

HB

249

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

MAY 2 2005

SENATE FINANCE
COMMITTEE

DATE: 5/1/05

FURTHER:

DATE TURNED
IN TO OFFICE: 2 May 2005

Finance Committee considered CS FOR HOUSE BILL NO. 249(RLS)

HB 249 ENHANCED 911 SURCHARGES

"An Act relating to enhanced 911 systems and enhanced 911 surcharges imposed by a municipality, public municipal corporation, or village."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:
 Same Title
 New Title

SCS House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
DPS	4/8/05			✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓		✓	
<i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>				✓
COCHAIR: <i>[Signature]</i>	✓			

REPORTED OUT

MAY 2 2005

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 249(CRA)
(H) Publish Date: 4/12/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
Title "An Act relating to enhanced 911 surcharges imposed by a municipality." RDU Alaska State Troopers
Sponsor Representative Hawker Component AST Detachments
Requester House Community & Regional Affairs Component No. 2325

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grant & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
Passage of this bill will have no fiscal impact on the Department of Public Safety.

The bill allows municipalities to increase the surcharge that is collected related to the enhanced 911 systems. The bill would require that the surcharge be imposed by ordinance approved by the voters of the enhanced 911 service area.

Prepared by: Lieutenant Todd Sharp Phone 907-465-3223
Division Alaska State Troopers Date/Time 4/8/05 2:40 PM
Approved by: Commissioner William Tandeske Date 4/8/2005
Agency Department of Public Safety

SENATE FINANCE
COMMITTEE

FAILED

Amendment Number: #1

Bill Number: HB 249

Sponsor: Wilken Date: 5/2/05

Logged In By: Mindy

24-LS0407\A.1

Cook

4/6/05

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR WILKEN

TO: ~~CSB~~ 100(FIN), Draft Version "S"

HB 249 (RLS)

1 Page 2, lines 14 - 15:

2 Delete "surcharge amount is approved by the voters of the enhanced 911 service
3 area"

4 Insert "municipality adopts a separate ordinance authorizing the increase"

SENATE FINANCE COMMITTEE
5/2/2005 COMMITTEE ACTION

Bill Number	HB 249		
Amendment	#1		
Motion	script		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	Green		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Hoffman			✓
Senator Olson			✓
Senator Stedman			✓
Senator Bunde			
Senator Dyson	✓		
Co-Chair Wilken	✓		
Co-Chair Green			✓
<u>Tally</u>			
Yea	2		
Nay	4		
Absent	1		
<u>MOTION</u>	FAIL		

Representative Mike Hawker

Alaska State Legislature



House Bill 249 Sponsor Statement

Session:

State Capitol
Juneau, AK 99801
907 465-4949 direct
800 478-4950 toll free
907 465-4979 fax

Interim:

716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

Member:

*House Finance Committee
Legislative Budget
& Audit Committee*

House District 32:

*Eagle River
Anchorage
Rainbow
Indian
Bird
Girdwood
Portage
Whittier
Souris
Hope*

"An Act relating to enhanced 911 surcharges imposed by a municipality."

House Bill 249 is simply about saving lives. The "dial 911" emergency services dispatch system is every Alaskan's lifeline. Access to a modern 911 system can be the difference between life and death. HB 249 authorizes the funding mechanisms municipalities need to deliver Enhanced 911 (E-911) services. HB 249 also incorporates limitations protecting taxpayers from excessive charges.

E-911 systems have dramatically improved nationwide emergency response capabilities by utilizing Global Positioning System (GPS) technology to identify the telephone number and location of the caller. E-911 systems direct calls to the appropriate Public Safety Answering Point (PSAP) and automatically provide identifying information to the answering operator. Automatic location notification is critical when a caller is incapacitated or disoriented.

Current statutory caps on the amount municipalities may surcharge telephone services to pay for 911 systems have limited Alaskan communities to Basic 911 services that lack the important technological improvements of E-911. House Bill 249 provides the authority municipalities need to provide E-911 services within constraining parameters to protect their taxpayers.

I appreciate your consideration of this important public safety legislation.

Staff Contact: Juli Lucky 465-4949

Revised 3/17/2005

Representative Mike Hawker

Alaska State Legislature



Session:

State Capitol
Juneau, AK 99801
907 465-4949 direct
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House District 32:

Eagle River
Anchorage
Rambow
Indian
Bird
Girdwood
Portage
Whittier
Sunrise
Hope

Fact Sheet for House Bill 249

Short Title: ENHANCED 911 SURCHARGES

Current Version: CS HB 249 (RLS)

Contact: Juli Lucky 465-4949

Summary:

- Increases the amount that can be charged for enhanced 911 (E-911) services to \$2 per line. (Current caps are based on municipal population - \$.75 communities with fewer than 100,000 people and \$.50 for larger communities.)
- Provides a mechanism for a municipality to raise the cap with voter approval.
- Removes statutory language that provides for different rates based on a municipality's population.
- Requires equal surcharges for wireless and wireline telephone services.
- Requires notification to telephone customers when a municipality imposes a surcharge or raises the amount of the surcharge.
- Specifies what surcharges may be used to pay.
- Requires a borough, affected municipalities and the Department of Public Safety to agree on the distribution and use of funds.
- Allows a municipality to require a multi-line telephone system to update the ALI database with the correct address and callback number for each telephone in the system.

Benefits:

- Allows municipalities to collect sufficient revenue to implement and maintain E-911 systems.

Background:

E-911 systems have dramatically improved public safety across the nation. Among other benefits, the new systems use Global Positioning System (GPS) technology to track a caller's location and phone number. This saves time, which can mean the difference between life and death in an emergency situation.

The current allowable amount for surcharges is inadequate to fund the E-911 system. Raising the amount and removing statutory language that creates different tiers of surcharges based on location and type of phone services will allow Alaskan communities to provide life-saving, enhanced 911 services with everyone paying an equitable share.

Revised 4/29/2005

Sectional Analysis CS House Bill 249 (RLS)
Prepared by Representative Mike Hawker's Office

- Section 1:** Conforming amendment to accommodate sections 5 and 6
- Section 2:** Raises the maximum amount any municipality, regardless of population, may charge for enhanced 911 services to \$2.
Applies the enhanced 911 surcharges equally to wireline and wireless telephones.
Allows a municipality to exceed the cap with voter approval.
Requires the municipality to notify customers when an enhanced 911 surcharge is implemented or changed and describe what the surcharges will be used for.
- Section 3:** Describes appropriate uses for enhanced 911 surcharge revenue.
Requires a borough, affected municipalities, and the Department of Public Safety to execute an agreement before spending enhanced 911 surcharge revenue.
Defines "call taker" for the preceding subsection.
- Section 4:** Allows a municipality to require a multi-line telephone system to update the automatic location identification database with the automatic call back number and physical location of all telephones in the system.
- Section 5:** Clarifies that the section applies to home rule and general law municipalities.
- Section 6:** Repeals a section made obsolete by section 5.

I am a dispatcher with the Anchorage Police Department (APD) and am currently assigned to our E911 upgrade project. This project brings MOA updated phone systems, a new mapping system to allow tracking of 911 calls from GPS-equipped cell phones, and a much more accurate automatic location information (ALI) database. The ALI database provides the call taker an address when a caller phones 911 from a landline.

I would like to express support of HB249. This bill allows municipalities to raise monies earmarked specifically for their 911 system. There is a serious problem, both statewide and nationally, with recruitment and retention of qualified, professional dispatchers. Additional funding of 911 systems would allow salaries to remain competitive. This ability to earmark funds also provides a safeguard during budget woes that would normally have a negative impact to hiring. Since becoming a dispatch employee in 1989, our center has endured multiple hiring freezes, beginning in the 1980's that to this day still impact my center.

The funding would allow many departments to offer training that is normally unavailable due to staffing and monetary issues. Dispatch employees face a variety of difficult situations while answering 911 calls. One moment a dispatch employee may speak with a victim of domestic violence and the next moment find themselves speaking with a caller about threat to national security. Diversifying training is a key step in lowering liability for individual centers and expanding skill sets for dispatch employees. Just as staffing has become a national problem, ongoing, varied training is lacking.

Karen A Kurtz
Anchorage Police Dispatch
786-8646 or at EOC 343-1466

To the Committee:

I am the manager of the Emergency Communications Center for the Anchorage Police Department. We currently serve over 270,000 residents and are about to implement an upgraded E9-1-1 system with Phase II (cellular phone) service soon to follow. Please consider the following comments, which strongly support House Bill 249.

- * The Anchorage Police Department's Emergency Communications Center is currently operating at a significant deficit because of the high cost of upgrading the E9-1-1 system to Phase II standards. It will continue to cost more in the future to maintain this system.

- * The cost of maintaining the E9-1-1 Location Information (ALI) database alone has quadrupled to \$66,000 per month, an amount that can and should be recovered through an adequate user surcharge.

- * Emergency centers nationwide have implemented E9-1-1 surcharges for up to as much as \$4.00 per phone line in order to recover costs and avoid having taxpayers who may not even have the service provide the funding for those who do.

- * The monies from this surcharge are dedicated solely to E9-1-1 operations throughout the state.

Thank you for allowing me to express my views in support of the bill.

Sgt. Richard O. Stouff, Manager

Anchorage Police Department Emergency Communications Center



210 East Bluff Drive
Anchorage AK 99501-1100

February 24, 2005

Senator Con Bunde
Alaska State Senate
State Capitol
Room 506
Juneau, AK
99801-1182

RE: CS for Senate Bill No. 100 (L&C)

Dear Senator:

Thank you for sponsoring SB 100

AT&T Alascom has been following the issue of enhanced 911 surcharges with interest and some concern since last year.

CS for SB 100 (L&C), with the \$2.00 per line ceiling, and provisions to exceed that with voter approval, represents a fair compromise.

Thanks for your work on this important issue.

Sincerely,


Kristi Catlin

Director, Government Relations



February 14, 2005

Senator Con Bunde
Chairman
Senate Labor and Commerce Committee
State Capitol, Rm. 506
Juneau, Alaska 99801-1183

GCI is writing in support of SB 100 sponsored by Senator Con Bunde for enhanced 911 surcharges.

1. GCI supports SB 100 because this bill has defined limits on the use of the surcharge so that only essential e 911 services may be funded through this mechanism.
2. GCI supports SB 100 because it does include a cap not exceeding \$2.00. This cap may be raised or lowered only through a municipal election.
3. GCI supports SB 100 because of the parity of charging both the wireline customer and the wireless customer equally.

If you have any questions at all, please do not hesitate emailing or calling Dana Tindall.
DTindall@GCI.COM : Telephone number: 1-907-868-5602.

Sincerely,

A handwritten signature in cursive script that reads "Dana Tindall".

Dana Tindall
Senior Vice President
Legal and Regulatory
And Governmental Affairs

THE
FOLLOWING
DOCUMENT(S)
ARE
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ORIGINAL
COPIES



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

February 13, 2005

Senator Con Bunde
Alaska State Legislature
State Capitol
Juneau, AK 99801

Re: SB 100

Dear Senator Bunde,

Thank you for sponsoring SB 100, relating to the surcharge local government may impose on telephones for emergency E-911 services. This bill, when enacted, will help improve local government's ability to promptly respond to life and health threatening emergencies.

Although emergency communications technology has improved considerably in recent years, the added costs combined with reduced state shared revenues has made it difficult for emergency service providers to keep up with the advancements. SB 100 would provide another user fee tool available to help improve these services.

We do have two suggestions for improving the bill. First, AS 29.35.131(a) currently has a differential rate for cities with a population under 100,000. It would be helpful to maintain this differential to allow smaller communities the ability to charge an amount up to \$3.00. While Anchorage has indicated that a \$2.00 surcharge will serve their needs into the future, they can take advantage of economies of scale not available to other smaller communities.

The second provision of concern is the requirement for a local election for any surcharge in excess of the proposed \$2.00 surcharge. We would prefer that the election provision be dropped for two reasons. If the change recommended above is made, municipalities do not anticipate needing additional authority in the foreseeable future. Second, the possible precedent for elections on user fee increases is of obvious concern to communities, and may also be a poor precedent for future state user fee increases as well. We recommend eliminating the language on Page 2, line 8: "...unless the surcharge is imposed by ordinance approved by the voters of the enhanced 911 service area."

Thanks again for introducing this important bill and we offer our support in helping to secure its passage.

Sincerely,

Kevin Ritchie
Executive Director

~~Alaska Telephone Association~~

Greg Berberich
President

201 E. 56th, Suite 114
Anchorage, AK 99518
(907) 563-4000
FAX (907) 562-3776
www.alaskatel.org

James Rowe
Executive Director
jrowe@arctic.net

February 14, 2005

Hon. Con Bunde, Chair
Labor & Commerce Committee
Alaska State Senate
Juneau, Alaska 99801

RE: SB 100

Dear Senator Bunde:

Thank you for introducing SB 100, *An Act relating to enhanced 911 surcharges imposed by a municipality*. The Alaska Telephone Association supports this legislation. The bill is focused and concise. It addresses the need for increased funding by municipalities to provide an enhanced 911 system.

Certainly local telephone companies are not enthusiastic about submitting invoices for increased amounts to their customers. Most customers perceive only the total amount of the monthly charge and are unaware of the reasons for or confused by the multitude of surcharges. We will do our best to inform customers of the safety and emergency services benefits of this specific increase.

This legislation will permit increases — absent prior voter approval — of up to \$1.50 per month. Where the local electorate recognizes a need for an even greater amount of revenue for enhanced 911 services, SB 100 affords that opportunity.

Finally, this legislation requires parity between wireline and wireless providers, which is important in areas where the technologies are competing for customers. For local government to favor one member of industry over its competitor by exempting it from a tax would be inequitable.

The Alaska Telephone Association appreciates the efforts of the sponsor in introducing this compromise legislation. With the \$2 total monthly surcharge cap — sans prior voter approval — we will endeavor to create support for passage this legislative session.

Sincerely,



Jim Rowe

cc: Sen. Ralph Seekins, Vice Chair
Sen. Bettye Davis
Sen. Johnny Ellis
Sen. Ben Stevens



February 14, 2005

Hon. Con Bunde, Chair
Labor and Commerce Committee
Alaska State Senate
Juneau, Alaska 99801

Dear Senator Bunde:

I am writing to express support for SB 100, *An act relating to enhanced 911 surcharges imposed by a municipality*. This legislation addresses our previous concerns because:

1. It allows a municipality to impose a surcharge up to \$2.00 per month for enhanced 911 system charges. This cap is important to MTA because it provides us with the assurance that this surcharge will not get "out of hand."
2. SB 100 provides parity between wireless and wire line providers. In today's telecommunications market we all compete for the same customers, imposing the surcharge on wire line and wireless ensures that one member of industry does not have an unfair competitive advantage over the other.

Again, thank you for working on this important legislation.

Sincerely

Greg Berberich
President

Metropolitan Telephone Association Inc.
1740 South Chugach Street
Palmer, Alaska 99646

907.746.3211
800.478.3211 (in Alaska)

Local
Long Distance
Wireless
Business Solutions
Internet
Directory
DTV