CITY OF WHEAT RIDGE, COLORADO
INTRODUCED BY COUNCIL MEMBER WEAVER
COUNCIL BILL NO. 24
ORDINANCE NO. 1776
Series 2023

TITLE: AN ORDINANCE AMENDING ARTICLE III OF CHAPTER 22 OF THE WHEAT RIDGE CODE OF LAWS, CONCERNING BASIC LOCAL TELECOMMUNICATIONS SERVICE

WHEREAS, the City of Wheat Ridge, Colorado (the "City"), is a Colorado home rule municipality, duly organized and existing pursuant to Section 6 of Article XX of the Colorado Constitution; and

WHEREAS, pursuant to its home rule authority and C.R.S. § 31-23-101, the City, acting through its City Council (the "Council"), is authorized to adopt ordinances for the protection of the public health, safety, or welfare; and

WHEREAS, in the exercise of this authority the Council has previously adopted Article III of Chapter 22 of the Wheat Ridge Code of Laws concerning basic local telecommunications service; and

WHEREAS, the Council finds and determines that it is necessary to change the defined term "basic local telecommunications service" to "basic local exchange service" in order to utilize terminology more commonly used to describe this service in both state and federal law, as well as to avoid potential confusion regarding the applicability of certain Federal Communications Commission rules that address "telecommunications services" as that term is defined in federal law; and

WHEREAS, the Council finds and determines that it is necessary to clarify the definition of "basic local exchange service" and to simplify the manner in which the occupation tax is levied upon such service.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHEAT RIDGE, COLORADO:

Section 1. Section 22–121 of the Code is amended by repealing and reenacting the following definitions to read in their entirety as shown:

Basic local exchange service means a service that provides (a) a local dial tone; (b) local usage necessary to place or receive a call within an exchange area; and (c) access to emergency, operator, and interexchange telecommunications services. Basic local exchange service is also intended to be analogous to "telephone exchange service" as that term is defined in federal law, namely, service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the

exchange service charge, or comparable service provided through a system of switches, transmission equipment or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service. The provision of cellular or mobile radio telephone service to any resident, business or other entity shall be deemed basic local exchange service for the purpose of determining the applicability of this business and occupation tax.

Line shall mean a separate telephone number, or its functional equivalent such as a unique locator, having a service address located within the City of Wheat Ridge, except that, to the extent basic local exchange service is provided through trunks, a line shall mean network access register or its functional equivalent.

Basic local exchange service provider shall be any company or entity who enters into the business of providing basic local exchange service in the City.

Section 2. Section 22–123 of the Code concerning amount and payment of tax is hereby repealed and reenacted to read in its entirety as follows:

The amount of the tax levied and payment of the tax shall be as follows:

(1) each basic local exchange service provider who provides basic local exchange service within the city shall pay a per line tax as described below: The City Council finds and determines;

a. after reasonable inquiry and calculation, there presently are a total of 20,000 individual lines of exchange service being provided by all basic local exchange service providers in the city.

b. the total revenue derived from the telephone occupation tax under Article III of chapter 22 for calendar year 2022 was $850,000. This total revenue figure shall be used to determine the annual per line basic local exchange service charge under subsection 1(c) below.

c. based upon these figures, the per-line tax which is imposed and shall be paid by each basic local exchange service provider as of January 1, 2024 is: $3.55 per month. This per line tax amount shall be annually adjusted by the Wheat Ridge City Treasurer as set forth in subsection (3) below.

d. the per line rate established hereby will result in no significant change in revenue derived from the occupation tax on basic local exchange service as compared to prior years, it being the intention of the Council that this revenue amount remain essentially constant.

(2) Each year the prior year's monthly rate shall be adjusted by the percentage change in the U.S. Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index based upon the August report of the prior year. The new rate shall be effective on the following January 1. Effective January 1, 2025, the tax rate

shall be the 2024 monthly line charge adjusted by the percentage change in the U.S. Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index. This adjustment shall be based upon the August 2024 report of such an index.

(3) The Wheat Ridge City Treasurer is hereby authorized and directed to perform the necessary calculations to determine the per-line tax annually, based upon the then-current calculation by the City of the number of basic local exchange service lines in the City as of the date of calculation. The Treasurer is directed to perform this calculation so as to achieve a per-line charge which will result in no significant increase or decrease in the overall annual revenue to be collected by the City from this tax.

Section 3. Effective Date. This Ordinance shall take effect upon adoption and signature by the Mayor and City Clerk, as permitted by Section 5.11 of the Charter.

INTRODUCED, READ, AND ADOPTED on first reading by a vote of 6 to 0 on this 11th day of September 2023, ordered published by title and in full on the City's website as provided by the Home Rule Charter, and Public Hearing and consideration on final passage set for September 25, 2023, at 6:30 p.m. in the Council Chambers, 7500 West 29th Avenue, Wheat Ridge, Colorado.

READ, ADOPTED AND ORDERED PUBLISHED on second and final reading by a vote of 6 to 1, this 25th day of September 2023.

SIGNED by the Mayor on this 4th day of October 2023.

Bud Starker, Mayor

ATTEST:

Stephen Kirkpatrick, City Clerk

Approved as to Form

Gerald E. Dahl, City Attorney

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