

SENATE BILL 974

J1, C5, C2

4lr1581
CF HB 933

By: **Senator Guzzone**

Introduced and read first time: February 2, 2024

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 29, 2024

CHAPTER _____

1 AN ACT concerning

2 **Behavioral Health Crisis Response Services – 9–8–8 Trust Fund Fees**

3 FOR the purpose of establishing a 9–8–8 fee to be paid by each subscriber to switched local
4 exchange access service, commercial mobile radio service, or other 9–8–8-accessible
5 service; establishing a prepaid wireless 9–8–8 fee to be paid on certain retail
6 transactions; requiring the Comptroller to deposit the remitted 9–8–8 fees and the
7 prepaid wireless 9–8–8 fees in the 9–8–8 Trust Fund; requiring the Comptroller to
8 adopt procedures for auditing fee collection and remittance by telephone companies
9 and commercial mobile radio service providers; and generally related to the 9–8–8
10 Trust Fund.

11 BY repealing and reenacting, with amendments,
12 Article – Health – General
13 Section 7.5–5A–01, 7.5–5A–02, and 7.5–5A–04
14 Annotated Code of Maryland
15 (2023 Replacement Volume)

16 BY adding to
17 Article – Health – General
18 Section 7.5–5A–01(i), 7.5–5A–03.1, and 7.5–5A–03.2
19 Annotated Code of Maryland
20 (2023 Replacement Volume)

21 BY repealing and reenacting, without amendments,
22 Article – Health – General

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Section 7.5–5A–01(a)
Annotated Code of Maryland
(2023 Replacement Volume)
(As enacted by Section 1 of this Act)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 7.5–5A–01(i), 7.5–5A–02(e) and (l)(1), and 7.5–5A–04
Annotated Code of Maryland
(2023 Replacement Volume)
(As enacted by Section 1 of this Act)

BY repealing and reenacting, without amendments,
Article – Health – General
Section 7.5–5A–02(a)
Annotated Code of Maryland
(2023 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Health – General

7.5–5A–01.

(A) In this subtitle[,] THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.

(B) “COMMERCIAL MOBILE RADIO SERVICE” OR “CMRS” MEANS MOBILE
TELECOMMUNICATIONS SERVICE THAT IS:

(1) PROVIDED FOR PROFIT WITH THE INTENT OF RECEIVING
COMPENSATION OR MONETARY GAIN;

(2) AN INTERCONNECTED, TWO-WAY VOICE SERVICE; AND

(3) AVAILABLE TO THE PUBLIC.

(C) “COMMERCIAL MOBILE RADIO SERVICE PROVIDER” OR “CMRS
PROVIDER” MEANS A PERSON AUTHORIZED BY THE FEDERAL COMMUNICATIONS
COMMISSION TO PROVIDE CMRS IN THE STATE.

(D) “CONSUMER” MEANS A PERSON THAT PURCHASES PREPAID WIRELESS
TELECOMMUNICATIONS SERVICE IN A RETAIL TRANSACTION.

(E) “Fund” means the 9–8–8 Trust Fund.

1 **(F) “LIFELINE PROGRAM” MEANS THE FEDERAL LIFELINE PROGRAM**
2 **ESTABLISHED BY THE FEDERAL COMMUNICATIONS COMMISSION.**

3 ~~(F)~~ **(G)** **“PREPAID WIRELESS TELECOMMUNICATIONS SERVICE” MEANS A**
4 **COMMERCIAL MOBILE RADIO SERVICE THAT:**

5 **(1) ALLOWS A CONSUMER TO DIAL 9–8–8 TO ACCESS THE 9–8–8**
6 **SYSTEM;**

7 **(2) MUST BE PAID FOR IN ADVANCE; AND**

8 **(3) IS SOLD IN PREDETERMINED UNITS THAT DECLINE WITH USE IN A**
9 **KNOWN AMOUNT.**

10 ~~(G)~~ **(H)** **“RETAIL TRANSACTION” MEANS THE PURCHASE OF PREPAID**
11 **WIRELESS TELECOMMUNICATIONS SERVICE FROM A SELLER FOR ANY PURPOSE**
12 **OTHER THAN RESALE.**

13 ~~(H)~~ ~~“SELLER” MEANS A PERSON THAT SELLS PREPAID WIRELESS~~
14 ~~TELECOMMUNICATIONS SERVICE TO ANOTHER PERSON.~~

15 **(I) “TELEPHONE COMPANY” HAS THE MEANING STATED IN § 1–101 OF THE**
16 **PUBLIC UTILITIES ARTICLE.**

17 7.5–5A–02.

18 (a) There is a 9–8–8 Trust Fund.

19 (b) The purpose of the Fund is to provide reimbursement for costs associated with:

20 (1) Designating and maintaining 9–8–8 as the universal telephone number
21 for a national suicide prevention and mental health crisis hotline in accordance with the
22 federal National Suicide Hotline Designation Act of 2020; and

23 (2) Developing and implementing a statewide initiative for the
24 coordination and delivery of the continuum of behavioral health crisis response services in
25 the State, including:

26 (i) Crisis call centers;

27 (ii) Mobile crisis team services;

28 (iii) Crisis stabilization centers; and

29 (iv) Other acute behavioral health care services.

(c) The Department shall administer the Fund.

(d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

(1) **MONEY FROM THE 9–8–8 FEE COLLECTED AND REMITTED TO THE COMPTROLLER UNDER § 7.5–5A–03.1 OF THIS SUBTITLE;**

~~(2) MONEY FROM THE PREPAID WIRELESS 9 8 8 FEE COLLECTED AND REMITTED TO THE COMPTROLLER UNDER § 7.5–5A–03.2 OF THIS SUBTITLE;~~

[(1)] ~~(3)~~ (2) Money appropriated in the State budget to the Fund;

[(2)] ~~(4)~~ (3) Interest earnings of the Fund; and

[(3)] ~~(5)~~ (4) Any other money from any other source accepted for the benefit of the Fund.

(f) The Fund may be used only for ~~carrying~~:

(1) CARRYING out the purpose of the Fund; AND

(2) ANY RELATED ADMINISTRATIVE EXPENSES OF THE COMPTROLLER.

(g) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(h) Expenditures from the Fund may be made only in accordance with the State budget.

(i) Money expended from the Fund for carrying out the purpose of the Fund is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for carrying out the purpose of the Fund.

(j) No part of the Fund may revert or be credited to:

(1) The General Fund of the State; or

(2) Any other special fund of the State.

(k) The Fund is subject to audit by the Office of Legislative Audits as provided in § 2-1220 of the State Government Article.

(L) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COMPTROLLER SHALL DISTRIBUTE TO AN ADMINISTRATIVE COST ACCOUNT THE AMOUNT NECESSARY TO ADMINISTER THE FEES AND TO COVER THE EXPENSES OF CONDUCTING AUDITS UNDER THIS SECTION FROM THE 9-8-8 FEE REVENUE COLLECTED AND REMITTED TO THE COMPTROLLER UNDER § 7.5-5A-03.1 OF THIS SUBTITLE.

(2) THE AMOUNT DISTRIBUTED TO THE ADMINISTRATIVE COST ACCOUNT MAY NOT EXCEED:

(I) FOR EACH OF FISCAL YEARS 2025, 2026, AND 2027, 6% OF THE FEES COLLECTED BY THE COMPTROLLER; AND

(II) FOR FISCAL YEAR 2028 AND EACH FISCAL YEAR THEREAFTER, 3% OF THE FEES COLLECTED BY THE COMPTROLLER.

(M) AFTER MAKING THE DISTRIBUTION REQUIRED BY SUBSECTION (L) OF THIS SECTION, THE COMPTROLLER SHALL DEPOSIT THE 9-8-8 FEE REVENUE IN THE FUND.

7.5-5A-03.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “9-8-8-ACCESSIBLE SERVICE” MEANS TELEPHONE SERVICE OR ANOTHER COMMUNICATIONS SERVICE THAT CONNECTS AN INDIVIDUAL DIALING THE DIGITS 9-8-8 TO ~~AN ESTABLISHED PUBLIC SAFETY ANSWERING POINT~~ THE 988 SUICIDE AND CRISIS LIFELINE.

(3) “9-8-8 FEE” MEANS THE FEE IMPOSED IN ACCORDANCE WITH THIS SECTION.

(4) (I) “9-8-8 SERVICE CARRIER” MEANS A PROVIDER OF CMRS OR OTHER 9-8-8-ACCESSIBLE SERVICE.

(II) “9-8-8 SERVICE CARRIER” DOES NOT INCLUDE A TELEPHONE COMPANY.

(B) THIS SECTION DOES NOT APPLY TO PREPAID WIRELESS TELECOMMUNICATIONS SERVICE.

(C) (1) ~~EACH~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, EACH SUBSCRIBER TO SWITCHED LOCAL EXCHANGE ACCESS SERVICE, CMRS, OR OTHER 9-8-8-ACCESSIBLE SERVICE SHALL PAY A 9-8-8 FEE.

(2) A SUBSCRIBER WHO IS ENROLLED IN THE LIFELINE PROGRAM MAY NOT BE REQUIRED TO PAY A 9-8-8 FEE.

(D) (1) SUBJECT TO PARAGRAPHS (2) THROUGH (4) OF THIS SUBSECTION, THE 9-8-8 FEE IS 25 CENTS PER MONTH PAYABLE WHEN THE BILL FOR THE SWITCHED LOCAL EXCHANGE ACCESS SERVICE, CMRS, OR OTHER 9-8-8-ACCESSIBLE SERVICE IS DUE.

(2) EXCEPT AS PROVIDED IN PARAGRAPHS (3) AND (4) OF THIS SUBSECTION, IF A PERSON IS ABLE TO MAKE MORE THAN ONE SIMULTANEOUS OUTBOUND CALL USING A 9-8-8-ACCESSIBLE SERVICE, EACH SEPARATE OUTBOUND CALL VOICE CHANNEL CAPACITY, REGARDLESS OF THE TECHNOLOGY, SHALL BE CONSIDERED A SEPARATE 9-8-8-ACCESSIBLE SERVICE FOR THE PURPOSE OF DETERMINING THE 9-8-8 FEE DUE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(3) CMRS PROVIDED TO MULTIPLE DEVICES THAT SHARE THE SAME TELEPHONE NUMBER SHALL BE CONSIDERED A SINGLE 9-8-8-ACCESSIBLE SERVICE FOR THE PURPOSE OF DETERMINING THE 9-8-8 FEE DUE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(4) A BROADBAND CONNECTION THAT IS NOT USED AS A TELEPHONE SERVICE MAY NOT BE CONSIDERED A SEPARATE VOICE CHANNEL CAPACITY FOR THE PURPOSE OF DETERMINING THE 9-8-8 FEE DUE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(E) (1) THE PUBLIC SERVICE COMMISSION SHALL DIRECT EACH TELEPHONE COMPANY TO ADD THE 9-8-8 FEE TO ALL CURRENT BILLS RENDERED FOR SWITCHED LOCAL EXCHANGE ACCESS SERVICE IN THE STATE.

(2) EACH TELEPHONE COMPANY:

(I) SHALL ACT AS A COLLECTION AGENT FOR THE FUND WITH RESPECT TO THE 9-8-8 FEES; AND

(II) SHALL REMIT ALL MONEY COLLECTED TO THE COMPTROLLER ON A MONTHLY BASIS.

~~(3) THE COMPTROLLER SHALL DEPOSIT THE MONEY REMITTED IN THE FUND.~~

(F) (1) EACH 9-8-8 SERVICE CARRIER SHALL ADD THE 9-8-8 FEE TO ALL CURRENT BILLS RENDERED FOR CMRS OR OTHER 9-8-8-ACCESSIBLE SERVICE IN THE STATE.

(2) EACH 9-8-8 SERVICE CARRIER:

(I) SHALL ACT AS A COLLECTION AGENT FOR THE FUND WITH RESPECT TO THE 9-8-8 FEES;

(II) SHALL REMIT ALL MONEY COLLECTED TO THE COMPTROLLER ON A MONTHLY BASIS;

(III) SHALL KEEP RECORDS OF 9-8-8 FEES COLLECTED AND REMITTED UNDER THIS PARAGRAPH FOR AT LEAST 4 YEARS AFTER THE FEE IS REMITTED; AND

(IV) IS ENTITLED TO CREDIT, AGAINST THE MONEY FROM THE 9-8-8 FEE TO BE REMITTED TO THE COMPTROLLER, AN AMOUNT EQUAL TO 0.5% OF THE 9-8-8 FEE TO COVER THE EXPENSES OF BILLING, COLLECTING, REMITTING, AND KEEPING RECORDS OF THE 9-8-8 FEES.

~~(3) THE COMPTROLLER SHALL DEPOSIT THE MONEY REMITTED IN THE FUND.~~

(G) ~~(1)~~ THE COMPTROLLER SHALL ADOPT PROCEDURES FOR AUDITING FEE COLLECTION AND REMITTANCE BY TELEPHONE COMPANIES AND CMRS PROVIDERS.

~~(2) THE COMPTROLLER IS ENTITLED TO AN AMOUNT EQUAL TO 0.5% OF THE 9-8-8 FEES TO COVER THE EXPENSES OF CONDUCTING AUDITS UNDER THIS SUBSECTION.~~

(H) A CMRS PROVIDER THAT PAYS OR COLLECTS 9-8-8 FEES UNDER THIS SECTION HAS THE SAME IMMUNITY FROM LIABILITY FOR TRANSMISSION FAILURES AS THAT APPROVED BY THE PUBLIC SERVICE COMMISSION FOR LOCAL EXCHANGE TELEPHONE COMPANIES THAT ARE SUBJECT TO REGULATION BY THE COMMISSION UNDER THE PUBLIC UTILITIES ARTICLE.

(I) THE COMPTROLLER SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

7.5-5A-04.

On or before December 1 each year, the Department shall submit a report to the Legislative Policy Committee, the Senate Budget and Taxation Committee, and the House Appropriations Committee, in accordance with § 2-1257 of the State Government Article, that includes for the immediately preceding fiscal year a detailed description of:

(1) The amount of funds transferred and distributed from the Fund in accordance with § 7.5-5A-02(b) of this subtitle;

(2) THE AMOUNT OF FUNDS COLLECTED AND REMITTED TO THE COMPTROLLER UNDER § 7.5-5A-03.1 OF THIS SUBTITLE;

[(2)] (3) The additional services provided by the funding in each local jurisdiction;

[(3)] (4) The amount of any unspent funds in the Fund; and

[(4)] (5) The reasons funds identified under item [(3)] (4) of this section were not spent.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Health – General

7.5-5A-01.

(a) In this subtitle the following words have the meanings indicated.

(I) “SELLER” MEANS A PERSON THAT SELLS PREPAID WIRELESS TELECOMMUNICATIONS SERVICE TO ANOTHER PERSON.

[(i)] (J) “Telephone company” has the meaning stated in § 1-101 of the Public Utilities Article.

7.5-5A-02.

(a) There is a 9-8-8 Trust Fund.

(e) The Fund consists of:

(1) Money from the 9-8-8 fee collected and remitted to the Comptroller under § 7.5-5A-03.1 of this subtitle;

(2) MONEY FROM THE PREPAID WIRELESS 9-8-8 FEE COLLECTED AND REMITTED TO THE COMPTROLLER UNDER § 7.5-5A-03.2 OF THIS SUBTITLE;

[(2)] (3) Money appropriated in the State budget to the Fund;

[(3)] (4) Interest earnings of the Fund; and

[(4)] (5) Any other money from any other source accepted for the benefit of the Fund.

(1) (1) Subject to paragraph (2) of this subsection, the Comptroller shall distribute to an administrative cost account the amount necessary to administer the fees and to cover the expenses of conducting audits under this section from the 9-8-8 fee revenue collected and remitted to the Comptroller under [§ 7.5-5A-03.1] §§ 7.5-5A-03.1 AND 7.5-5A-03.2 of this subtitle.

7.5-5A-03.2.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “PREPAID WIRELESS 9-8-8 FEE” MEANS THE FEE THAT IS REQUIRED TO BE COLLECTED BY A SELLER FROM A CONSUMER IN THE AMOUNT ESTABLISHED UNDER THIS SECTION.

(3) “PROVIDER” MEANS A PERSON THAT PROVIDES PREPAID WIRELESS TELECOMMUNICATIONS SERVICE UNDER A LICENSE ISSUED BY THE FEDERAL COMMUNICATIONS COMMISSION.

(B) (1) THE PREPAID WIRELESS 9-8-8 FEE IS 25 CENTS PER RETAIL TRANSACTION.

(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE SELLER SHALL COLLECT THE PREPAID WIRELESS 9-8-8 ~~FEES~~ FEE FROM THE CONSUMER FOR EACH RETAIL TRANSACTION IN THE STATE.

(II) A SELLER MAY NOT COLLECT A PREPAID WIRELESS 9-8-8 FEE FROM A CONSUMER IF THE CONSUMER IS ~~CERTIFIED AS ELIGIBLE FOR ENROLLED IN THE LIFELINE PROGRAM ESTABLISHED BY THE FEDERAL COMMUNICATIONS COMMISSION.~~

(3) A RETAIL TRANSACTION OCCURS IN THE STATE IF:

(I) THE SALE OR RECHARGE TAKES PLACE AT THE SELLER’S PLACE OF BUSINESS LOCATED IN THE STATE;

1 (II) THE CONSUMER'S SHIPPING ADDRESS IS IN THE STATE; OR

2 (III) NO ITEM IS SHIPPED, BUT THE CONSUMER'S BILLING
3 ADDRESS OR THE LOCATION ASSOCIATED WITH THE CONSUMER'S MOBILE
4 TELEPHONE NUMBER IS IN THE STATE.

5 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
6 THE PREPAID WIRELESS 9-8-8 FEE IS THE LIABILITY OF THE CONSUMER AND NOT
7 OF THE SELLER OR OF ANY PROVIDER.

8 (2) THE SELLER IS LIABLE FOR REMITTING ALL PREPAID WIRELESS
9 9-8-8 FEES THAT THE SELLER COLLECTS FROM CONSUMERS AS PROVIDED IN THIS
10 SECTION.

11 (D) A SELLER MAY DEDUCT AND RETAIN 3% OF PREPAID WIRELESS 9-8-8
12 FEES COLLECTED FROM CONSUMERS TO COVER THE EXPENSES OF COLLECTING
13 AND REMITTING THE PREPAID WIRELESS 9-8-8 FEE.

14 (E) A SELLER SHALL REPORT AND REMIT TO THE COMPTROLLER ALL
15 PREPAID WIRELESS 9-8-8 FEES COLLECTED BY THE SELLER IN A MANNER
16 PROVIDED FOR THE REMITTING OF THE SALES AND USE TAX UNDER TITLES 11 AND
17 13 OF THE TAX - GENERAL ARTICLE.

18 (F) ~~THE COMPTROLLER SHALL DEPOSIT ALL REPORTED AND REMITTED~~
19 ~~PREPAID WIRELESS 9-8-8 FEES INTO THE FUND WITHIN 30 DAYS AFTER RECEIPT.~~

20 ~~(G)~~ FOR THE PURPOSE OF THIS SECTION, THE AUDIT AND APPEAL
21 PROCEDURES ESTABLISHED FOR THE SALES AND USE TAX UNDER TITLES 11 AND 13
22 OF THE TAX - GENERAL ARTICLE APPLY.

23 ~~(H)~~ (G) PROVIDERS AND SELLERS OF PREPAID WIRELESS
24 TELECOMMUNICATIONS SERVICE HAVE THE SAME IMMUNITY FROM LIABILITY FOR
25 TRANSMISSION FAILURES AS THAT APPROVED BY THE PUBLIC SERVICE
26 COMMISSION FOR LOCAL EXCHANGE TELEPHONE COMPANIES THAT ARE SUBJECT
27 TO REGULATION BY THE COMMISSION UNDER THE PUBLIC UTILITIES ARTICLE.

28 ~~(H)~~ (H) A TAX, FEE, SURCHARGE, OR OTHER CHARGE MAY NOT BE
29 IMPOSED BY THE STATE, A POLITICAL SUBDIVISION OF THE STATE, OR AN
30 INTERGOVERNMENTAL AGENCY FOR 9-8-8 FUNDING PURPOSES ON A PROVIDER,
31 SELLER, OR CONSUMER WITH RESPECT TO THE SALE, PURCHASE, USE, OR
32 PROVISION OF PREPAID WIRELESS TELECOMMUNICATIONS SERVICE.

1 ~~(H)~~ **(I)** THE COMPTROLLER SHALL ADOPT REGULATIONS TO CARRY OUT
2 THIS SECTION.

3 7.5–5A–04.

4 On or before December 1 each year, the Department shall submit a report to the
5 Legislative Policy Committee, the Senate Budget and Taxation Committee, and the House
6 Appropriations Committee, in accordance with § 2–1257 of the State Government Article,
7 that includes for the immediately preceding fiscal year a detailed description of:

8 (1) The amount of funds transferred and distributed from the Fund in
9 accordance with § 7.5–5A–02(b) of this subtitle;

10 ~~(2) THE AMOUNT OF FUNDS COLLECTED AND REMITTED TO THE~~
11 ~~COMPTROLLER UNDER § 7.5–5A–03.1 OF THIS SUBTITLE;~~

12 (2) The amount of funds collected and remitted to the Comptroller under §
13 7.5–5A–03.1 of this subtitle;

14 (3) THE AMOUNT OF FUNDS COLLECTED AND REMITTED TO THE
15 COMPTROLLER UNDER § 7.5–5A–03.2 OF THIS SUBTITLE;

16 [~~(3)~~ (3)] (4) The additional services provided by the funding in each local
17 jurisdiction;

18 [~~(4)~~ (4)] (5) The amount of any unspent funds in the Fund; and

19 [~~(5)~~ (5)] (6) The reasons funds identified under item [~~(4)~~ (4)] (5) of this
20 section were not spent.

21 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
22 effect July 1, 2027.

23 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That, except as provided in
24 Section 3 of this Act, this Act shall take effect October 1, 2024.