



## BOARD OF COMMISSIONERS

1594 Esmeralda Avenue, Minden, Nevada 89423  
775-782-9821

### COMMISSIONERS:

Steven J. Thaler, CHAIRMAN  
Barry Penzel, VICE-CHAIRMAN  
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### Business Impact Notification

#### *Proposed 911 Telephone Surcharge Increase*

The Douglas County Board of Commissioners is considering the adoption of the attached proposed Ordinance 2018-1517, which would amend Title 3, Chapter 3.50 of the Douglas County Code by (1) updating the definitions, advisory committee membership requirements, allowable uses of 911 surcharge revenue, and the monetary limit on the 911 surcharge revenue fund balance to conform with legislative updates to Chapter 244A of the Nevada Revised Statutes; (2) increasing the monthly surcharge for the enhancement or improvement of the telephone system used for reporting emergencies from \$0.25 per access or mobile line and \$2.50 per trunk line to \$0.75 per access or mobile line and \$7.50 per trunk line; and (3) clarifying the telecommunication companies' compliance requirements, and the 911 Surcharge Advisory Committee Membership terms and meeting requirements.

The imposition of the increased telephone surcharge is authorized by NRS 244A.7643, and proceeds from the surcharge will be utilized for the purpose of enhancing the telephone system used for reporting emergencies in Douglas County in accordance with NRS Chapter 244A.

As a trade association, business owner or officer of a business that is likely to be affected by this proposed surcharge increase, you are invited to submit written data or arguments as to whether the proposed increase will impose a direct or significant economic burden upon your business or that the increase will directly restrict the formation, operation or expansion of your business.

Your written comments and data are due on or before 5:00 p.m. on October 8, 2018. Your comments may be sent to the Douglas County Manager's Office at P.O. Box 218, Minden, NV 89423 or delivered to the Office at 1594 Esmeralda Avenue, Minden NV 89423. Please address correspondence to the attention of "County Manager, Business Impact Statement."

Your written comments and data will be incorporated into a Business Impact Statement that must be considered by the Board of County Commissioners at a public hearing before adoption of the proposed ordinance that would increase the telephone surcharge in Douglas County. A draft of the Business Impact Statement, including the objection process, is attached to this correspondence, and additional copies along with further information may be obtained from [www.douglascountynv.gov](http://www.douglascountynv.gov) or the following websites:

<https://www.douglascountynv.gov/125/9-1-1-Surcharge-Advisory-Committee>

or

<https://www.douglascountynv.gov/92/9-1-1-Emergency-Services>

A public hearing on the Business Impact Statement is tentatively scheduled for 1:30 p.m. on October 18, 2018, at the Tahoe Transportation Center – Board Meeting Room, 169 Highway 50 at Stateline, Nevada. You are invited to attend this public meeting and provide any additional comment on this proposed amendment to Douglas County Code Chapter 3.50.

If you have any questions, please contact the Emergency Services Communications Center at 775-782-5126.

Mailing Address: P.O. Box 218, Minden, NV 89423

## ORDINANCE NUMBER 2018-1517

### SUMMARY

Ordinance 2018-1517 is being brought forward to amend Douglas County Code Title 3, Chapter 3.50: "Surcharge for Enhancement or Improvement of Telephone System used for Reporting Emergencies." The ordinance updates Chapter 3.50 such that the definitions, advisory committee membership requirements, allowable uses of 911 surcharge revenue, and monetary limit on the 911 surcharge revenue fund balance conform with legislative updates to Chapter 244A of the Nevada Revised Statutes. The ordinance also amends Section 3.50.090, "Imposition of telephone surcharge," to increase the monthly surcharge for the enhancement or improvement of the telephone system used for reporting emergencies from \$0.25 per access or mobile line and \$2.50 per trunk line to \$0.75 per access or mobile line and \$7.50 per trunk line. Finally, the ordinance clarifies the telecommunication companies' compliance requirements, and the 911 Surcharge Advisory Committee membership terms and meeting requirements.

### TITLE

**Ordinance 2018.1517 amending Title 3, Chapter 3.50 of the Douglas County Code by (1) updating the definitions, advisory committee membership requirements, allowable uses of 911 surcharge revenue, and the monetary limit on the 911 surcharge revenue fund balance to conform with legislative updates to Chapter 244A of the Nevada Revised Statutes; (2) increasing the monthly surcharge for the enhancement or improvement of the telephone system used for reporting emergencies from \$0.25 per access or mobile line and \$2.50 per trunk line to \$0.75 per access or mobile line and \$7.50 per trunk line; and (3) clarifying the telecommunication companies' compliance requirements, and the 911 Surcharge Advisory Committee Membership terms and meeting requirements.**

WHEREAS, Douglas County maintains and operates a telephone system used for reporting emergencies within the County (911 system); and

WHEREAS, Chapter 244A of the Nevada Revised Statutes (NRS) authorizes the county to fund the enhancement and improvement of the 911 system by imposing (by ordinance) a surcharge upon access lines and trunk lines of local telephone customers, and upon mobile telephone lines assigned to customers whose Primary Place of Use is in Douglas County; and

WHEREAS, prior to 2017, NRS 244A.7643 set a maximum surcharge limit to \$0.25 per access or mobile line, and \$2.50 per trunk line; and

WHEREAS, in 2017, the legislature amended NRS 244.7643 to permit increased surcharge amounts up to a maximum of \$1.00 per access or mobile line, and

\$10.00 per trunk line; and  
WHEREAS, in accordance with the requirements of NRS 244A.7643, Douglas County's 911 Surcharge Advisory Committee has approved an updated 5-year 911 Surcharge Masterplan ("911 Masterplan"); and  
WHEREAS, the 911 Masterplan has been adopted by the Board of County Commissioners ("Board"); and  
WHEREAS, in accordance with the 911 Masterplan, and in order to enhance the telephone system for reporting emergencies within Douglas County, the Board deems it advantageous to impose an increased surcharge; and  
WHEREAS, the Board also deems it advantageous to update Chapter 3.50 of the Douglas County Code to be consistent with legislative updates to NRS Chapter 244A and to clarify telecommunication company compliance requirements and 911 Surcharge Committee membership terms and meeting requirements.

NOW THEREFORE, based upon the above considerations,

THE BOARD OF COUNTY COMMISSIONERS OF THE  
COUNTY OF DOUGLAS DOES ORDAIN:

The Douglas County Code, Title 3, Chapter 3.50, is amended with the language deleted shown as ~~strikethrough~~ and the new language shown as underlined and italicized, as set forth below, and all other sections shall remain in full force and effect:

## **Chapter 3.50**

### **Surcharge for Enhancement or Improvement of Telephone System Used for Reporting Emergency**

#### **Sections:**

#### **3.50.020 Definitions.**

#### **3.50.030 Establishment of an advisory committee to develop a plan to enhance or improve telephone system for reporting emergency.**

#### **3.50.070 Meetings.**

#### **3.50.080 Creation of special revenue fund; use of money in fund.**

#### **3.50.090 Imposition of telephone surcharge.**

#### **3.50.020 Definitions.**

As used in this chapter, the words and terms defined in this section have the meanings ascribed to them below, or if not defined below, then the meanings ascribed to them in Chapter 244A of the Nevada Revised Statutes. ~~unless the context requires otherwise.~~

A. "Incumbent local exchange carrier"—H has the meaning ascribed to it in 47 U.S.C. § 251(h)(1), as that section existed on October 1, 1999, and includes a local exchange carrier that is treated as an incumbent local exchange carrier pursuant to that section.

B. "Mobile telephone service"— ~~means~~ cellular or other service to a telephone installed in a vehicle or which is otherwise portable.

C. "Place of primary use"—H has the meaning ascribed to it in 4 U.S.C. § 124(8), as that section existed on August 1, 2002.

D. "Supplier"— ~~means a~~ person authorized by the Federal Communications Commission to provide mobile telephone service.

E. "Trunk line"— ~~means a~~ line that provides a channel between a switchboard owned by a customer of a telecommunications provider and the local exchange of the telecommunications provider. (Ord. 1212, 2007)

### **3.50.030 Establishment of an advisory committee to develop a plan to enhance or improve telephone system for reporting emergency.**

The board creates a five member advisory committee to develop a 5-year master plan to enhance or improve the telephone system for reporting an emergency in Douglas County and to oversee any money allocated for that purpose (the Committee). The master plan must include an estimate of the cost of the enhancement or improvement of the telephone system and all proposed sources of money for funding the enhancement or improvement.

A. Members will serve without compensation.

B. A member appointed to the Committee must:

1. Be a resident of Douglas County.
2. Possess knowledge concerning telephone systems for reporting emergencies; and
3. Not be an elected public officer.

C. As Douglas County has a population of less than 100,000, at least one member of the Committee must be a representative of an incumbent local exchange carrier which provides service to persons in Douglas County.

D. Subject to the provisions of Paragraph B, subparagraph (3), above, the committee must include the chief law enforcement officer or that officer's designee from the Douglas County Sheriff's Office.

~~E.~~ Members will be selected at large by the board at its discretion.

~~F.~~ The Bboard must appoint members for a term of two years, except for the initial term, and may reappoint any member to subsequent terms of two years. Unless otherwise defined by the board at the time of appointment, each term will begin on the first (1st) day of January, immediately following the member's appointment by the board. Any vacancy occurring during a member's term will be filled by the Bboard. A person appointed to fill a vacancy occurring during a term ~~must~~ will begin serving immediately upon appointment and will serve out the unexpired term of the member replaced. ~~On the effective date of this ordinance, the board must set the initial appointed members' terms to provide for the terms of three of the appointed members~~

~~to end on December 31, 2008, and for the terms of two of the appointed members terms to end on December 31, 2007.~~ (Ord. 1212, 2007)

### **3.50.070 Meetings.**

The committee must hold a public meeting ~~on a regular day~~ not less than quarterly unless a rule changing the meeting is adopted by the committee. At least three working days prior to any meeting, copies of the proposed agenda must ~~be available to the public in the county clerk's office and must, additionally,~~ be provided mailed to each member of the committee. Notice of the meetings and the conduct of the meetings of the committee, including the taking of minutes and their transcription and retention, must comply with the provisions of chapter 241 of NRS, Nevada Open Meeting Law. (Ord. 1212, 2007)

### **3.50.080 Creation of special revenue fund; use of money in fund.**

A. The board creates a special revenue fund for the deposit of any money collected pursuant to NRS 244A.7643. The money in the fund must be used only for the following purposes:

1. To enhance the telephone system for reporting an emergency ~~so that the number and address from which a call received by the system is made may be determined,~~ including only:

- (a) Paying recurring and nonrecurring charges for telecommunication services necessary for the operation of the enhanced telephone system;
- (b) Paying costs for personnel and training associated with the routine maintenance and updating of the database for the system;
- (c) Purchasing, leasing or renting the equipment and software necessary to operate the enhanced telephone system, including, without limitation, equipment and software that identify the number or location from which a call is made; and
- (d) Paying costs associated with any maintenance, upgrade and replacement of equipment and software necessary for the operation of the enhanced telephone system

~~2. To improve the telephone system for reporting emergencies in the county.~~

B. If the balance in the fund created pursuant to subsection 1 which has not been committed for expenditure exceeds ~~\$500,000~~ \$1,000,000 at the end of any fiscal year, the board must reduce the amount of the surcharge imposed during the next fiscal year by the amount necessary to ensure that the unencumbered balance in the fund at the end of the next fiscal year does not exceed ~~\$500,000~~ \$1,000,000. (Ord. 1212, 2007)

### **3.50.090 Imposition of telephone surcharge.**

A. The Board imposes a surcharge for the enhancement of the telephone system for reporting an emergency in Douglas County on:

(1) Each access line or trunk line of each customer to the local exchange of any telecommunications provider providing those lines in Douglas County; and

(2) The mobile telephone service provided to each customer of that service whose place of primary use is in Douglas County.

B. The surcharge on access lines to the local exchange of a telecommunications provider will be ~~twenty-five~~ seventy-five cents (\$0.75) cents per month per line.

C. The surcharge on trunk lines to the local exchange of a telecommunications provider will be ~~two~~ seven dollars and fifty cents (\$7.50) per month per line.

D. The surcharge for each telephone number assigned to a customer by a supplier of mobile telephone service will be ~~twenty-five~~ seventy-five cents (\$0.75) per month per telephone number.

E. A telecommunications provider that provides access lines or trunk lines in Douglas County and a supplier that provides mobile telephone service to customers whose place of primary use is in Douglas County must collect the surcharge from its customers each month. Except as otherwise provided in NRS 244A.7647, each telecommunications provider and supplier must remit the surcharge it collects to the treasurer of the county in which the surcharge is imposed not later than the 15th day of the month after the month it receives payment of the surcharge from its customers. In accordance with NRS 244A.7647, a telecommunications provider or supplier which collects the surcharge imposed pursuant to this section is entitled to retain an amount of the surcharge collected which is equal to the cost to collect the surcharge.

F. Telecommunications providers and mobile telephone service suppliers (collectively "Providers") affected by this ~~Chapter ordinance~~ must impose the surcharges as described in this Section 3.50.090. Any adjustment to the surcharge amount must only be enacted by the Board by ordinance and must be imposed by Providers by no later 60 days after the effective date of any such ordinance; surcharge collections shall be remitted to the Douglas County Treasurer in accordance with NRS Chapter 244A. ~~begin imposing the surcharges described in this section 3.50.090 within 60 days after the Board approves a 5-year master plan for the enhancement or improvement of the telephone system for reporting emergencies in the county commencing with a full monthly billing cycle.~~

G. The county manager may adopt procedures as necessary to effectuate the provisions of this section. (Ord. 1212, 2007)

This ordinance is effective on January 1, 2019, after publication as provided in NRS 244.100.

PROPOSED on September 6, 2018.

PASSED on \_\_\_\_\_, 2018.

VOTE: AYES: Commissioners \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

NAYS: Commissioners \_\_\_\_\_

\_\_\_\_\_

ABSENT Commissioners \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
STEVEN J. THALER, CHAIRMAN,  
DOUGLAS COUNTY BOARD OF  
COMMISSIONERS

ATTEST:

\_\_\_\_\_  
Kathy Lewis, Clerk

This ordinance will become effective on January 1, 2019.



# BUSINESS IMPACT STATEMENT

The following business impact statement was prepared pursuant to Nevada Revised Statutes (NRS) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption—by the Douglas County Board of Commissioners—of an applicable “rule,” as that term is defined in NRS 237.060.

## ORDINANCE PROPOSED FOR ADOPTION

**Ordinance 2018-1517**, which would amend Title 3, Chapter 3.50 of the Douglas County Code by (1) updating the definitions, advisory committee membership requirements, allowable uses of 911 surcharge revenue, and the monetary limit on the 911 surcharge revenue fund balance to conform with legislative updates to Chapter 244A of the Nevada Revised Statutes; (2) increasing the monthly surcharge for the enhancement or improvement of the telephone system used for reporting emergencies from \$0.25 per access or mobile line and \$2.50 per trunk line to \$0.75 per access or mobile line and \$7.50 per trunk line; and (3) clarifying the telecommunication companies’ compliance requirements, and the 911 Surcharge Advisory Committee Membership terms and meeting requirements.

1. *The following constitutes a description of the number of the manner in which comment was solicited from affected businesses, a summary of their response. Interested persons may obtain a copy of the responses at the Douglas County Clerk’s Office, 1616 8<sup>th</sup> Street, Minden NV 89423.*
  - On September 6, 2018, the 911 Surcharge Advisory Committee’s master plan was presented to and adopted by the Douglas County Board of Commissioners during a public hearing; the master plan included a 5-year proposed budget and recommended a monthly surcharge fee increase from 25 cents per access line or mobile line and \$2.50 per trunk line to 75 cents per access line or mobile line and \$7.50 per trunk line.
  - On September 6, 2018, the Board of County Commissioners introduced Ordinance 2018-1517 (described above) during a public hearing.
  - On **DATE**, direct mailings of the business impact notification letter were sent to telephone service providers, the Carson Valley Chamber of Commerce, Tahoe Chamber of Commerce, and Douglas County Business Council. Approximately **##** additional mailings were sent to businesses that currently pay the surcharge in Douglas County. A

copy of the business impact notification letter mailing list is attached as Exhibit A.

- The mailings consisted of the business impact notification, the draft business impact statement, the proposed Ordinance 2018-1517, and a web link to materials presented to the Board of County Commissioners on September 6, 2018.
- Proposed amendments and the draft business impact statement were also available for viewing online on the Douglas County Website.
- The proposed surcharge increase received media coverage and was featured in an article on page 1 of The Record-Courier, dated September 8, 2018.
- Affected or interested parties were given until 5:00 p.m., October 8, 2018 to submit written data or arguments as to whether the proposed increase in the 911 Surcharge fee would impose a direct and significant economic burden upon their business or that the increase will directly restrict the formation, operation or expansion of their business.
- **(Responses to the business impact notification will be shown here)**

2. *The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:*

- Adverse effects:
  - Implementation of the surcharge adjustment would result in an increased fee to telephone customers from \$0.25 per line per month to \$0.75 per line per month. This would equate to an additional \$6.00 per line per year. With respect to trunk line customers, such customers currently pay \$2.50 per trunk line per month and would pay \$7.50 per trunk line per month. This would equate to an additional \$60 per trunk line per year.
  - The passage of this ordinance will require telephone service providers to collect an additional 50 cents per access line and an additional \$5.00 per trunk line from their client's bill. This increase will be borne by the telephone service provider.
- Beneficial effects: It is estimated that revenue generated from this 911 Surcharge increase will add an additional annual revenue of

\$298,000.00 to fund the operation, maintenance and capital equipment needs of the 911 Emergency Communications Center.

- Direct effects: Implementation of the proposed ordinance will provide Douglas County with a long-term stabilized funding source to provide services intended under NRS 244A.7645, as follows:
    - Paying recurring and nonrecurring charges for telecommunication services necessary for the operation of the enhanced telephone system;
    - Paying costs for personnel and training associated with the routing maintenance and updating of the database for the system;
    - Purchasing, leasing or renting the equipment and software necessary to operate the enhanced telephone system, including, without limitation, equipment and software that identify the number or location from which a call is made; and
    - Paying costs associated with the maintenance, upgrade and replacement of equipment and software necessary for the operation of the enhanced telephone system.
  - Indirect effects: The intended effect of the 911 surcharge, established in year 2007 at .25 cents per access line and \$2.50 per access trunk line, was to provide funding for the maintenance and infrastructure of the 911 system. The assessed surcharge has been insufficient to insure equipping and maintaining the 911 system. Therefore Douglas County Government has necessarily provided funding from the fiscal General Fund and public safety agencies utilizing the services of the Communications Center to meet the needs of the 911 Emergency Communications Center. This process diverts critical funds that may be otherwise useful for the employment and infrastructural needs of the community.
3. *The following constitutes a description of the methods the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:*
- On September 6, 2018, during a public meeting, the Board of County Commissioners discussed the option to maintain the current funding or increase the surcharge by 25 cents, 50 cents or 75 cents.

4. *The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:*

- Any enforcement cost is anticipated to be minimal and cannot be determined at this time.

5. *The total annual amount of money expected to be collected as a result of the proposed Ordinance, and the manner in which the money will be used:*

- The proposed ordinance provides for a new fee or increases an existing fee and the total annual amount expected to be collected is \$447,000.00.
- The money generated by this increase in the existing 911 Surcharge will be used to fund the operation, maintenance and capital equipment needs of the 911 telephone system.
- The following types of expenditures will be paid from the 911 Surcharge fund:

Internet service charge  
Telephone service charge  
Internet and telephone facilities and equipment  
Maintenance for systems supporting 911 Operations  
Radio Infrastructure and equipment  
Debt Service  
Text-to-911  
Personnel and Training as authorized in NRS 244A.7645  
Equipment and software purchase, replacement, upgrade and reserves

6. *The proposed increase in the 911 surcharge is allowed under NRS 244A, and [ ] is, [ x ] is not duplicative, or more stringent than existing federal, state or local standards.*

7. *The reasons for the conclusions regarding the impact of the proposed ordinance or action on businesses:*

- The reasons for the conclusions of the impact of the proposed ordinance on business are: (1) there is a direct and financial impact on business, specifically, phone providers – such increase is likely to be passed along to customers; and (2) there is a direct financial impact on businesses, which utilize telephone service lines within the County, however the increase, at \$6.00 per year per line (\$60 per year per trunk line), is not anticipated to be a significant economic burden.

8. *Based on the information considered, it has been determined that this proposed ordinance or rule:*

DOES  DOES NOT impose a direct and significant economic burden upon a business.

DOES  DOES NOT directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was completed and made available for public inspection by Douglas County on, at the time the agenda was first posted on October 12, 2018.

Pursuant to NRS 237.090(2), I, \_\_\_\_\_, the Douglas County Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.

\_\_\_\_\_  
County Manager

## OBJECTION PROCESS

1. If a business believes it is aggrieved by Ordinance 2018-1517 as adopted by the Board of County Commissioners (“Board”), the business may object by filing a petition in writing with the Clerk to the Board at 1616 8<sup>th</sup> Street, Minden NV 89423.
2. The Board will accept such petitions for a period of thirty (30) days following approval of Ordinance 2018-1517 for one of the following reasons:
  - a. The governing body failed to prepare a business impact statement as required pursuant to Chapter 237 of NRS; or
  - b. The business impact statement prepared by the governing body did not consider or significantly underestimated the economic effect of the ordinance or rule on the business.
3. Upon receipt of the petition, the clerk will forward a copy to the District Attorney, the department that generated the Ordinance, and the Douglas County Manager.
4. Staff will consider the merits of the petition and forward a recommendation to the Board.
5. The Board will determine if the petition has merit and direct staff accordingly.
6. A sample petition is attached.

**PETITION  
OBJECTING TO THE ADOPTION OF ORDINANCE NO. 2018-1517  
911 SURCHARGE INCREASE**

NRS 237.100 provides that a business that is aggrieved by an ordinance, regulation, resolution or other type of instrument through which a governing body exercises legislative powers, except pursuant to Chapter 271, 278, 278A and 278B of NRS, (herein a "Rule"), may object to all or a part of the Ordinance by filing a petition. This petition form is provided to assist those who wish to object.

The petition must be filed with the Clerk to the Board at 1616 8<sup>th</sup> Street, Minden, NV 89423, no later than thirty (30) days after the date on which the Rule was adopted by the Board.

Petitioner's name (Include name of the business or proposed business and whether it is a corporation, partnership, sole proprietorship, fictitious name):

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Petitioner's type of business:

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Petitioner's business location (include street, city and state):

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Petitioner's mailing address (if different from above):

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Petitioner's telephone number: \_\_\_\_ - \_\_\_\_ - \_\_\_\_\_

Identify the Rule to which petitioner is objecting and state whether it is an ordinance, resolution, regulation or other instrument. Please give number if known:

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Did petitioner previously submit data or arguments to the County on this ordinance? \_\_\_\_\_ Yes \_\_\_\_\_ No

The basis of the petition's objection is as follows:

\_\_\_\_\_ The governing body failed to prepare a business impact statement; or

\_\_\_\_\_ The business impact statement did not consider or significantly underestimated the economic effect of the adopted rule.

Specifically explain the basis for your objection as it relates to the box you checked above. You may submit additional sheets if necessary.

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By signing below, the signor of this petition certifies he is a duly authorized representative of the business identified above and has been authorized by that business to file this petition on behalf of the business.

\_\_\_\_\_  
Business Name

By:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_