in a neutral position. Mr Traynor from Association for Counties mentioned an amendment that would be addressed. The amendment is critically important to the members of the independent telephone industry. He wanted to emphasize that the amendment is a critical part of the work that they did with the association of counties.

**Gordy Smith**, Audit Manager in charge of the performance audit, appeared neutral to commend State Radio, 911 Association, Association of Counties and everybody that worked

on the bill to address some of the things in the audit report. The purpose of the performance audits are to try and improve the operations of what ever we are auditing. Sometimes the clients do not take the time or make the effort to do the right things. Mr. Smith just wanted to give them the credit they deserve for trying to address this and improve the operation.

No further testimony.

**Chairman Cook** closed the hearing on SB 2169.

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2169

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: January 26, 2007 (Committee Work)

Recorder Job Number: 2055

Committee Clerk Signature

*Stanley Borg*

Minutes:

**Chairman Cook** asked the committee to go to SB 2169 for discussion. Senator Hacker has been working closely with some of the players in this bill. In the interest of a fair process we are going to give some people with concerns the time to make any suggestions that they would want us to deliberate on.

**Senator Hacker** sent around a packet from Pembina County (see attachment # 1)

No further discussion,

Chairman Cook closed the discussion.

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2169**

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: **February 1, 2007**

Recorder Job Number: **2652**

Committee Clerk Signature

*Shirley Borg*

Minutes:

**Chairman Cook** called the Senate Political Subdivisions committee to order. All members (5) present.

**Chairman Cook** asked the committee to go to SB 2169 which is the 911 bill. John Olson had amendments to present.

**John Olson**, Attorney. TracFone said they can not review a positive balance on any cards they sell. They do not get it until there is a invoice, thirty to forty five days later if that card is activated right away. They have no contact with the consumers where others do. He passed out amendments (attachment #1)

**Senator Warner** said the amendments added another level of problems to the situation. He could see this in court by July.

**Senator Hacker** said there would be a law suit and it would be large by creating a playing field in that manner.

**Senator Hacker** handed out amendments that come on behalf of one of the carriers with the prepaid. What it does is insures that it is a billed retailed. (See attachment #2) The reason they need this is that when they test lines that a consumer does not own yet, they want to



make sure they are not paying the one dollar when it is not being used by a consumer, so they do not get billed among themselves.

**Senator Hacker** moved the amendments.

**Senator Olafson** seconded the motion.

Voice vote: All members in favor.

**Senator Hacker** moved the amendment by Association of Counties.

**Senator Olafson** seconded the motion.

Voice Vote: All members in favor

**Senator Warner** moved a Do Pass as amended.

**Senator Hacker** seconded the motion.

Roll Call vote: Yes 5 No 0 Absent 0

Carrier: **Senator Hacker**

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/15/2007

Bill/Resolution No.: SB 2169

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$0		
Appropriations				\$0		

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Expands fees allowed for "assessed communication services." No fiscal impact to the state or local jurisdictions. There will be an unquantifiable revenue increase.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 expands authority for collection of fees to all assessed communication service.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Will expand collections by counties and cities that impose fees to include all assessed communications service. It is unknown how many such sales exist. Typically \$.95 of the \$1 dollar collected (5% admin fee) is returned to the local governing bodies. The 22 PSAPs serviced by State Radio are provided \$.20 out of the \$.95 recieved by the local governing bodies.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

None

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

None

<b>Name:</b>	LTC Dave Thiele	<b>Agency:</b>	Office of the Adjutant General
<b>Phone Number:</b>	333-2009	<b>Date Prepared:</b>	01/17/2007

**AMENDMENT TO ND SB 2169**

SB 2169 is amended by adding a new section at the end thereof:

**SECTION 11. AMENDMENT.** The Legislature finds that all users of assessed communications services with access to emergency 911 services should pay a fair and reasonable fee to fund the 911 system. Any fees imposed pursuant to this Chapter shall be imposed in a competitively neutral and nondiscriminatory manner on such users.

PROPOSED AMENDMENT TO SENATE BILL NO. 2169  
SENATE POLITICAL SUBDIVISIONS COMMITTEE  
DWIGHT COOK, CHAIRMAN  
FEBRUARY 1, 2007

Page 1, line 16, after between, overstrike "an"

Page 1, line 16, after "between" insert "a billed retail"

Renumber accordingly

70323.0301  
Title.0400

Adopted by the Political Subdivisions  
Committee

February 1, 2007

*JS*  
2-2-7

PROPOSED AMENDMENTS TO SENATE BILL NO. 2169

Page 1, line 16, replace "an" with "a billed detail"

Page 8, line 16, replace "twenty-four hours" with "two business days"

Renumber accordingly



**REPORT OF STANDING COMMITTEE**

**SB 2169: Political Subdivisions Committee (Sen. Cook, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2169 was placed on the Sixth order on the calendar.**

Page 1, line 16, replace "an" with "a billed detail"

Page 8, line 16, replace "twenty-four hours" with "two business days"

Renumber accordingly

2007 HOUSE POLITICAL SUBDIVISIONS

SB 2169



# 2007 HOUSE STANDING COMMITTEE MINUTES

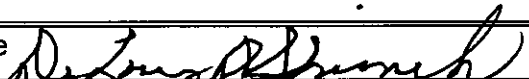
## Bill No. SB 2169

House Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: March 1, 2007

Recorder Job Number: 4200

Committee Clerk Signature 

Minutes:

**Chairman Herbel** opened the hearing on SB 2169.

**Senator Wardner:** This deals with emergency services and ironing out some reimbursement things that have been a problem over the last few years. All parties have come together and I think we have a bill that every body has agreed to and so Mr. Chairman we have someone here that will explain the bill and some of the parts of it.

**Terry Traynor, Ass't Director, ND Association of Counties:** (see testimony #1) Went over the testimony in depth.

**Chairman Herbel:** Terry, when you say annually what does that mean. From the date that they purchased it to one year after that; is there a calendar year?

**Terry Traynor:** That would be the governing bodies duty than to annually say it is 2%, 1.5% or 1%.

**Opposition:**

**Todd Kranda: Verizon Wireless:** ( Stacey Sprinkle testimony #2) The testimony was more in favor than opposed to the bill. Because of the one section in there dealing with the prepaid service which we feel is an expansion and the problems that Mr. Traynor explained with his amendment about how it is actually applied. Currently the end user you get your fee assessed

to you on your bills for your cell phone and you pay it at as the end user. On prepaid there are some difficulties with trying to pass that on to actually get it back to the 911 end user. The companies are concerned that without some consideration at this portion of the bill, they have expanded it to prepaid. How can the companies bear that burden of that expense without being able to pass that on. I guess with that prospective on how we are concerned with SB 2169 I would like to go through the testimony of Stacey Sprinkle. Went through the testimony. As a minimum we request that if you go forward with that portion where you apply to prepaid you would request you add that amendment.

**Chairman Herbel:** So you are comfortable with the amendment?

**Todd Kranda:** Yes, that language was something Stacey Sprinkle had provided originally to the counties and we are in agreement with that.

**Rep. Kim Koppelman:** You talked earlier that it is difficult to pass this on if it is a monthly but if it is a monthly with all the taxes etc. and that would allow you or your company to ask for that cost at the point of sale. Can the user of a tracfone call 911 and get 911 service?

**Todd Kranda:** Yes, I believe so.

**Rep. Kim Koppelman:** So they are receiving the benefit. So they are receiving the same benefit as I am by subscribing to Verizon, which I do.

**Todd Kranda:** Yes, and your monthly phone bill is a post paid situation where you pay the dollar and the tracfone or our prepaid services don't get a subsequent monthly bill. They go to the purchase dollar amount and they are using it. My understanding is that all of them have excess to 911.

**Rep. Kim Koppelman:** The amendment would be a good way of doing this at the point of sale would be good by the end user as well.

**Todd Kranda:** I think that it is like the example of Mr. Traynor gave with the \$50 purchase that we know it is going to be a 2% add on. You have another \$1 on top of that \$50 purchase price that would be the tax now. The concern is how do you actually adjust that for a nation wide company so we are going to have to focus on North Dakota's proportion and each county how much the county would accept. The amendment is allot better for us because it is more of a front end than post review application. I know some companies at their request are doing post end. We prefer this alternative it this does end up going forward.

**Rep. Kim Koppelman:** This is a national issue anyway.

**Todd Kranda:** I asked that question of Stacey just this morning and a question about what is going on in other states. A brief response was there were 17 states that have some type of prepaid assessment. There are 7 of those states that have this percentage of revenue provision available and there is a couple of states that are considering it. I think the companies are saying it is more of a hazel than value to do it, but that is obviously you policy to decide.

**Rep. Lawrence Klemin:** Looking at the amendment as proposed it would seem to me that this fee could be assessed by the governing body could very considerably from one county or city to the next across the state. If we concede the 2% there is no uniform method that you know in the area of prepaid. I am wondering if it would be better to have a uniform fixed rate that was statewide in this particular situation.

**Todd Kranda:** We prefer not to have anything, but if you are going to have something, I guess we are satisfied with the amendment. I don't know if each county had a \$1 set. The original legislation allowed each county to set it, but now I understand they are uniform at a \$1. I guess certainly it would be more reasonable to do that, but we are going to leave it to the governing bodies to establish that up to the 2% level.

**Rep. Steve Zaiser:** Could you support the bill if it is amended as proposed?

**Todd Kranda:** We don't like the application of prepaid because of the problematic application; second position if forced to answer that, the amendment makes it more palpable so that extend, yes.

**Rep. Dwight Wrangham:** If we are looking at individual's accessing 911, but not paying their fee I have heard if you have a wireless phone, even if you are currently out of service, that you can still call 911 where would you be paying the \$1.

**Todd Kranda:** Yes that is correct. They do have that service regardless of whether you have run out of minutes. It is an emergency feature that is available.

**Rep. Dwight Wrangham:** On those prepaid phones is the ability there on those too?

**Todd Kranda:** I believe it is.

**Chairman Herbel:** further testimony in opposition.

**John Olson:** Representing tracfones. (see testimony #3) I suggest you do a study on this deal for the 911 system. I think they have the money.

**Chairman Herbel:** Did you say you have no way of tracking where these phones are being used?

**John Olson:** I don't know if they have a way of tracking or not. They would have to do it after the fact.

**Chairman Herbel:** In one of the testimonies here it shows in 2003 payments to the counties and it shows all the wireless people there. For some reason they remitted payment for that period of time. There must be some form of tracking?

**John Olson:** There must have been some form of tracking. Where they are required to pay; they are cutting the check out of their own pocket; whether that is fair or not, who knows. They are paying directly an assessment to the states or jurisdiction which they have paid in the past.

They informed me something similar in Florida has passed and they are now looking at it because it is impossible to implement this decision. Other states are doing different things too.

**Chairman Herbel:** Did you have time to look at the amendment before it was brought in here?

**John Olson:** I had an opportunity to look at the concept yesterday but I haven't got a copy of the amendment yet so if I could get one and at least review it.

**Rep. Lawrence Klemin:** I think I understand what you are saying. To have a statewide uniform fee that would be added to each card according to the minutes and then the retailer would be responsible for remitting that to the governing bodies.

**John Olson:** I think that would be the ideal way to do it at the point of sale. Another alternative maybe to have the retailer remit something back to the provider and cut a check from there, but it would depend on the number of cards sold etc.

**Tom Kelsch: Kelsch Law Firm:** (see testimony #4) The amendment put forth is something we could deal with because it is a percentage that we would know how to handle. The original bill makes it very difficult to deal with.

**Chairman Herbel:** How would the remittance of this fee be handled by On Star?

**Tom Kelsch:** It is my understanding that the remittance would go to the county where the individual lived.

**Rep. Lawrence Klemin:** Am having a problem figuring out how that would work. The remittance would go to the governing body not to exceed 2%. Since this allows for a variety of rates who would On Star when it is downloading those minutes know what percentage rate to charge to a particular customer?

**Tom Kelsch:** Certainly national companies would like one set fee. It makes it easier for them. When this tax first came in should the tax be divided up or by each county. When it first was done with the regular wireless companies that bill on regular basis, there were some counties

that were fifty cents and some were one dollar. Basically it was based on where you lived. The company would know by the zip code what the amount would be.

**Neutral Testimony:**

**Gordy Smith: Audit Manager with the State Auditor's Office:** I was the manager of the 911, which has been referred to here. Not every entity that we performed these audits on takes the initiative to try to address all the areas of improvement that we try to point out to make it a better, more efficient effective organization. I wanted to commend those parties that are involved in coming up with this bill because it is obviously a genuine attempt to address these things and make it better. I just want to make sure this committee recognize and commend those entities for making that effort to make things better.

**Rep. Steve Zaiser:** There were a couple of comments the auditor addressed whether or not the funds will be used properly for 911 services. What is your view on that?

**Gordy Smith:** One of the things the audit found was there were a lot of the system being decentralized so the various counties as far as their accounting systems. Nothing was uniform. We struggled with one of our goals was to be able to tell the legislature the dollars were being used correctly. We were not able to do that because of the condition and style of the counting records. The way revenue collected from 911 went into the general fund. Once it is in the general fund I can't tell which expenditures came out of general fund were that 911 money. One part of the bill here does require that there be an accounting system where the money goes into a separate fund and then you are going to be able to track the money that comes out, which I think is a very big improvement. One think I like is the committee that Mr.

Traynor referred to that there was going to be a three people. One of their charges is going to be to establish some guidelines and those guidelines should be consistently followed. When we are talking about spending the money we are talking about building a 911 tower. In a lot of

cases the entire tower was paid for with 911 money, but yet if you took a look at the traffic on the tower it might be 80% or higher was not 911 traffic. From our standpoint we are not saying that is right or wrong. The tower is needed for the 911 traffic, just like it is for the non 911 traffic. We wanted somebody to establish that is acceptable or not. In one case we found 911 funds given to an entity for a loan with no interest. Then the state entity paid them back with the 911 money. Discussed various inconsistencies in use of funds for 911. We liked these various entities getting together to establish guidelines to account for the use of these 911 funds.

**Rep. Steve Zaiser:** One of the things that appears to be a sticking point should we expand those fees. Based on your audit report and talking about some of these problems it is hard for a policy maker to really make an accurate assessment of whether or not it is appropriate.

**Gordy Smith:** From our standpoint there were two reasons where we basically said the legislature should consider how to collect the 911 fees. We also discussed the fairness of the issue, if people were able to use 911 and these other two types of technology why not require them to at least help pay for the system so that is why we addressed that. There are a lot of good things in this bill and I surely hope we don't think about killing the bill. The auditors office would have jumped in and try to survey every state to see how they are doing with this and how it is working.

**Rep. Dwight Wrangham:** You do a performance audit and probably death with what had been accomplished with the 911 service. Indications are it has been a wonderful success. If you could give us a few comments on that and my questions would be were you able to determine costs in the future. Is it going to cost more or is it going to reach a plate

**Gordy Smith:** A performance audit tries to focus its scope so we did not look at all it's successes and all the challenges faced by 911. Appreciated the fact that all these groups have

come together to try to find some common ground to work out they need. I think if this would go into affect and all the counties had some guidance and they all had a reasonable accounting system it would be easy at that point to get in and decide on is it enough or isn't it?

Hearing closed.



# 2007 HOUSE STANDING COMMITTEE MINUTES

## Bill No. SB 2169

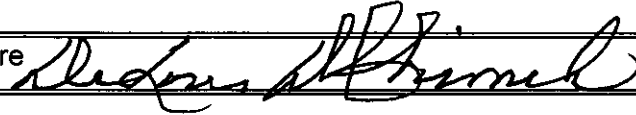
House Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: March 9, 2007

Recorder Job Number: 4815

Committee Clerk Signature



Minutes:

**Chairman Herbel** reopened the hearing on SB 2169.

**Rep. Nancy Johnson:** My amendment is just adding the study resolution. (passed out proposed amendment). Discussed need to look at other states with this legislation.

**Chairman Herbel:** So we are adding section 11 that would add the need for a study in addition to the information on the bill.

**Moved Motion By Rep. Nancy Johnson Seconded By Rep. Pat Hatlestad**

Discussion:

**Rep. Kim Koppelman:** I intend to support the motion but we heard during the hearing that there is more than enough money in this fund? I don't know if that is right or not. Is this going to be part of the study. Is the tax too high since they have enough money?

**Rep. Nancy Johnson:** The study should bring this out.

**Voice vote carried.**

**Chairman Herbel** are there any other further amendments?

**Rep. Dwight Wrangham:** I don't have a written amendment prepared, but I would like to offer an amendment that we delete the sections that deal with the prepared wireless telephones. It

would be sections 1,2,3 ? We would need to get some help from Legislative Counsel to make sure we don't take out something we didn't mean to.

**Chairman Herbel:** Is it the intent of the amendment then to delete those parts of those sections that would deal with the prepared wireless telephone. I wish we would have had those amendments prepared.

**Rep. Lawrence Klemin:** This is a substantial revision of this bill and I am not comfortable doing this based on the extent of this and I also do have another amendment to propose. I also want to go on record to have the amendment that was proposed by the Association of Counties.

**Chairman Herbel:** we haven't had the amendment approved yet either. Yes it is on the county testimony. Does some one want to move the amendment proposed by the county?

**Rep. Lawrence Klemin:** I don't want to move the exact language that the counties had in their written testimony. It would be, if you look at the amendment they had, on page 6 lines 13 I would propose the language or upon a 2% assessment on the gross revenue received from the sale of prepaid wireless services each month, period. Delete the rest of the sentence. Delete the second sentence.

**Chairman Herbel:** It would read after the word month we would insert or upon 2% assessment.

**Motion Made By Rep. Lawrence Klemin Seconded By Rep. Steve Zaiser**

**Discussion:**

**Rep. Kim Koppelman:** So this potentially increases the tax because the amendment was originally written talks about the governing body setting that amount up to 2%.

**Rep. Lawrence Klemin:** As I understand it would probably be 2% anyway. Instead of adding the monthly fee it would only be 2%. Another option is still in there.

**Rep. Kim Koppelman:** It doesn't say monthly, it says annual doesn't it?

**Rep. Lawrence Klemin:** On the language it does say each month.

**Rep. Kim Koppelman:** I am saying the amendment we got from the counties called for monthly.

**Rep. Lawrence Klemin:** So there is no misunderstanding the county would not be setting this percentage, we will set it in this bill.

**Rep. Kim Koppelman:** If your amendment passes; the amendment presented was that they set it can be up to 2%, but they would make that decision annually. I though we said we could change to 2% and it would change every month.

**Rep. Lawrence Klemin:** The reason I think it should be a flat rate is we are dealing with this prepaid wireless telephone service and it seems to me it is better to have a flat rate than the company having to deal with 53 different rates.

**Chairman Herbel:** Is it your intent here then that this 2% is to be assessed monthly on each of those?

**Rep. Lawrence Klemin:** Yes, that is what that is saying rather than a one time fee.

**Chairman Herbel:** It isn't the assessment on that particular phone every month; it is on every phone that is sold during those months?

**Rep. Lawrence Klemin:** It is the 2% on the gross revenues received from the sale of the prepaid wireless services.

**Chairman Herbel:** Is our amendment including all the other portions of the amendment above that is in this county amendment?

**Rep. Lawrence Klemin:** Yes, it includes all the changes that the county proposed.

**Rep. Steve Zaiser:** Essentially the motion is the county amendment.