

**HB**

**186**



# REPRESENTATIVE KEVIN MEYER

HOUSE DISTRICT 19

## SPONSOR STATEMENT

HB 186

**“An Act relating to a municipal enhanced 911 surcharge on wireless telephones.”**

In 1993, Anchorage was one of the first communities in Alaska to install an Enhanced 911 (E911) emergency system. Several other communities in Alaska now have installed E911 systems, or are in the process of creating an E911 system. The E911 system provides faster response time, automatic routing to the appropriate emergency response unit, and visual display of the location and telephone number of *wireline* calls to assist in response to emergency calls.

Since the installation of the E911 systems, the use of *wireless* telephones has increased in Alaska, resulting in more calls to the E911 system as well as faster notification to local public safety agencies of emergencies. Currently in Anchorage, over 25% of all calls to the E911 system are from *wireless* telephones.

The quick response to emergencies from *wireless* calls, does however, have some drawbacks. A dispatcher receiving a *wireless* call to the E911 system does not get the visual display of the caller's location or the automatic telephone number identification as with a *wireline* call. As a result, the dispatcher must ask for the caller's identity and location to properly route the information to the appropriate emergency response unit. This increases the response time to an emergency.

With the installation of the E911 systems in Alaska, the Alaska legislature passed legislation allowing municipalities to impose a surcharge for each local exchange access line for *wireline* telephones. Municipalities the size of Anchorage are allowed to assess a \$.50 per month surcharge, with smaller municipalities (less than 100,000 people) allowed to assess a \$.75 per month surcharge. This surcharge assists in paying for acquisition, maintenance and operation of the E911 systems throughout Alaska. Wireless phones are not currently subjected to the surcharge.

HB 186 amends AS 29.35.131 to allow municipalities with E911 systems to impose the same surcharge on *wireless* telephones. The revenue from HB 186 will help fund additional staff and purchase necessary equipment to track the source and location of *wireless* phone calls to the E911 system.

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# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

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Juneau, Alaska 99801-1182  
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## MEMORANDUM

March 14, 2001

**SUBJECT:** Municipal 911 surcharge; summary  
(Work Order No. 22-LS0381\F)

**TO:** Representative Kevin Meyer  
Attn: Nancy Manly

**FROM:** Tamara Brandt Cook  
Director *TBC*

**Section. 1.** The legislature finds that under certain FCC proceedings operation of an enhanced 911 service for wireless telephones would require tracking of calls similar to that provided for wireline calls and would allow for cost recovery by wireless telephone companies.

**Sec. 2.** Permits a municipality that provides services under an enhanced 911 system to impose a surcharge on each wireless telephone number billed to an address within the service area. Existing law permits a surcharge only on wireline telephones.

**Secs. 3 - 8.** Technical changes to accommodate the fact that a surcharge may be imposed on wireless as well as on wireline telephones and to consistently use language that is defined.

**Sec. 9.** Eliminates definition of "911 service area" since the phrase "enhanced 911 service area" is now used consistently.

**Sec. 10.** Eliminated definition of "system" to reflect consistent usage of "enhanced 911 system." Adds to the definition that a system includes personnel required for its facilities and to dispatch the calls generated by the system. Also adds provision that an enhanced 911 system for wireless telephones is the same system as that used for wireline telephones.

**Sec. 11.** Add three new definitions: "wireless telephone," "wireless telephone company," "wireline telephone."

TBC:lmb  
01-099.lmb

**MUNICIPALITY OF ANCHORAGE  
2001 LEGISLATIVE PROGRAM  
EXECUTIVE SUMMARY**

**PRIORITY LEGISLATIVE ISSUES**

**Municipal Dividend Program**

The Municipality supports the creation of a Municipal Dividend Program, such as last year's SB 304 and HB137, which would provide a stable revenue source to help provide basic city services.

**GARVEE Bonds**

The Municipality supports the authorization of creative funding mechanisms, such as GARVEE bonds for road construction and maintenance.

**Tax Increment Financing**

Tax increment financing has proven to be an effective economic development tool in localities around the nation. The Municipality supports legislation authorizing the use of tax increment financing by Alaskan cities.

**E-911 Surcharge on Wireless Telephones**

Wireless telephone users currently account for well over 25% of the total call volume to the E-911 system yet they are exempt from the monthly \$.50 surcharge which helps defray the cost of the E-911 system. The Municipality supports a legislative change requiring collection of the E-911 surcharge on wireless telephones.

**Amend Public Employees Pension Plans to Limit Basis of Computation of Retirement Benefits to Base Pay; Exclude Overtime that Inflates Future Pension Benefits.**

The current definition of compensation for the Public Employees Retirement System allows for the use of overtime in the calculation of pension benefits, which invites abuse through overtime loading to inflate an employees high 3 years. The municipality supports legislation to exclude overtime from the definition of compensation for all new employees.

**State Sales Tax and Property Tax**

The Municipality opposes the incursion of the State into current municipal taxes such as sales and property tax.

**Mandates Legislation**

The Municipality supports legislative efforts which would require the State to provide full funding for State mandated Senior Citizens/Disabled Veterans property tax exemption and other municipal activities or services. An appropriate funding source would be through the Alaska Housing Finance Corporation earnings.

Post-It® Fax Note	7671	Date	1-9	# of pages	5
To	KEVIN MAJER	From	TIM ROGERS		
Co./Dept.		Co.			
Phone #		Phone #	343-4467		
Fax #	465-3476	Fax #			



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907)586-1325. Fax (907)-463-5480

March 14, 2001

Representative Kevin Meyer  
Alaska State Capitol, Room 110  
Juneau, AK 99811

Dear Representative Meyer

We are writing in support for extending the E-911 surcharge to wireless (cellular) telephones at the same rate currently charged to hard-wired phone systems. The AML Public Works & Infrastructure Legislative Subcommittee met on March 14 and unanimously voted to support your efforts to expand the surcharge.

In 1994, the State adopted a bill (supported by AML) allowing municipalities to place a 50 cents to 75 cents per month surcharge on hard-wired telephones to help offset the costs for the critical life-saving services of the "911" emergency telephone system. With the dramatic increase in the use of cellular phones, especially for emergency calls, it is equitable and appropriate to extend the same charge to cellular phones.

We appreciate your interest and if we can help with this or any other municipal issue, please call on me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Ritchie', with a long horizontal line extending from the end of the signature.

Kevin Ritchie  
Executive Director

cc: Public Works & Infrastructure Legislative Subcommittee

**Municipality  
of  
Anchorage**



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<http://www.ci.anchorage.ak.us>

*George P. Wuerch, Mayor*

March 14, 2001

OFFICE OF THE MAYOR

The Honorable Kevin Meyer  
Alaska State Legislature  
State Capital  
Juneau, Alaska 99801

Subject: Surcharge on Wireless Telephones for Use of E911 System

In 1993, Anchorage installed an Enhanced 911 (E911) system. This emergency system provides faster response time, automatic routing to the appropriate emergency response unit, visual display of the location and calling telephone number for wire line 911 emergency response calls.

Since the installation of the E911 system, usage of wireless telephones has resulted in quicker notification of emergencies, saved lives and faster apprehension of criminals. Today, in Anchorage, over 25% of all calls to the E911 system originate with a wireless telephone.

As usage of wireless telephones increases, so do the number of calls to the E911 system. Often, multiple calls are received regarding the same incident. An automobile accident on a busy road may result in 25 or more calls to the E911 system, for example. These multiple calls often clog the E911 system, making it difficult for other emergencies to be reported using wire line telephones.

Since 1993 there has been a \$.50 per month surcharge in Anchorage for each local exchange access line (wire line telephones) to help pay for the acquisition, maintenance and operation of the E911 service. Wireless phones are not subject to the surcharge.

The Municipality of Anchorage supports amending AS 29.35.131 to extend the surcharge to wireless phones to pay for the E911 system. The revenue from this amendment would help fund additional staff and equipment needed to effectively handle the additional calls originating from wireless telephones. Your support of this legislation would be greatly appreciated by the Municipality of Anchorage and its citizens.

Sincerely,

A handwritten signature in dark ink, appearing to read "George P. Wuerch". The signature is fluid and cursive, written over a printed name and title.

George P. Wuerch  
Mayor



Dan Youmans  
Director  
External Affairs  
Washington & Alaska

AT&T Wireless Services, Inc.  
617 Eastlake Avenue East  
Seattle, WA 98109  
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FAX 206 389-2384  
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danlei.youmans@atws.com

March 22, 2001

The Honorable Rep. Kevin Meyer  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801

Dear Rep. Meyer:

On behalf of AT&T Wireless Services (AWS), I would like to thank you for your interest in public safety and the 911 emergency communication system. AWS is a strong supporter of 911. We believe wireless phones are making a significant contribution to the safety of wireless customers and the overall community by providing immediate emergency communication through the 911 system.

Because wireless phones are often used to call 911, AWS supports a reasonable surcharge on wireless customers to help cover the costs incurred by the Public Safety Answering Points (PSAPs). House Bill 186 would create a monthly surcharge of up to 50 cents for municipalities with a population of 100,000 or greater, and a monthly surcharge of up to 75 cents for municipalities with a population of less than 100,000. AWS can support this legislation *if amended* to create a surcharge level at 50 cents for all municipalities. We also suggest the rate be set at 50 cents as opposed to "may not exceed" 50 cents to simplify the rate structure for all wireless carriers and customers.

AWS feels a consistent rate across the state would be a more equitable way to levy a wireless 911 surcharge, especially since wireless phones are used by customers in multiple jurisdictions. For example, a customer who lives in Anchorage may be visiting Fairbanks where he or she may witness a car accident. A call to 911 on a wireless phone would go to the Fairbanks PSAP. The opposite may also be true with a visitor from Fairbanks calling the Anchorage PSAP. Since wireless phones can be used in many jurisdictions across the state to make emergency calls, it seems only fair that the surcharge is the same no matter where a customer lives.

AWS also would like to thank you for including "cost recovery" language in the legislation, recognizing the Federal Communication Commission's mandate that carrier costs associated with Enhanced 911 be reimbursed in jurisdictions where cost recovery mechanisms, like the one contemplated in this legislation, exist.

Thank you for this opportunity to provide comments on House Bill 186. Please feel free to contact me if you have any questions at 206-389-5208.

Sincerely,

Dan Youmans  
AT&T Wireless Services



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**MUNICIPALITY OF ANCHORAGE  
2001 LEGISLATIVE PROGRAM  
PRIORITY LEGISLATIVE ISSUES**

**TITLE: E-911 Surcharge on Wireless Telephones**

In 1993, Anchorage installed an Enhanced 911 (E-911) emergency system. This system provides faster response time, automatic routing to the appropriate emergency response unit, visual display of the location and calling telephone number.

Since the installation of the E-911 system, usage of wireless communication devices, such as cellular telephones has resulted in quicker notification of emergencies, saving lives and resulting in faster apprehension of criminals. Today, over 25% of all calls to 911 originate with a cellular phone.

As usage of wireless devices increases, so do the number of calls to 911. Often, multiple calls are received regarding the same incident. An automobile accident on a busy road may result in 25 or more calls to 911, for example. These multiple calls often clog the E-911 system making it difficult for other emergencies to be reported.

Since 1993 there has been a \$.50 per month surcharge in Anchorage for each local exchange access line to help pay for the acquisition, maintenance and operation of the Enhanced 911 (E-911) emergency service. Wireless phones are not subject to the surcharge.

The Municipality of Anchorage supports amending AS 29.35.131 to authorize a 911 surcharge on wireless phones. The revenue from this amendment would help fund additional staff and equipment needed to effectively handle the additional calls originating from wireless telephones.

**Contact:** Mark Mew  
Acting Police Chief  
**Phone:** 786-8552



George P. Wuerch,  
Mayor

## ANCHORAGE POLICE DEPARTMENT

4501 South Bragaw Street • Anchorage, Alaska 99507-1599

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Walt Moneyun  
Chief

March 21, 2001

The Honorable Kevin Mcycr  
State Capitol, Room 110  
Juneau, AK 99801-1182

Dear Representative Meyer:

The Anchorage Police Department is designated as one of several Public Safety Access Points in our state. The role of any PSAP is to get the appropriate emergency responder to the emergency scene in the shortest time possible. To accomplish this task, APD employs radio, telephone, and computer technology to identify and locate people who call for help (even though they may not be able articulate this information), to select and dispatch the unit which is physically closest to the scene, and to provide tactical information necessary to keep the responders and victims safe.

The telephone component in our Emergency Communications Center is the Emergency 911 System. As developed at APD, E911 is a subsystem which is integrated with (and, in essence, feeds) the other computer and radio subsystems making up the PSAP.

The costs involved in employing and training personnel, and in acquiring, maintaining, and improving the necessary technology, are significant. For many years we have been able to recover some of the costs through the E911 Surcharge, a fifty cent tax on each wireline phone in the area served by our Communications Center. Cellular service, however, involves no such surcharge, and thus the proliferation of cell phones threatens the successful operation of the PSAP.

A single accident on the Glenn Highway can generate fifty or more duplicate calls, all from well meaning motorists with cell phones. We must put on staff to answer these calls, but the callers are not contributing to that effort. We have experienced times when duplicate and unnecessary cell phone calls have exceeded the capacity of our incoming E911 trunk. Anyone who has called with an emergency during one of these times has gotten a busy signal. We have no way of knowing who these unfortunate people are, nor how many of them there have been. It is apparent that due to cell phone traffic we must expand our E911 capacity. Cell phone users should help cover that cost.

For these reasons the Anchorage Police Department supports amending AS29.35.131 to extend the E911 surcharge to wireless telephone accounts. Your efforts in passing this legislation will be appreciated by the APD and the citizens we serve.

Sincerely,  
  
Mark T. Mew

Deputy Chief of Police