

HOUSE BILL 3165

By Curtiss

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 86, relative to emergency
communications districts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-86-105(b)(7), is amended by designating the current subdivision (7) as subdivision (7)(A) and by adding the following language as a new subdivision to be designated as subdivision (B):

(B) It is further the public policy of this state that it is in the best interest of the public that the dispatch services of an emergency communications district be the direct dispatch method.

SECTION 2. Tennessee Code Annotated, Section 7-86-105(b)(7), is further amended by adding the following language as a new subdivision (C):

(C)

(i) If a joint emergency communications district is established pursuant to subdivision (b)(7)(A), a petition signed by registered voters of the county amounting to ten percent (10%) of the votes cast in the county in the last gubernatorial election may be filed with the emergency communication board requesting the county in which they reside be removed from the consolidated district and be restored to a separate emergency communication district to operate in the manner it operated prior to its consolidation.

(ii) After receiving the petition, the emergency communication board shall hold public hearings within the service areas of the affected emergency

communications district to determine whether such a restructuring of the district is in the best interest of the public and make an order consistent with its findings.

(iii) If the order is to remove a county from inclusion in a consolidated district and a privilege tax had been levied in accordance with Section 7, then upon receiving notice from the emergency communication board, the county legislative body of such county shall repeal the tax. In such case a fee, meeting the requirements of § 7-86-108(a)(1)(A), shall be imposed by the board of directors of the emergency communications district affected by the order of the emergency communication board.

SECTION 3. Tennessee Code Annotated, Section 7-86-106, is amended by deleting the language “Charges for services” in the second sentence and by substituting instead the language “Except as provided in Section 7, charges for services”.

SECTION 4. Tennessee Code Annotated, Section 7-86-108(a)(1)(A), is amended by deleting the language “The board of directors” and by substituting instead the language “Except as provided in Section 7, the board of directors”.

SECTION 5. Tennessee Code Annotated, Section 7-86-108(c), is amended by designating the existing language as subdivision (1) and by adding the following language to be designated as subdivision (2):

(2) Subdivision (c)(1) does not apply to any emergency communications district in which a tax is levied pursuant to Section 7.

SECTION 6. Tennessee Code Annotated, Section 7-86-107(b), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(b)

(1) Except where the board of directors of an emergency communications district elects the direct dispatch method as provided in subdivision (b)(2), each public safety

emergency services provider retains the right to dispatch its own services, unless a voluntary agreement is made between such provider and the board of directors of the emergency communications district.

(2) If a board of directors of an emergency communications district elects the direct dispatch method after the effective date of this act, the district is eligible to follow the procedures contained in Section 7 for a privilege tax to be levied within the district in lieu of the emergency telephone service charge levied pursuant to § 7-86-108(a)(1)(A).

SECTION 7. Tennessee Code Annotated, Title 7, Chapter 86, Part , is amended by adding the following language as a new, appropriately designated section:

7-86-1__.

(a) This section shall apply to any emergency communications district which, pursuant to § 7-86-107(b)(2), elects the direct dispatch method after the effective date of this act or which prior to the effective date of this act has elected the direct dispatch method or where a consolidation of emergency communications districts occurs, in accordance with § 7-86-105(b)(7), between two (2) or more counties, existing emergency communications districts, or any combination of the two (2).

(b)

(1) As an incentive for an emergency communications district to adopt the direct dispatch method or for the emergency communications districts to consolidate pursuant to § 7-86-105(b)(7)(A) and to extend this act to a district that utilizes a direct dispatch method, the legislative body of any county which is a part of the emergency communications district in which such actions occur or have occurred is authorized to and shall levy a privilege tax, in accordance with subsection (c) on a taxpayer maintaining a residence and on a taxpayer maintaining a business, commercial or industrial location, such as a principal

place of business or an office, in such an emergency communications district.

The tax imposed by this section is for the benefit derived from the availability of the services provided to residential taxpayers and to business, commercial and industrial taxpayers by a consolidated emergency communications district or by one in which the direct dispatch method is utilized.

(2) The privilege tax shall be for the sole purpose of providing funding to an emergency communications district meeting the requirements of subsection (a).

(3)

(A) The taxpayer who is subject to the tax levied by this section for benefits derived from the availability of the services provided to residential taxpayers is the head of the household maintaining a residence located within the district.

(B) The taxpayer who is subject to the tax levied by this section for benefits derived from the availability of the services provided to business, commercial and industrial taxpayers maintaining a principal place of business or an office within the district is the sole proprietor, partnership, for-profit or not-for-profit corporation, limited liability company, or any other business association or organization.

(c)

(1) The board of directors of the emergency communications district or consolidated district, as appropriate, as described in subsection (a), in cooperation with the appropriate county legislative body, shall determine the amount of an adequate tax to be assessed against the individual taxpayer and

the business, commercial and industrial taxpayer in an amount in an amount sufficient to the operation of the emergency communications district.

(2) After an agreement is reached between the board and the county legislative body, the board shall present the proposed tax to the state emergency communications board for their comment concerning the adequacy of the funds to be raised by the tax. The board and the county legislative body shall consider any comments of the state emergency communications board and determine whether the rate shall be adjusted accordingly.

(3)

(A) Following the receipt and consideration of the state emergency communications board's comments, the board of directors shall present the reviewed proposal to the county legislative body of the district or the legislative body of each county included in the district, in the case of a consolidated district, and each such county legislative body shall levy such tax. The tax shall be dedicated solely to fund the emergency communications district of those named counties included in the emergency communications district.

(B) Such tax shall be in addition to all other fees or taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes.

(4) Except when an order has been issued by the emergency communication board pursuant to § 7-86-105(b)(7)(C) to restructure an emergency communications district, the county legislative body shall only have authority to increase or decrease the amount or rate of the tax upon compliance with the procedures established for the initial levying of the privilege tax.

(d)

(1) The resolution levying the tax shall provide for the amount or rate of the tax, provided, the tax rate or amount was determined in accordance with subsection (c). Such resolution shall also include the manner in which the tax is to be paid, the date the tax is due, the date the tax becomes delinquent, and the amount or rate of any penalties and interest to be added to the delinquent taxes. The tax, including any interest and penalties, shall be collected by the trustee.

(2) All funds collected from such tax by the trustee shall be paid into a separate account and remitted by the trustee to the board of directors of the emergency communications district in the manner directed in the resolution.

(3) The trustee is authorized to pursue any civil remedy available by law, including issuing distress warrants and the seizure of assets, to collect any taxes due or delinquent levied pursuant to this section. In addition, the trustee is directed to print the name of any delinquent taxpayer following the date the taxes become delinquent in a newspaper of general circulation in the county.

(4) For the purpose of compensating the trustee for collecting the tax and forwarding the funds collected to the board of directors of the emergency communications district, the trustee shall be allowed two percent (2%) of the amount of the tax collected.

(5) The trustee is authorized to bill and collect such tax in the manner deemed most appropriate by the trustee. If the resolution sets the tax due date as the same date and time as ad valorem taxes are due, the trustee may:

(A) Add the tax as a separately designated item on the ad valorem tax notice issued by the county trustee to a taxpayer owing the ad valorem tax;

(B) Remit a notice to a taxpayer who does not owe ad valorem tax for property located in the county at the same time as the ad valorem tax notices are issued; or

(C) Develop another appropriate method of notification.

(6) Upon any claim of illegal or incorrect assessment and collection, the taxpayer has the remedies provided in title 67, chapter 1, it being the intent of this act that the provisions of law which apply to the recovery of other county taxes illegally or incorrectly assessed and collected shall also apply to the tax levied pursuant to this act. Section 67-1-707 shall be applicable to adjustments and refunds of such tax. With respect to the adjustment and settlement with taxpayers, the trustee shall refund all taxes erroneously collected by the trustee under the authority of this act.

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.