

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**SENATE BILL 1398**

Short Title: Prepaid Wireless/Service Charges.

(Public)

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Sponsors: Senator Dannelly.

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Referred to: Finance.

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March 26, 2007

1                                   A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE SERVICE CHARGE FOR PREPAID WIRELESS  
3 SERVICE AND ALLOWING RETAIL VENDORS OF PREPAID WIRELESS  
4 SERVICE TO COLLECT THE SERVICE CHARGES AND REMIT THE  
5 AMOUNTS TO THE WIRELESS 911 BOARD.

6 The General Assembly of North Carolina enacts:

7           **SECTION 1.** G.S. 62A-21(13b) reads as rewritten:

8           "(13b) "Subscriber" means a person who subscribes to or purchases at retail a  
9           CMRS service or prepaid wireless service."

10          **SECTION 2.** G.S. 62A-23 reads as rewritten:

11 "**§ 62A-23. Amount of service charge.**

12       ...

13       (b1) The service charge ~~shall also be imposed upon~~for prepaid wireless telephone  
14 service ~~subscribers shall~~ be set at one percent (1%) of the retail purchase price of the  
15 prepaid wireless service. The Board may adjust the service charge for prepaid wireless  
16 service in the manner provided in subsection (b) of this section. Any person or entity  
17 selling prepaid wireless service at retail in this State, without regard to whether the  
18 prepaid wireless service is represented by a card or other item of tangible personal  
19 property transferred by the vendor to the purchaser, shall collect from the subscriber at  
20 the retail point of sale the service charge provided for in this section and shall remit the  
21 amounts collected to the Board. ~~CMRS providers of prepaid wireless telephone service~~  
22 ~~shall collect and remit to the Board the service charge under one of the following~~  
23 ~~methods:~~

- 24           (1) ~~The CMRS provider shall collect, on a monthly basis, the service~~  
25 ~~charge from each active prepaid wireless telephone service customer~~  
26 ~~whose account balance is equal to or greater than the amount of the~~  
27 ~~service charge; or~~  
28           (2) ~~The CMRS provider shall divide the total earned prepaid wireless~~  
29 ~~telephone service revenue received by the CMRS provider with respect~~

1                   to each active prepaid wireless telephone service customer in the State  
2                   within the monthly 911 reporting period by fifty dollars (\$50.00) and  
3                   multiply the quotient by the service charge amount.

4                   ..."

5                   **SECTION 3.** G.S. 62A-24 reads as rewritten:

6                   "**§ 62A-24. Management of funds.**

7                   ...

8                   (c) Each CMRS provider and retail vendor of prepaid wireless service shall be  
9                   entitled to deduct a one percent (1%) administrative fee from the total service charges  
10                  collected.

11                  (d) All service charges collected by the CMRS ~~providers;~~providers and retail  
12                  vendors of prepaid wireless service, less the administrative fee described in subsection  
13                  (c) of this section, are to be remitted to the Wireless Fund, not later than 30 days after  
14                  the end of the calendar month in which such service charges are collected."

15                  **SECTION 4.** This act is effective when it becomes law.