



ALASKA SENATE LABOR & COMMERCE

11899 SENATE LABOR & COMMERCE

PERMIT TRANSFERS FOR FLEET CONSOLIDATION

In 2002, the legislature passed a bill (HB286) allowing holders of salmon permits to hold up to two permits in a given fishery for the purpose of fleet consolidation. The Commission adopted regulations and procedures for this new ability to hold two permits in a salmon fishery. By the end of 2003, in seven different salmon fisheries, 37 fishers held two permits: Southeastern Alaska purse seine and drift gillnet, Cook Inlet drift gillnet, Peninsula Aleutian drift and set gillnet, Bristol Bay drift and set gillnet.

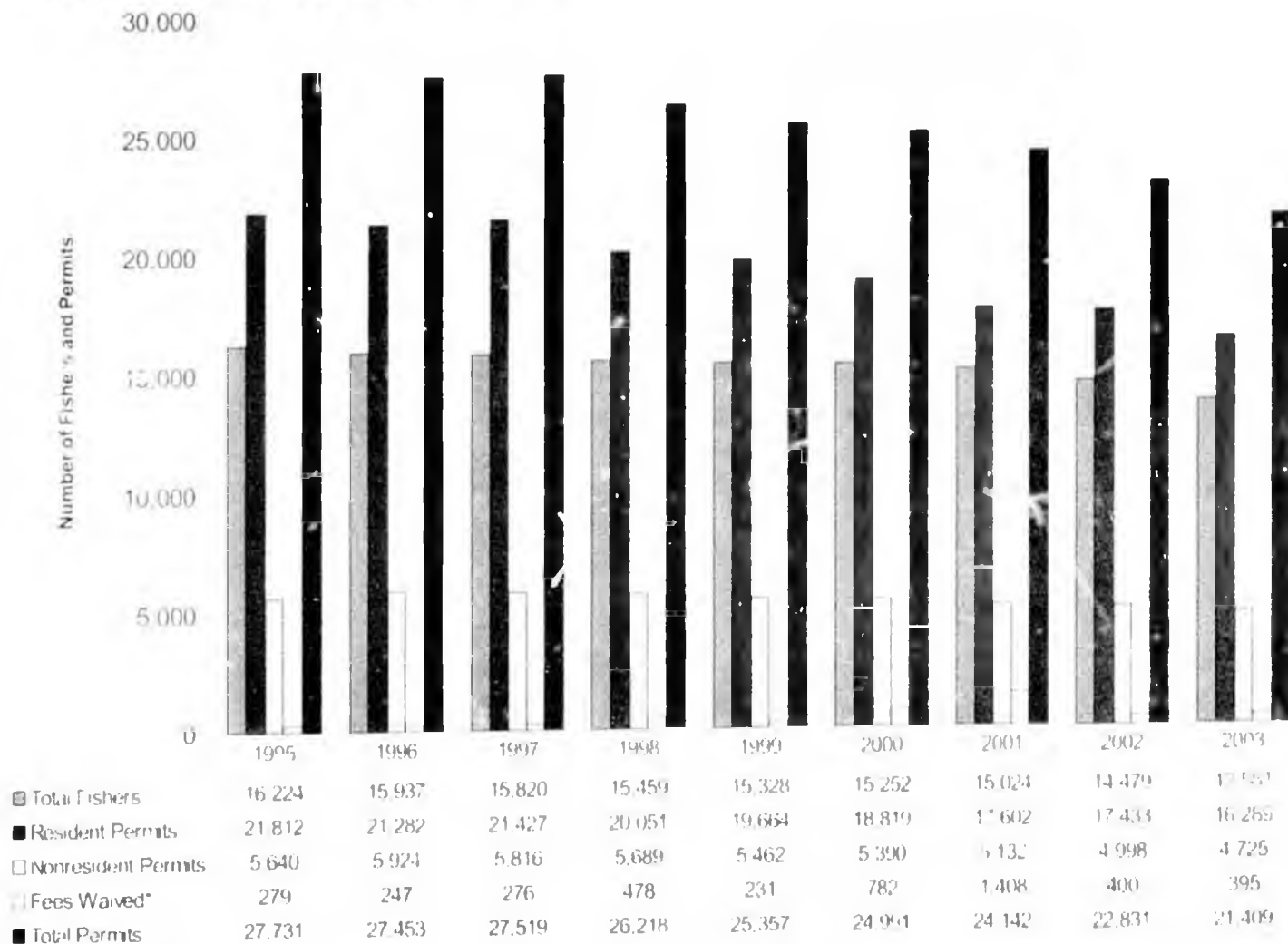
DEMERIT POINTS

In 1998, the Alaska Legislature enacted AS 16.43.850-16.43.895, which established a demerit point system for suspending commercial fishing privileges based on convictions for fishing violations in the salmon fisheries. Under this law, the Commission must suspend a salmon permit holder's commercial fishing privileges for a period of one to three years if certain threshold levels of demerit points are accumulated in a three-year period.

During the last six years, the Commission has issued demerit points to 382 fishers and suspended two salmon permits in Bristol Bay. Most of the demerit points assessed have been for violations occurring in the Bristol Bay salmon drift gillnet fishery.

PERMITS AND LICENSES ISSUE

Permits Issued by License Year



Licensing year refers to the fishing year for which the license or permit is issued, regardless of when fees were paid. Number of permits is higher than number of fishers as some individuals hold permits in more than one fishery.

Breakdown between resident/nonresident determined by resident category of fees paid.

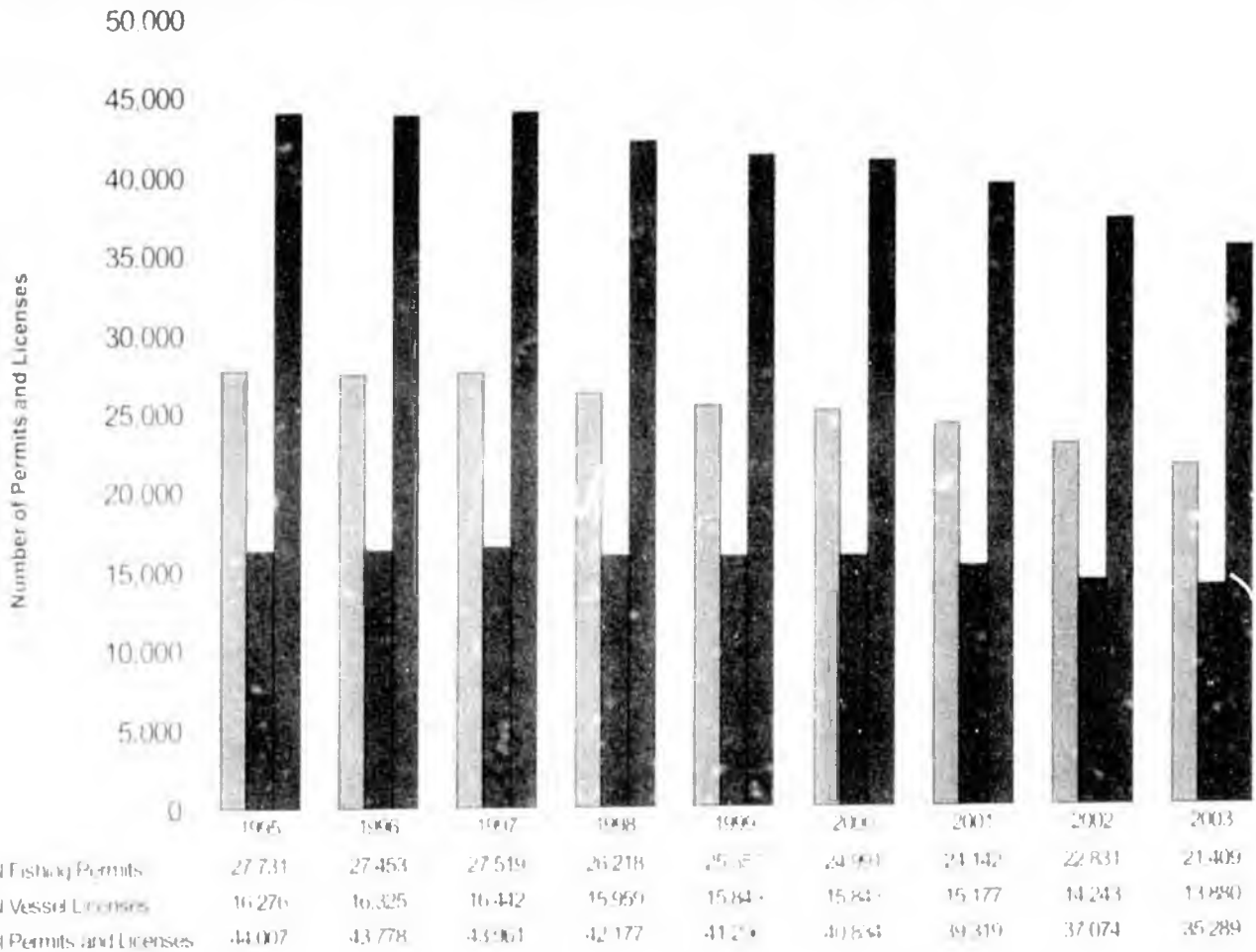
Data include permits issued in both open access fisheries and limited fisheries.

Includes only permits with fees paid by 12/31/2003 or fees waived.

* Number of permits for which the Commission waived fees due to fishery not opening.

(From CFEC report B1440P-C. Includes interim-use, interim-entry, permanent, moratorium and moratorium vessel permits.)

Fishing Permits and Vessel Licenses Issued by License Year

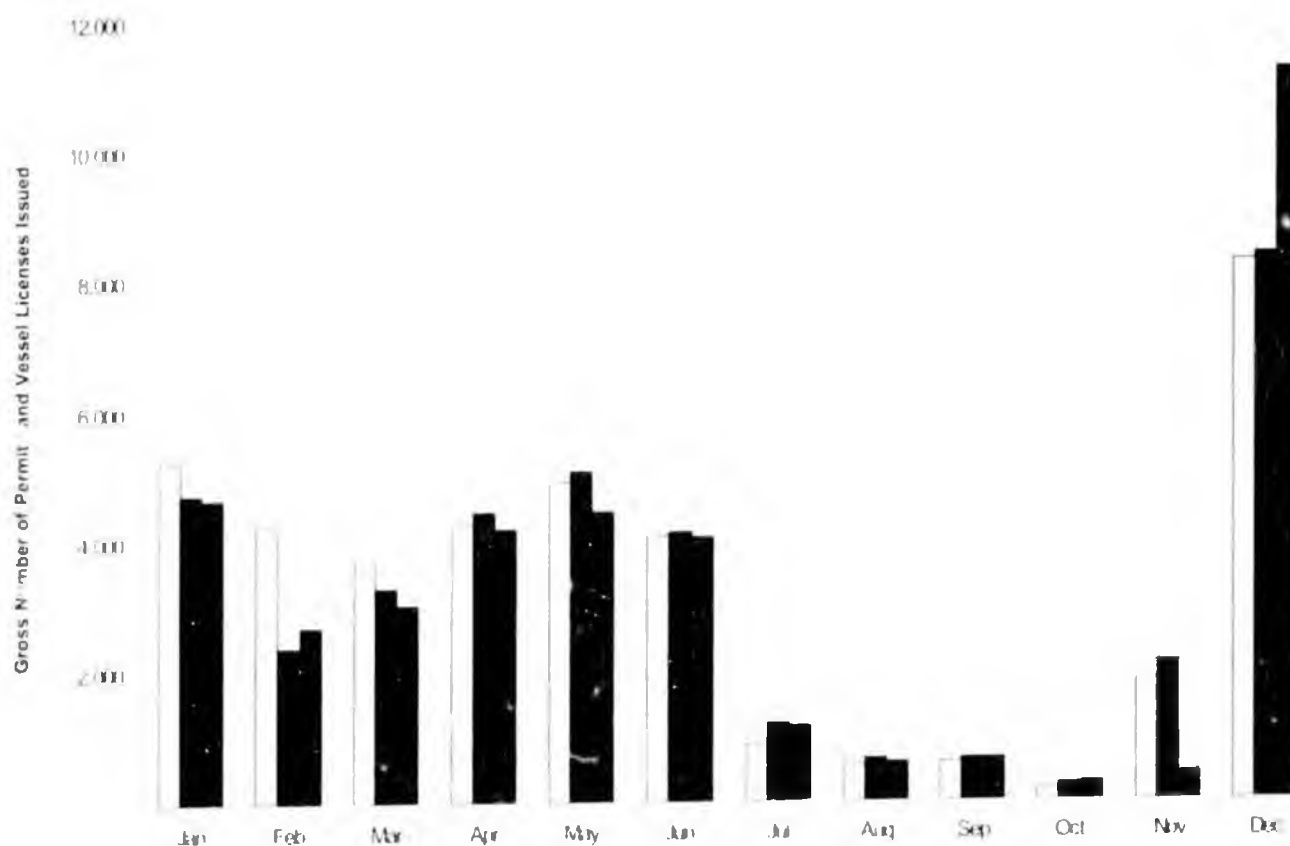


Data include permits issued in both open access fisheries and limited fisheries and vessel licenses issued by license year. License year refers to the fishing year for which the license or permit is issued, regardless of when the fee was paid.

Includes only permits with fees paid by 12/31/2003 or fees waived.

(From CTEC report B1440P-C includes interim-use, interim-entry, permanent moratorium and moratorium vessel permits.)

Permit and Vessel Licenses Issued by Month



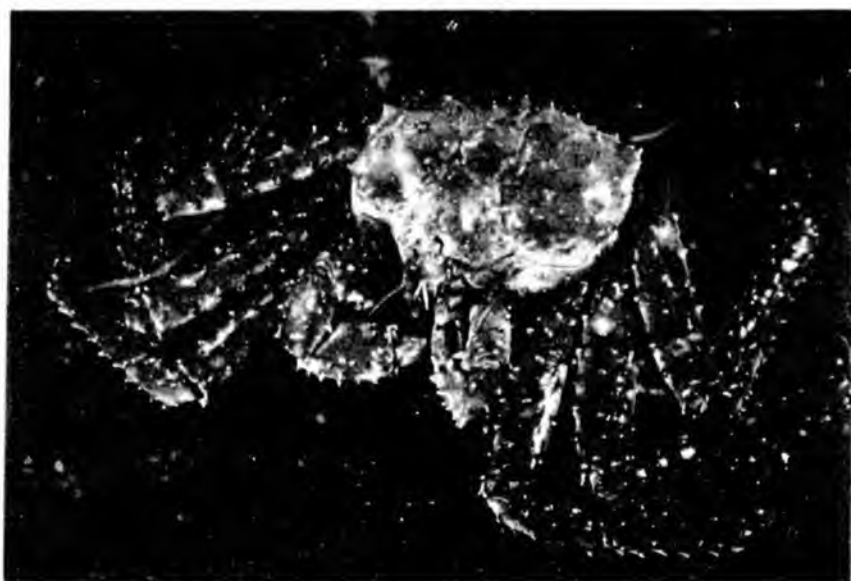
(From CFEC reports B1430P-A and B2430P-A)

Summary of Permitting Activity - 2003 Licensing Year

Limited Entry Permits Not Renewed	1,452
Limited Entry Permits with Fees Waived*	395
Limited Entry Permits Revoked or Lapsed (since 1975)	1,384
Limited Entry Permits Renewed	12,810
Interim-use Permits in Fisheries Under Limitation or Moratorium	466
Interim-use Permits in Open-to-Entry Fisheries	7,737
Special Harvest Area (Hatchery) permits	21
Educational Entry Permits	0
Vessel Permits**	1

* Fees for limited entry permits may be waived in the event of season-long closure.

** A vessel permit was issued in the Statewide scallop fishery which was under a vessel-based moratorium (from CFFC reports B1440P-V and B).



Courtesy of Alaska Seafood Marketing Institute

PERMIT TRANSFER REQUESTS

During 2003 the Commission reviewed 1,729 requests for permanent and emergency transfers of permits. These included 741 emergency transfer requests and 988 permanent transfer requests. A breakdown of transfer requests by type of transfer is shown below:

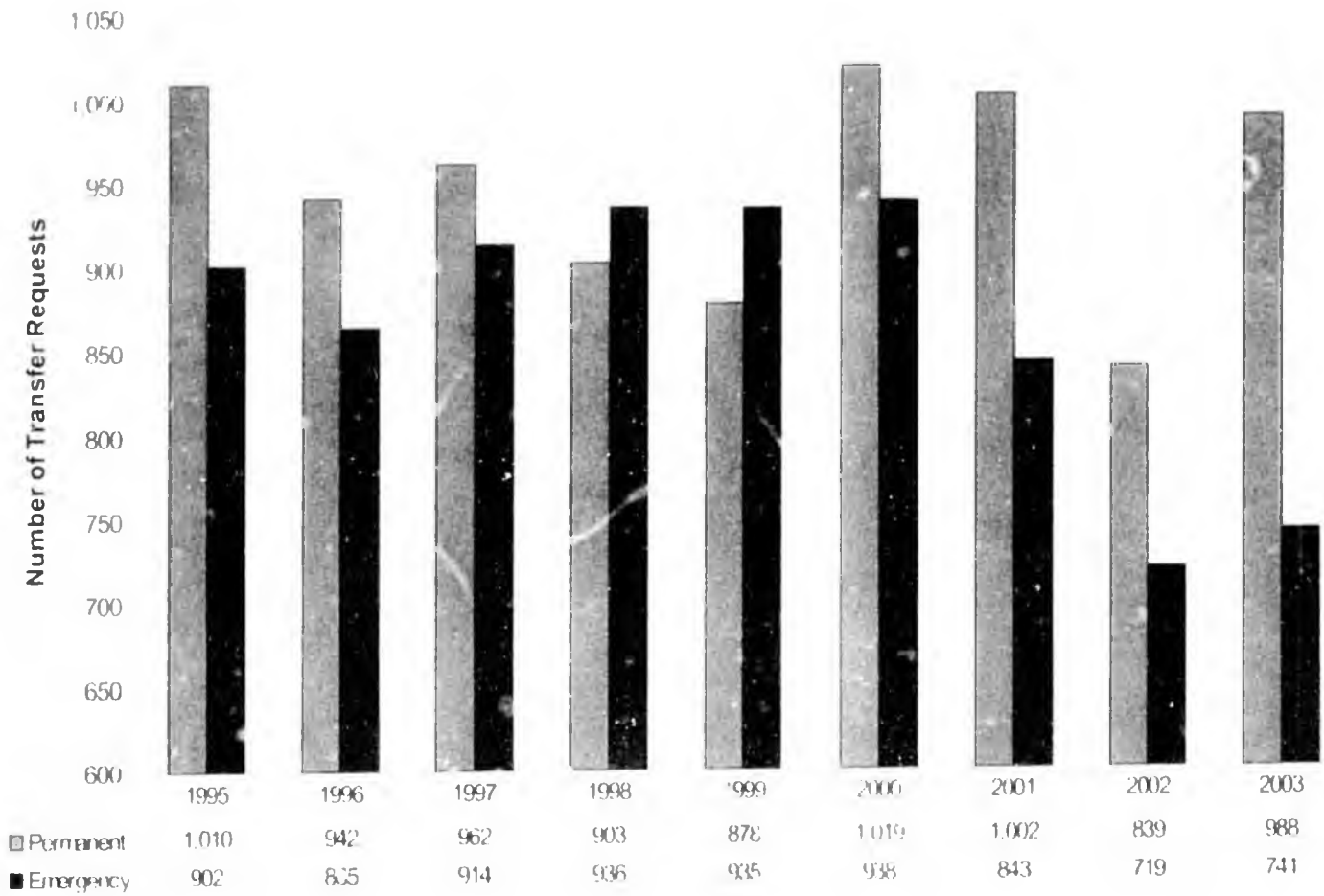
Permanent Transfer Requests in 2003

Standard transfers approved	876
Survivorship transfers to spouse approved	29
Foreclosure transfers by loan agencies approved	37
Total Approved	942
Denied transfers	29
Withdrawn transfer requests	17
Total Reviewed	988

Emergency Transfer Requests in 2003

Emergency transfer requests reviewed in 2003	741
Emergency transfer requests approved in 2003	684
Total Transfers Requests Reviewed in 2003	1,729

Permanent and Emergency Permit Transfer Requests



(From CTEC reports B1420P-A and B1425P-C, E, J)

VESSEL LICENSE FEES

Below is a chart showing the number of vessel licenses issued for each vessel-length category during the 2003 calendar year and the revenue generated from each of those vessel length categories.

Category Based on Overall Length of Vessel	Fee Based on Overall Length of Vessel	Number of Vessels Licensed in Category	Revenue Generated from License Fees for Calendar Year 2003
A 25' and under	\$20	6,052	\$121,040
B over 25' - 50'	\$50	6,594	\$329,700
C over 50' - 75'	\$100	873	\$87,300
D over 75' - 150'	\$250	468	\$117,000
E over 150' - 250'	\$500	97	\$48,500
F over 250'	\$750	24	\$18,000
TOTAL		14,108	\$721,540

* Includes all vessel licenses issued in calendar year 2003 without regard to license year. Thus, these numbers will differ from the numbers reported by license year. For example, some 2004 vessel licenses are issued in 2003.

(From CTEC report B0110P-A)

Research

OVERVIEW

The **Research** section provides the studies and analyses needed by the Commission. The Research section, coupled with the Commission's Information Technology Section, also produces basic economic data on Alaska's fisheries. The section produces both standard and specialized reports. CFEC reports have been used to help address a wide range of policy questions.

In 2003, the Commission's Research staff was involved in many projects. These projects included efforts to monitor trends in Alaska's fisheries, to evaluate the need for access controls in particular fisheries, and to provide other agencies and users with needed data and analyses.

The staff produced analyses on issues for the legislature, the Office of the Governor, the Alaska Department of Fish and Game (ADF&G), and the Alaska Board of Fisheries (BOF). In addition, the staff answered numerous information and data requests from the general public. The following paragraphs provide brief highlights of 2003 Research activities.

LIMITATION STUDIES

The **Bering Sea** hair crab fishery had been under a temporary vessel moratorium since July of 1996. The program was due to expire July 1, 2003. The entire fishery is under state jurisdiction even though it occurs mostly in the federal exclusive economic zone (EEZ). The fishery is not covered under a federal fishery management plan.

In 2002, the Alaska legislature passed a new vessel permit law that could be applied to the Bering Sea hair crab fishery under certain conditions (Chapter 137 SLA 2002). The law will sunset on December 30, 2008.

In 2003, the research staff provided the needed data support and analyses for the Commission to develop a regulatory proposal for a vessel entry permit system for the fishery under this new law. The research staff also provided support for the Commission at the public hearings on the proposal. Following the public comment period and amendment of the proposal in response to public input, the Commission adopted regulations for a vessel entry permit system for the fishery and those regulations became effective on September 21, 2003.

The Alaska weathervane scallop fishery is managed by the Department of Fish and Game. The fishery has been under a legislatively-enacted vessel moratorium in state waters since 1997 (see AS 16.43.906). The moratorium is due to expire on July 1, 2004.

The Alaska weathervane scallop fishery occurs in both state waters and the federal exclusive economic zone (EEZ). The fishery in the EEZ is managed under a federal fisheries management plan that delegates management measures other than limited entry to the Alaska Department of Fish and Game. The federal government first implemented a vessel moratorium for the fishery in the EEZ in 1997 and then implemented a permanent limited license program (LLP) for vessels in the EEZ in 2000. These limited entry programs in the EEZ have been administered by National Marine Fisheries Service's Restricted Access Management program.

In 2002, the Alaska legislature passed a new vessel permit law that can be applied to the weathervane scallop fishery in state waters under certain conditions (Chapter 137 SEA 2002). The law will sunset on December 30, 2008.

In 2003, the research staff prepared a confidential briefing report on the fishery as background for development of a regulatory proposal for state waters. The report contains confidential catch data and is not available for public distribution. The report reviewed the history of the fishery, the development of the federal LLP, the federal vessel moratorium in the EEZ, the state vessel moratorium in Alaska waters, and the permanent federal LLP program in the EEZ. The report provides participation histories both before and during the period of restricted access programs.

Data in the report will be used to help develop a regulatory proposal for limitation of the fishery. If limited entry is not implemented in state waters prior to the expiration of the state vessel moratorium on June 30, 2004, the fishery will return to open access.

POINT SYSTEMS IN NEWLY LIMITED FISHERIES

When a fishery is limited and a maximum number is adopted under AS 16.43.240, the limited entry law requires that the Commission develop a boat "ship ranking or "point" system to determine who should receive an initial allocation of a limited entry permit. A point system is needed since the number of eligible applicants typically exceeds the maximum number of permits to be issued. Point systems are based upon an applicant's past participation in the fishery and economic dependence upon the fishery.

During 2003, the research staff analyzed participation data and developed point system options for the Kodiak Tanner crab pot fishery which has a qualification date of January 1, 2003. From this analysis, the Commission developed a regulatory proposal.

The proposal was released on September 8, 2003, and the public comment period ended on October 27, 2003. A public hearing on the proposed regulations was held in Kodiak on September 25, 2003, and a teleconference hearing was held from Juneau on October 7, 2003. The Commission met on November 6, 2003, and adopted point system regulations for the fishery. The original proposal was modified slightly based upon public comments.

An application period for limited entry permits for this fishery will be held in 2004.

**THIS "POINT
SYSTEM" IS
NECESSARY TO
ALLOCATE PERMITS
SINCE THE NUMBER
OF ELIGIBLE
APPLICANTS
TYPICALLY
EXCEEDS THE
MAXIMUM NUMBER
ESTABLISHED AT
THE TIME OF
LIMITATION.**

OPTIMUM NUMBERS AND FLEET REDUCTIONS

During 2003, the Commission's research staff continued to work on an optimum number study for the Bristol Bay salmon drift gillnet fishery. However, the study has not been completed and work will continue in 2004. In late 2003, the Commission contracted with Dr. Gunnar Knapp at the University of Alaska's Institute of Social and Economic Research to provide forecasts of future salmon prices, an essential component of the optimum number study. Dr. Knapp's work should be complete in early 2004.

Two preliminary reports on a survey done to collect data for the optimum number study are available on CTEC's web site (www.ctec.state.ak.us). These reports are the following:

2002 Survey of Bristol Bay Salmon Drift Gillnet Permit Holders: Preliminary Summary of Responses (02-4N) by S. Carlson.

2002 Survey of Bristol Bay Salmon Drift Gillnet Permit Holders: A Review of Survey Methodology and Implementation Procedures (02-5N) by S. Carlson and K. Schelle.

During 2003, the work of Alaska's Joint Legislative Salmon Industry Task Force (Task Force) continued. The stated purpose of the Task Force is "to evaluate the State of Alaska's statutory framework for Alaska's wild salmon industry as well as current industry practices and to make recommendations for statutory, regulatory, and structural changes that will improve the industry while recognizing the coastal economy." During the year, the Commissioners and the research staff provided data and background information to help Task Force committees that were considering ideas for legislative proposals. The work of the Task Force may result in some new legislative proposals to facilitate fleet reductions during the 2004 legislative session.

The Commission is committed to help fishing groups, the public, and policy makers explore fleet consolidation options and issues. The Commission is open to any proposal that would lead to improvements over the current situation. Nevertheless, the viability of different alternatives for industry restructuring may ultimately depend upon a satisfactory resolution of some of the issues raised by the Alaska Supreme Court in *Johns v. State*, *CFEC*, 758 P.2d 1256 (1988).

GULF OF ALASKA GROUND FISH RATIONALIZATION COMMITTEE

In 2003, the Alaska Board of Fisheries formed a Gulf of Alaska (GOA) groundfish rationalization committee. The purpose of the committee is to explore options for managing groundfish fisheries in state waters when the North Pacific Fishery Management Council (NPFMC) develops a fishery rationalization plan for GOA groundfish in the EEZ. A major concern is that a rationalized fishery in the EEZ could lead to spillover effects and deleterious changes in the nature of the fisheries in state waters if nothing is done.

The committee consists of three Board members and twelve steering committee members from the industry, ADF&G, the Department of Law, and the Commission are working with the committee to help develop options. The work of the committee may result in recommendations for new legislation during the 2004 legislative session.



Courtesy of Alaska Seafood Marketing Institute

OTHER PROJECTS AND REPORTS

The Research staff produced monthly permit value estimates for the use of the Commission, the Department of Community and Economic Development, and other users. The following is a listing of other non-confidential reports that CEEC staff members prepared during 2003:

Executive Summary - Changes in the Distribution of Alaska's Commercial Fisheries Entry Permits, 1975-2002 (03-2N-1-MFC) by Kurt Iverson, Nancy Free-Sloan, and Jane Ginter

Chignik Salmon Purse Seine Fishery: Permit Transfer Statistics, 1999-2003 (03-1N) by Nancy Free-Sloan

Permit Statistics for Alaska's Limited Entry Salmon Fisheries, 1993-2002 by Nancy Free-Sloan

Summary of Permit and Harvest Statistics for Alaska's Limited Entry Salmon Fisheries, 1993-2002 by Nancy Free-Sloan

Note: These reports are available on the CEEC website (www.ced.state.ak.us). Copies of the reports may be obtained from the Commercial Fisheries Entry Commission, Research Section, 8500 Glacier Highway, 109, Juneau, AK 99801.



Courtesy of Alaska Seafood Marketing Institute

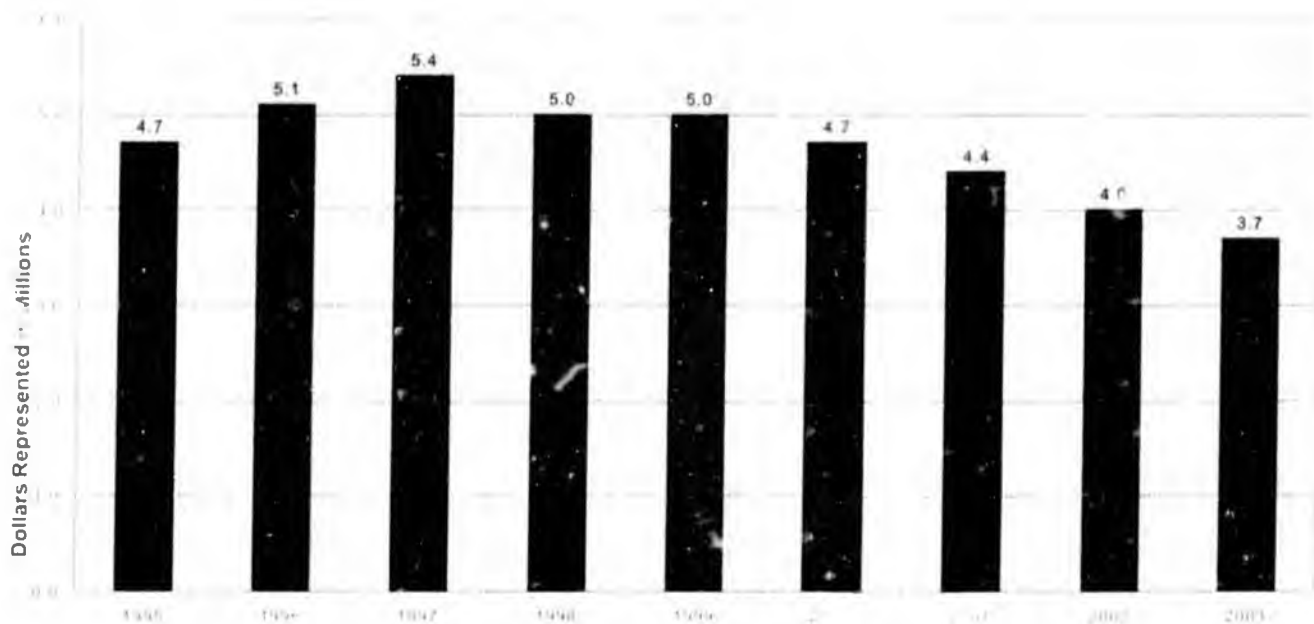
Revenue

OVERVIEW

Revenues generated by the Commission come primarily from issuance of commercial fishing permits and vessel licenses. Additional revenues come from research and data processing services and reports requested by the public, fishing organizations, fisheries research groups, and agencies. Total revenue for fiscal year 2003 (July 1, 2002 – June 30, 2003) was \$3.7 million, down by \$214,600 dollars from fiscal year 2002.

Despite an ever increasing workload and increased costs, the Commission has experienced reductions in funds and staff through budget cuts over the years. Since 1986, the Commission's fulltime staff has been cut from 41 to 30, more than a 25% loss of positions.

Revenue Generated by the Commission by Fiscal Year



Note: Revenue is generated by permit fees, vessel license fees, limited entry application fees, NSF check penalties, refunds, and miscellaneous revenue.



Courtesy of Alaska Seafood Marketing Institute



Courtesy of Alaska Seafood Marketing Institute



Courtesy of Alaska Seafood Marketing Institute

Appendices

LIST OF EMPLOYEE NAMES AND INTERNET ADDRESSES.....32

DECISIONS AND ACTIVITIES, CALENDAR YEARS 1998-2002.....33



Courtesy of Alaska Seafood Marketing Institute

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	Kurt Iverson	Fisheries Analyst	Kurt_Iverson@ctec.state.ak.us
	Stelaine M Carlson	Economist II	**
	Jane McMillan Ginter	Research Analyst III	Jane_Ginter@ctec.state.ak.us

* This list includes calendar year 2003 fulltime, seasonal and parttime employees.

** These people are no longer employed at the Commission.

Decisions and Activities in Prior Years

CALENDAR YEAR 2002

Conducted research, held public hearings, and adopted regulations limiting entry into the Kodiak *bairdi* Tanner crab pot fishery.

Received seven applications for the Kodiak food and bait herring gillnet and seine combined fishery and four applications for the Kodiak food and bait herring trawl fishery. Completed final adjudication of all of the applications for both fisheries and issued five limited entry permits for the Kodiak food and bait herring gillnet and seine combined fishery and four for the Kodiak food and bait herring trawl fishery.

Adopted regulations implementing the new law (Chapter 134 SLA 2002) that allowed a person to hold up to two salmon permits for purposes of fleet consolidation.

Continued work on optimum number study for the Bristol Bay salmon drift gillnet fishery.

Continued efforts to examine options for reducing the size of salmon fleets, throughout the year, by participating in the Governor's 2002 Salmon Summit in Kodiak, Alaska, by participating in discussions of and as a resource to the Joint Legislative Salmon Industry Task Force, participating in a meeting of the Yukon River Drainage Fishermen's Association to discuss options for improving their salmon fishery, participating in a Workshop on Options for Restructuring Alaska's Salmon Fisheries at the University of Alaska in Anchorage, and participating in workshops at the Seattle Fish Expo dealing with the restructuring of Alaska salmon's fisheries.

Received petitions to limit additional fisheries and began required analysis.

Continued to maintain a professional relationship with the IRS to help Alaska fishers protect their fishing privileges.

With the Alaska Attorney General, the Commission continued to defend the state against elimination of nonresident fee differential in the *Carlson* case.

CALENDAR YEAR 2001

Conducted research, held public hearings, and adopted regulations limiting entry into the Kodiak food and bait gillnet and seine combined fishery and the Kodiak food and bait herring trawl fishery.

Conducted research, held public hearings, and adopted regulations establishing point systems for the Kodiak food and bait herring fisheries.

Received 116 applications for the Southeast Alaska geoduck clam dive fishery. Completed final adjudication of 107 of the applications and issued 37 limited entry permits.

Received 391 applications for the Southeast Alaska sea cucumber dive fishery. Completed final adjudication of 387 of the applications and issued 383 limited entry permits.

Adopted regulations implementing the new fee structure for the annual renewal of limited entry permits and interim-use permits in preparation for the 2002 licensing year.

Began preliminary work on an optimum number study for the Bristol Bay salmon drift gillnet fishery.

Continued efforts to examine options for reducing the size of salmon fleets, throughout the year, by participating in a meeting of the Bristol Bay Fisheries Committee (sponsored by the Bristol Bay Native Association), on panels at Fish Expo sponsored by individual fishers and United Fishermen of Alaska (UFA); and in a statewide teleconference to discuss various options identified by the UFA and Representative Drew Sealzi.

Received petitions to limit additional fisheries and began required analysis.

Continued to maintain a professional relationship with the IRS to help Alaska fishers protect their fishing privileges, including the completion of a joint project a brochure entitled, *Resources for Alaska Commercial Fishers*.

With the Alaska Attorney General, the Commission continued to defend the state against elimination of nonresident fee differential in the *Carlson* case.

CALENDAR YEAR 2000

- Conducted research, held public hearings, and adopted regulations limiting entry into Southeast Alaska sea urchin and sea cucumber dive fisheries.
- Conducted research, held public hearings, and adopted regulations establishing point systems for the Southeast Alaska sea urchin, sea cucumber and geoduck clam dive fisheries.
- Received 90 applications for the Southeast Alaska sea urchin dive fishery. Completed final adjudication of 82 of the applications and issued 76 limited entry permits.
- Conducted a public comment period and adopted a regulation establishing an optimum number for the Northern Southeast Inside sablefish longline fishery.
- The legislature adopted HB 429 which extended the vessel moratoria in the Bering Sea Korean hair crab fishery and the Alaska weathervane scallop fishery until July 1, 2003, and July 1, 2004, respectively.
- Completed and published a report discussing the issue of transferability of limited entry permits.
- Participated in a discussion on Bristol Bay fleet reduction hosted by the Bristol Bay Native Association and the Bristol Bay Native Corporation.
- Received petitions to limit additional fisheries and began required analysis.
- Continued to meet with IRS to explore means to help permit holders achieve voluntary tax compliance and to eliminate attempted forced sales of limited entry permits.
- With the Alaska Attorney General, the Commission continued to defend the state against elimination of nonresident fee differential in the *Carlson* case.

CALENDAR YEAR 1999

Received 66 applications for the Southeast Alaska shrimp beam trawl fishery and 5 applications for the Southeast Alaska shrimp otter trawl fishery. Completed final adjudication of 48 of the shrimp beam trawl applications and three of the otter trawl applications.

Received 198 applications for the Goodnews Bay herring gillnet fishery. Completed final adjudication of 158 of the applications.

Proposed regulations and held public hearings on limiting entry into the Southeast Alaska sea urchin and geoduck clam dive fisheries. Adopted regulations limiting entry into the Southeast Alaska geoduck clam dive fishery.

Proposed regulations and held public hearings on limiting entry into the Southeast Alaska sea urchin and geoduck clam dive fisheries. Adopted regulations limiting entry into the Southeast Alaska geoduck clam dive fishery.

Participated in the Governor's 1999 Salmon Forum in Anchorage, Alaska.

Participated in a discussion on Bristol Bay fleet reduction hosted by the Bristol Bay Native Association and the Bristol Bay Native Corporation.

Received petitions to limit additional fisheries and began required analysis.

Continued to meet with IRS to explore means to help permit holders achieve voluntary tax compliance and to eliminate attempted forced sales of limited entry permits.

With the Alaska Attorney General, the Commission continued to defend the state against elimination of nonresident fee differential in the *Carlson* case.

YEARS PRIOR TO 1999

Information on prior years can be found in previous annual reports or on the Internet at the Commission web site: <http://www.cfec.state.ak.us>.

MEMORANDUM

STATE OF ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

TO: Senator Ben Stevens
Alaska State Senate

DATE: February 3, 2005

PHONE: (907) 789-6160 VOICE
(907) 789-6170 FAX

FROM: Commercial Fisheries Entry Commission
Frank Homan, Commissioner
Mary McDowell, Commissioner
Bruce Twomley, Chairman

SUBJECT: Need for CFEC Fee Bill

In 2001, the legislature passed legislation to bring the state into compliance with a State Supreme Court decision in the Carlson v. State of Alaska class action brought by non-resident fishermen challenging the state's fee structure charging higher commercial fishing license and permit fees to non-residents. The 2001 legislation eliminated the 3-to-1 non-resident permit fee differential and it was replaced it with the court's formula. Because certain aspects of the case were still under appeal at that time, the legislature recognized that further legislation would likely be required in the future to implement subsequent Carlson decisions.

While much of Carlson remains under appeal, a recent decision determined that the state may only assess the non-resident fee differential once per year per non-resident permit holder, regardless of the number of permits held. Thus, immediate legislative action is required to clarify the statutory language regarding the application of the non-resident differential.

The currently required revision will result in yet another decline in the revenues generated from commercial fishing fees.

Because of Carlson and for several other reasons discussed below, the Commercial Fisheries Entry Commission (CFEC) has experienced a continuing decline in revenues to the point where revenues generated from permit and vessel fees can no longer sustain CFEC's budget. CFEC, a receipt supported services agency funded by industry fees, has traditionally returned revenue to the general fund above its needs. In recent years, the legislature has appropriated these receipts to help fund the Division of Commercial Fisheries. Despite generating more revenue than its own budget, CFEC has experienced a

29% loss of its full-time staff due to budget reductions since 1986, decreasing from 41 full-time employees to 29 full-time employees.

Several factors beyond the control of CFEC have converged to decrease CFEC revenue to the point where it is now impossible to provide sufficient revenue to cover its budget from receipts. In addition to reductions in non-resident fee revenues due to the Carlson case, other factors include: consolidation in federal fisheries has resulted in the purchase of fewer state-issued halibut and black cod permits; reduced permit prices in the salmon fisheries have resulted in lower fees collected since fees are based on permit prices or gross revenues, and as they have declined so have fees; poor fishing seasons in recent years and fishery limitations have caused fewer permits to be purchased.

The outlook is for continued consolidation of the federal and state fisheries. Whether the salmon fisheries will rebound is uncertain, and industry's search for restructuring, product development and new markets are likely to take some time. At this time it is necessary to consider an increase in the annual permit renewal fee schedule, which have not been significantly changed since 1987, and a modest increase in vessels license fees, which have not been raised in 10 years.

What is being proposed by this legislation is a lifting of the statutory cap on permit fees. The existing \$300 statutory fee cap has artificially held down the amount of fees charged despite the substantial economic value of the fisheries affected. Removal of the cap will allow the fees to more closely conform to the statutory guidelines of AS 16.43.160(e), which requires: "The annual base fee must reasonably reflect the different rates of economic return for different fisheries."

The commission then by regulation would propose slight increases in current permit fee classes and add several new fee classes for higher valued fisheries. This change will have little effect on the lower value fisheries.

The annual permit renewal fee increase would begin at \$15 for the lower value fisheries and progress through the fee classes by adding additional \$15 increments at each fee class. We would then add fee classes for the higher value fisheries, that will reflect their economic value. The proposal only has a modest effect on existing fee classes. Those fisheries in the lowest two fee classes, currently \$60 and

\$120 (which represent more that 80% of all permits), would only experience a \$15 and \$30 increase respectively. The current \$60 fee class (representing more that 55% of permits) would increase from \$60 to \$75 and the \$120 fee class (representing another 25% of permits) would increase from \$120 to \$150.

In short, this new fee proposal would have little effect on those in lower valued fisheries. The main effect of removing the statutory cap will be to adjust those very valuable fisheries (that have been artificially held down to \$300) to higher fee categories, that more accurately reflect their real economic return.

This legislation would also increase the range of annual vessel license renewal fees by amounts from \$15 for the 0-25 feet class (the lowest fee class) to \$90 for vessels larger than 250 feet (the highest fee class). The fee increase for the lowest two fee categories which include vessels up to 50 feet (accounting for 87% of all vessels licensed) would only be \$30 or less.

Key Provisions of SB 93

RE: Commercial Fishing Permit and Vessel License Fees

- To comply with recent rulings in *Carlson v. State of Alaska*, clarify that the nonresident fee differential will be charged on a "per person" basis, rather than a "per permit" basis.

Nonresidents who renew more than one permit in a year have been paying an additional amount, above what a resident would pay, for each permit they renew. Under a recent ruling in *Carlson*, the state may only charge the nonresident differential (surcharge) to each nonresident one time per year, regardless of the number of permits they renew.

- Charge nonresidents who qualify for the reduced permit fee (by meeting low income standards) the full allowable nonresident differential.

Current law provides that residents and nonresidents who qualify for the reduced fee may pay one-half of the base fee for the fishery, and that nonresidents will also pay an additional amount equal to only one-half of the allowable nonresident differential.

- Remove the \$300 cap on the base fee CFEC may charge for annual renewal of permits.

While current law calls for annual base fees for permits to "reasonably reflect the different rates of economic return for different fisheries," the current \$300 cap places an artificial ceiling on the fee structure. This results in fisheries with a very high economic return being charged fees that are disproportionately low, relative to the fees charged to lower value fisheries. Removing the cap allows for a fairer fee structure that more fully complies with the mandate that fees reflect the value of respective fisheries.

- Slightly increase annual commercial fishing vessel license fees, beginning with 2006.

Fees are currently broken into 6 vessel size categories from smallest (vessels up to 24 feet) to largest (over 250 feet). The bill would maintain the 6 categories and simply increase the fee in the respective categories by \$15, 30, 45, 60, 75, and 90.

- Authorize CFEC to charge reasonable fees for initial issuance and replacement of the number plates issued to vessels for displaying the vessel's ADF&G number and annual vessel license renewal stickers.

**CFEC VESSEL LICENSE FEES¹
CURRENT AND PROPOSED**

Vessel Length	Number	Current Fee	Proposed Fee
0-25'	3,484	\$20	\$35
25-50'	5,600	\$50	\$80
50-75'	764	\$100	\$145
75-150'	447	\$250	\$310
150-250'	92	\$500	\$575
250'	26	\$750	\$840
TOTAL	10,413		

33.5% would increase only by \$15
53.8% would increase only by \$30
 87.3% would increase only by \$30 or less

¹ AS 16.05.530 last amended in 1995

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB _____**

Permit Counts and Estimated Revenue By Base Fee
February 3, 2005

Current 2005 Permit Renewal Fees				2005 Fees Using Proposed Method			
Base Fee	Number of Permits		Estimated Revenue	Base Fee	Number of Permits		Estimated Revenue
	Residents	Non-Residents			Residents	Non-Residents	
				\$3,450	78	234	\$1,076,400
				↓			
				\$2,250	60	65	\$281,250
				↓			
				\$2,025	9	42	\$103,275
				↓			
				\$1,200	34	17	\$61,200
				↓			
				\$900	200	209	\$368,100
				\$825	136	240	\$310,200
				\$750	101	23	\$93,000
				↓			
				\$600	23	2	\$15,000
				\$525	71	77	\$77,700
				↓			
\$300	747	918	\$499,500	\$375	10	2	\$4,500
\$240	858	272	\$271,200	\$300	652	254	\$271,800
\$180	827	241	\$192,240	\$225	257	32	\$65,025
\$120	3,749	1,634	\$645,960	\$150	4,496	1,860	\$953,400
\$60	10,702	1,815	\$751,020	\$75	10,756	1,823	\$943,425
Totals	16,883	4,880	\$2,359,920		16,883	4,880	\$4,824,275



Under the proposed methodology, no permits would fall into the omitted base fee categories.

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB _____**

Permit Counts By Base Fee Category
February 3, 2005

Current 2005 Permit Counts By Base Fee Category				2005 Permit Counts Using Proposed Method			
Base Fee	Number of Permits		Total Permits	Base Fee	Number of Permits		Total Permits
	Residents	Non-Residents			Residents	Non-Residents	
				\$3,450	78	234	312
				↓			
				\$2,250	60	65	125
				↓			
				\$2,025	9	42	51
				↓			
				\$1,200	34	17	51
				↓			
				\$900	200	209	409
				\$825	136	240	376
				\$750	101	23	124
				↓			
				\$600	23	2	25
				\$525	71	77	148
				↓			
\$300	747	918	1,665	\$375	10	2	12
\$240	858	272	1,130	\$300	652	254	906
\$180	827	241	1,068	\$225	257	32	289
\$120	3,749	1,634	5,383	\$150	4,496	1,860	6,356
\$60	10,702	1,815	12,517	\$75	10,756	1,823	12,579
Totals	16,883	4,890	21,773		16,883	4,890	21,773



Under the proposed methodology, no permits would fall into the omitted base fee categories.

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB _____**

February 3, 2005

Fishery	Description	Under Limited Entry?	Resident Permits	Non-Resident Permits	Actual 2005 Base Fee	2005 Base Fee Under Proposed Methodology
B05B	HALIBUT, HAND TROLL, STATEWIDE	N	170	0	\$60	\$75
B25B	HALIBUT, DINGLEBAR TROLL, STATEWIDE	N	4	1	\$60	\$75
B26B	HALIBUT, MECHANICAL JIG, STATEWIDE	N	72	3	\$60	\$75
C26B	SABLEFISH, MECHANICAL JIG, STATEWIDE	N	8	0	\$60	\$75
C4CE	SABLEFISH, NET GEAR MAX VL LENGTH 50', PRINCE WILLIAM SOUND	Y	1	0	\$60	\$75
C5AE	SABLEFISH, FIXED GEAR MAX VL LENGTH 90', PRINCE WILLIAM SOUND	Y	1	0	\$60	\$75
C5BE	SABLEFISH, FIXED GEAR MAX VL LENGTH 60', PRINCE WILLIAM SOUND	Y	3	0	\$60	\$75
C5DE	SABLEFISH, FIXED GEAR MAX VL LENGTH 35', PRINCE WILLIAM SOUND	Y	10	0	\$60	\$75
D09D	DUNGENESS CRAB, POT GEAR VL UNDER 60', YAKUTAT	N	0	1	\$60	\$75
D09L	DUNGENESS CRAB, POT GEAR VL UNDER 60', CHIGNIK	N	1	0	\$60	\$75
D10A	DUNGENESS CRAB, RING NETS, SOUTHEAST	Y	5	0	\$60	\$75
D11A	DUNGENESS CRAB, DIVING GEAR, SOUTHEAST	Y	1	1	\$60	\$75
D91D	DUNGENESS CRAB, POT GEAR VL OVER 60', YAKUTAT	N	1	1	\$60	\$75
D9DA	DUNGENESS CRAB, 75 POTS/OR 25% OF MAX, SOUTHEAST	Y	91	10	\$60	\$75
G01K	HERRING ROE, PURSE SEINE, KODIAK	Y	51	14	\$60	\$75
G01L	HERRING ROE, PURSE SEINE, CHIGNIK	N	4	0	\$60	\$75
G01M	HERRING ROE, PURSE SEINE, AK PENINSULA	N	9	0	\$60	\$75
G31K	HERRING ROE, GILLNET & PURSE SEINE, KODIAK	Y	2	0	\$60	\$75
G34A	HERRING ROE & FD/OT, GILLNET, SOUTHEAST	Y	78	37	\$60	\$75
G34H	HERRING ROE, GILLNET, COOK INLET	N	39	0	\$60	\$75
G34K	HERRING ROE, GILLNET, KODIAK	Y	80	9	\$60	\$75
G34M	HERRING ROE, GILLNET, AK PENINSULA	N	4	0	\$60	\$75
G34N	HERRING ROE, GILLNET, NELSON ISLAND	Y	123	4	\$60	\$75
G34S	HERRING ROE, GILLNET, SECURITY COVE	N	44	35	\$60	\$75
G34T	HERRING ROE, GILLNET, BRISTOL BAY	N	137	58	\$60	\$75
G34U	HERRING ROE, GILLNET, NUNIVAK ISLAND	Y	39	4	\$60	\$75
G34V	HERRING ROE, GILLNET, CAPE AVINOF	N	77	0	\$60	\$75
G34W	HERRING ROE, GILLNET, GOODNEWS BAY	Y	138	0	\$60	\$75
G34Y	HERRING ROE, GILLNET, CAPE ROMANZOF	Y	59	0	\$60	\$75
G34Z	HERRING ROE, GILLNET, NORTON SOUND	Y	183	59	\$60	\$75
H01L	HERRING FOOD/BAIT, PURSE SEINE, CHIGNIK	N	1	0	\$60	\$75
H21A	HERRING FOOD/BAIT, SPAWN ON KELP/POUND, SOUTHEAST	N	19	3	\$60	\$75
H34M	HERRING FOOD/BAIT, GILLNET, AK PENINSULA	N	22	0	\$60	\$75
H7BK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 75', KODIAK	Y	0	1	\$60	\$75
H7CK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 70', KODIAK	Y	1	0	\$60	\$75
H7DK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 60', KODIAK	Y	0	2	\$60	\$75
I05B	LING COD, HAND TROLL, STATEWIDE	N	20	0	\$60	\$75
I06B	LING COD, LONGLINE VL UNDER 50', STATEWIDE	N	18	2	\$60	\$75
I25B	LING COD, DINGLEBAR TROLL, STATEWIDE	N	72	3	\$60	\$75
I26B	LING COD, MECHANICAL JIG, STATEWIDE	N	42	2	\$60	\$75
I61B	LING COD, LONGLINE VL OVER 60', STATEWIDE	N	1	0	\$60	\$75
I91B	LING COD, POT GEAR VL OVER 60', STATEWIDE	N	2	1	\$60	\$75
K09D	KING CRAB, POT GEAR VL UNDER 60', YAKUTAT	N	1	0	\$60	\$75
K09O	KING CRAB, POT GEAR VL UNDER 60', DUTCH HARBOR	N	1	0	\$60	\$75
K09Q	KING CRAB, POT GEAR VL UNDER 60', BERING SEA	N	2	0	\$60	\$75
K09X	KING CRAB, POT GEAR VL UNDER 60', SAINT LAWRENCE ISLAND	N	4	0	\$60	\$75
K19A	RED/BLUE KING CRAB, POT GEAR, SOUTHEAST	Y	5	0	\$60	\$75
L12T	HERRING SPAWN ON KELP, DIVE/HAND PICK, BRISTOL BAY	Y	201	6	\$60	\$75
L21C	HERRING SPAWN ON KELP/POUND, SOUTHERN SOUTHEAST	Y	159	16	\$60	\$75
M01B	MISCELLANEOUS SALT WATER FINFISH, PURSE SEINE, STATEWIDE	N	1	0	\$60	\$75
M05B	MISCELLANEOUS SALT WATER FINFISH, HAND TROLL, STATEWIDE	N	72	4	\$60	\$75

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB**

February 3, 2005

Fishery	Description	Under Limited Entry?	Resident Permits	Non-Resident Permits	Actual 2005 Base Fee	2005 Base Fee Under Proposed Methodology
M06B	MISCELLANEOUS SALTWATER FINFISH, LONGLINE VL UNDER 60', STW	N	687	60	\$60	\$75
M17B	MISCELLANEOUS SALTWATER FINFISH, BEAM TRAWL, STATEWIDE	N	4	0	\$60	\$75
M25B	MISCELLANEOUS SALTWATER FINFISH, DINGLEBAR TROLL, STATEWIDE	N	10	0	\$60	\$75
M26B	MISCELLANEOUS SALTWATER FINFISH, MECHANICAL JIG, STATEWIDE	N	445	51	\$60	\$75
M37B	MISCELLANEOUS SALTWATER FINFISH, PAIR TRAWL, STATEWIDE	N	1	0	\$60	\$75
P09D	SHRIMP, POT GEAR VL UNDER 60', YAKUTAT	N	15	0	\$60	\$75
P09E	SHRIMP, POT GEAR VL UNDER 60', PRINCE WILLIAM SOUND	N	1	0	\$60	\$75
P09J	SHRIMP, POT GEAR VL UNDER 60', WESTWARD	N	14	0	\$60	\$75
P17E	SHRIMP, BEAM TRAWL, PRINCE WILLIAM SOUND	N	5	0	\$60	\$75
P17J	SHRIMP, BEAM TRAWL, WESTWARD	N	2	0	\$60	\$75
P91A	SHRIMP, POT GEAR, SOUTHEAST	Y	271	21	\$60	\$75
P91J	SHRIMP, POT GEAR VL OVER 60' WESTWARD	N	5	0	\$60	\$75
Q11A	SEA CUCUMBER, DIVING GEAR, SOUTHEAST	Y	258	72	\$60	\$75
Q11B	SEA CUCUMBER, DIVING GEAR, STATEWIDE/EXCLUDING SOUTHEAST	N	23	5	\$60	\$75
R18B	CLAMS, SHOVEL, STATEWIDE	N	30	25	\$60	\$75
R23B	CLAMS, MECHANICAL DIGGER, STATEWIDE/NOT SE GEODUCK	N	1	0	\$60	\$75
S01E	SALMON, PURSE SEINE, PRINCE WILLIAM SOUND	Y	188	67	\$60	\$75
S01H	SALMON, PURSE SEINE, COOK INLET	Y	69	8	\$60	\$75
S01K	SALMON, PURSE SEINE, KODIAK	Y	267	85	\$60	\$75
S01M	SALMON, PURSE SEINE, AK PENINSULA	Y	83	26	\$60	\$75
S02K	SALMON, BEACH SEINE, KODIAK	Y	25	5	\$60	\$75
S03A	SALMON, DRIFT GILLNET, SOUTHEAST	Y	351	120	\$60	\$75
S03H	SALMON, DRIFT GILLNET, COOK INLET	Y	386	172	\$60	\$75
S04D	SALMON, SET GILLNET, AKUTAT	Y	127	32	\$60	\$75
S04H	SALMON, SET GILLNET, COOK INLET	Y	611	120	\$60	\$75
S04P	SALMON, SET GILLNET, UPPER YUKON	Y	53	0	\$60	\$75
S04T	SALMON, SET GILLNET, BRISTOL BAY	Y	693	277	\$60	\$75
S04W	SALMON, SET GILLNET, KUSKOKWIM	Y	732	4	\$60	\$75
S04X	SALMON, SET GILLNET, KOTZEBUE	Y	148	4	\$60	\$75
S04Y	SALMON, SET GILLNET, LOWER YUKON	Y	561	5	\$60	\$75
S04Z	SALMON, SET GILLNET, NORTON SOUND	Y	139	2	\$60	\$75
S05B	SALMON, HAND TROLL, STATEWIDE	Y	961	118	\$60	\$75
S08P	SALMON, FISH WHEEL, UPPER YUKON	Y	100	2	\$60	\$75
S15B	SALMON, POWER TROLL, STATEWIDE	Y	756	186	\$60	\$75
T09K	TANNER CRAB (NOT BAIRD), POT GEAR VL UNDER 60', KODIAK	N	89	8	\$60	\$75
T09Q	TANNER CRAB, POT GEAR VL UNDER 60', BERING SEA	N	1	0	\$60	\$75
T10A	TANNER CRAB, RING NET, SOUTHEAST	N	105	2	\$60	\$75
T91K	TANNER CRAB, POT GEAR VL OVER 60', KODIAK	N	20	6	\$60	\$75
TB9BK	TANNER BAIRD CRAB, POT GEAR VL UNDER 60', KODIAK	Y	106	6	\$60	\$75
U11A	SEA URCHIN, DIVING GEAR, SOUTHEAST	Y	34	38	\$60	\$75
U11B	SEA URCHIN, DIVING GEAR, STATEWIDE/EXCLUDING SOUTHEAST	N	3	1	\$60	\$75
Y05A	DEMERSAL SHELF ROCKFISH, HAND TROLL, SOUTHEAST	N	15	1	\$60	\$75
Y06A	DEMERSAL SHELF ROCKFISH, LONGLINE VL UNDER 60', SOUTHEAST	N	181	6	\$60	\$75
Y25A	DEMERSAL SHELF ROCKFISH, DINGLEBAR TROLL, SOUTHEAST	N	8	1	\$60	\$75
Y26A	DEMERSAL SHELF ROCKFISH, MECHANICAL JIG, SOUTHEAST	N	11	1	\$60	\$75
Y61A	DEMERSAL SHELF ROCKFISH, LONGLINE VL OVER 60', SOUTHEAST	N	28	1	\$60	\$75
D09J	DUNGENESS CRAB, POT GEAR VL UNDER 60', WESTWARD	N	24	3	\$120	\$75
D91L	DUNGENESS CRAB, POT GEAR VL OVER 60', CHIGNIK	N	1	0	\$120	\$75
G01H	HERRING ROE, PURSE SEINE, COOK INLET	Y	6	0	\$120	\$75
K91K	KING CRAB, POT GEAR VL OVER 60', KODIAK	N	4	1	\$120	\$75
L21E	HERRING SPAWN ON KELP/POUND, PRINCE WILLIAM SOUND	Y	2	0	\$120	\$75

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB _____**

February 3, 2005

Fishery	Description	Under Limited Entry?	Resident Permits	Non-Resident Permits	Actual 2005 Base Fee	2005 Base Fee Under Proposed Methodology
P07J	SHRIMP, OTTER TRAWL, WESTWARD	N	2	0	\$120	\$75
TB9AK	TANNER BAIRDI CRAB, POT GEAR VL OVER 60', KODIAK	Y	15	4	\$120	\$75
B06B	HALIBUT, LONGLINE VL UNDER 60', STATEWIDE	N	2,211	338	\$120	\$150
C07B	SABLEFISH, OTTER TRAWL, STATEWIDE	N	0	3	\$120	\$150
C5CE	SABLEFISH, FIXED GEAR MAX VL LENGTH 50', PRINCE WILLIAM SOUND	Y	37	3	\$120	\$150
D91J	DUNGENESS CRAB, POT GEAR VL OVER 60', WESTWARD	N	9	2	\$120	\$150
D91M	DUNGENESS CRAB, POT GEAR VL OVER 60', AK PENINSULA	N	1	0	\$120	\$150
D9CA	DUNGENESS CRAB, 150 POTS/OR 50% OF MAX, SOUTHEAST	Y	72	11	\$120	\$150
G01T	HERRING ROE, PURSE SEINE, BRISTOL BAY	N	67	16	\$120	\$150
H01A	HERRING FOOD/BAIT, PURSE SEINE, SOUTHEAST	N	13	1	\$120	\$150
J11A	GEODUCK CLAMS, DIVING GEAR, SOUTHEAST	Y	44	34	\$120	\$150
K09Z	KING CRAB, POT GEAR VL UNDER 60' NORTON SOUND	N	71	5	\$120	\$150
K59A	BROWN KING/TANNER CRAB, POT GEAR, SOUTHEAST	Y	3	1	\$120	\$150
S01A	SALMON, PURSE SEINE, SOUTHEAST	Y	182	222	\$120	\$150
S03M	SALMON, DRIFT GILLNET, AK PENINSULA	Y	71	77	\$120	\$150
S03T	SALMON, DRIFT GILLNET, BRISTOL BAY	Y	900	911	\$120	\$150
T09M	TANNER CRAB, POT GEAR VL UNDER 60', AK PENINSULA	N	11	2	\$120	\$150
T09O	TANNER CRAB, POT GEAR VL UNDER 60', DUTCH HARBOR	N	3	0	\$120	\$150
D9BA	DUNGENESS CRAB, 225 POTS/OR 75% OF MAX, SOUTHEAST	Y	35	8	\$180	\$150
G02Z	HERRING ROE, BEACH SEINE, NORTON SOUND	Y	4	1	\$180	\$150
H1DK	HERRING, FOOD/BAIT, PURSE SEINE, FIXED VL LENGTH 60', KODIAK	Y	5	0	\$180	\$150
K29A	RED/BLUE/BROWN KING CRAB, POT GEAR, SOUTHEAST	Y	5	0	\$180	\$150
K39A	BROWN KING CRAB, POT GEAR, SOUTHEAST	Y	4	1	\$180	\$150
L21A	HERRING SPAWN ON KELP/POUND, NORTHERN SOUTHEAST	Y	96	14	\$180	\$150
P17A	SHRIMP, BEAM TRAWL, SOUTHEAST	Y	29	2	\$180	\$150
S03E	SALMON, DRIFT GILLNET, PRINCE WILLIAM SOUND	Y	403	135	\$180	\$150
S04K	SALMON, SET GILLNET, KODIAK	Y	130	56	\$180	\$150
S04M	SALMON, SET GILLNET, AK PENINSULA	Y	90	17	\$180	\$150
C91C	SABLEFISH, POT GEAR VL OVER 60', SOUTHERN SOUTHEAST	Y	3	1	\$180	\$225
D09M	DUNGENESS CRAB, POT GEAR VL UNDER 60', AK PENINSULA	N	6	1	\$180	\$225
H01M	HERRING FOOD/BAIT, PURSE SEINE, AK PENINSULA	N	17	5	\$180	\$225
D9AA	DUNGENESS CRAB, 300 POTS/OR 100% OF MAX, SOUTHEAST	Y	43	5	\$240	\$225
M09B	MISCELLANEOUS SALTWATER FINFISH, POT GEAR VL UNDER 60' STW	N	163	15	\$240	\$225
S04E	SALMON, SET GILLNET, PRINCE WILLIAM SOUND	Y	25	5	\$240	\$225
B61B	HALIBUT, LONGLINE VL OVER 60', STATEWIDE	N	231	122	\$240	\$300
C06B	SABLEFISH, LONGLINE VL UNDER 60', STATEWIDE	N	396	125	\$240	\$300
K91Q	KING CRAB, POT GEAR VL OVER 60', BERING SEA	N	9	5	\$300	\$300
T19A	TANNER CRAB, POT GEAR, SOUTHEAST	Y	16	2	\$300	\$300
C09B	SABLEFISH, POT GEAR VL UNDER 60', STATEWIDE	N	4	1	\$300	\$375
K09T	KING CRAB, POT GEAR VL UNDER 60', BRISTOL BAY	N	3	1	\$300	\$375
P07E	SHRIMP, OTTER TRAWL, PRINCE WILLIAM SOUND	N	3	0	\$300	\$375
M91B	MISCELLANEOUS SALTWATER FINFISH, POT GEAR VL OVER 60' STW	N	71	77	\$300	\$525
K49A	RED/BLUE KING/TANNER CRAB, POT GEAR, SOUTHEAST	Y	23	2	\$300	\$600
C61C	SABLEFISH, LONGLINE VL OVER 60', SOUTHERN SOUTHEAST	Y	18	6	\$300	\$750
S01L	SALMON, PURSE SEINE, CHIGNIK	Y	83	17	\$300	\$750
C61B	SABLEFISH, LONGLINE VL OVER 60', STATEWIDE	N	68	88	\$300	\$825
C91B	SABLEFISH, POT GEAR VL OVER 60', STATEWIDE	N	5	7	\$300	\$825
T91Q	TANNER CRAB, POT GEAR VL OVER 60', BERING SEA	N	63	145	\$300	\$825
C61A	SABLEFISH, LONGLINE VL OVER 60', NORTHERN SOUTHEAST	Y	82	27	\$300	\$900
K69A	RED/BLUE/BROWN KING/TANNER CRAB, POT GEAR, SOUTHEAST	Y	42	2	\$300	\$900
K91T	KING CRAB, POT GEAR VL OVER 60', BRISTOL BAY	N	76	180	\$300	\$900

**State of Alaska
Commercial Fisheries Entry Commission**

**Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB _____**

February 3, 2005

Fishery	Description	Under Limited Entry?	Resident Permits	Non-Resident Permits	Actual 2005 Base Fee	2005 Base Fee Under Proposed Methodology
G01A	HERRING ROE, PURSE SEINE, SOUTHEAST	Y	34	17	\$300	\$1,200
K91O	KING CRAB, POT GEAR VL OVER 60', DUTCH HARBOR	N	9	42	\$300	\$2,025
M61B	MISCELLANEOUS SALTWATER FINFISH, LONGLINE VL OVER 60', STW	N	60	65	\$300	\$2,250
M07B	MISCELLANEOUS SALTWATER FINFISH, OTTER TRAWL, STATEWIDE	N	78	234	\$300	\$3,450
			16,883	4,880		

SB

100

SENATE COMMITTEE REPORT
First Committee of Referral

10/05

FURTHER: Community and
Regional Affairs

5-Day Notice: _____
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: _____

and Commerce considered SENATE BILL NO. 100

SB 100 ENHANCED 911 SURCHARGES

relating to enhanced 911 surcharges imposed by a municipality."

Comments:

Replaced with _____ CS _____ (_____)

Replaces previous _____ CS _____ (_____)

Attached amendment(s)

Request Letter of Intent by _____ Committee

Further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

FISCAL NOTE(S):

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB100-DPS-AST-2-16-05
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title An Act relating to enhanced 911 surcharges RDU Alaska State Troopers
 Component AST Detachment
 Sponsor Senator Bunde
 Requester _____ 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						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

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)

This bill will have no fiscal impact on the Department of Public Safety if passed in its current form.

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: Captain Al Storey Phone 269-5682
 Division: Alaska State Troopers Date/Time 2/16/05 12:10 PM
 Approved by: Commissioner William Tandeske Date 2/16/2005
 Agency: Department of Public Safety

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 100
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Enhanced 911 Surcharges RDU Regulatory Commission of Alaska
Imposed by a Municipality Component Regulatory Commission of Alaska
 Sponsor Bunde
 Requester Senate Labor & Commerce Component No. 2417

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						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

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	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The Regulatory Commission of Alaska's (RCA) mission is to protect consumer interests and promote economic development by ensuring affordable reliable utility and pipeline services and ensuring that the utility and pipeline infrastructure is adequate to support community needs.

SB 100 contemplates changes to the municipal statute, AS 29. Passage of SB 100 will have no impact on the RCA's statutes or operations

Prepared by: Kate Giard, Chairman Phone (907) 263-2110
 Division Regulatory Commission of Alaska Date/Time 2/15/05 11:53 AM
 Approved by: Edgar Blatchford, Commissioner Date 2/15/2005
 Agency Commerce, Community & Economic Development

E-911 Dispatch Center
Costs and Revenues
Selected Alaska Cities

	Call Center/Disp. ch Operating Costs	Current E-911 Surcharge Revenue	Current Revenue Shortfall
Anchorage (1)	\$ 6,079,516	\$ 2,066,944	\$ 4,012,572
Fairbanks (2)	\$ 4,680,000	\$ 436,293	\$ 4,243,707
Kenai (3)	\$ 2,266,680	\$ 447,352	\$ 1,819,328
Juneau (4)	\$ 1,204,100	\$ 305,500	\$ 898,600
Kodiak (5)	\$ 602,320	\$ 52,000	\$ 550,320

Note: Operating costs only. Does not include capital expenditures or anticipated Wireless E-911 cost recovery.

Sources

- (1) Anchorage Police Department/Office of Management & Budget
- (2) City of Fairbanks Office of the City Manager
- (3) Kenai Peninsula Borough Office of Emergency Management
- (4) City and Borough of Juneau FY 2005 Operating Budget
- (5) City of Kodiak Finance Department, 2005 budget

Range of 9-1-1 Maximum Surcharges

State	Wireline Surcharge	Wireless Surcharge
Alabama	\$ 2.00	\$ 0.70
Alaska	\$ 0.75	\$ 0.75
Arizona	\$ 0.37	\$ 0.37
Arkansas	\$ 0.77	\$ 0.50
California	.72% of intrastate phone charges	.72% of intrastate phone charges
Colorado	\$ 0.70	\$ 0.70
Connecticut	\$ 0.50	\$ 0.50
Delaware	\$ 0.60	\$ 0.60
District of Columbia	\$ -	\$ 0.56
Florida	\$ 0.50	\$ 0.50
Georgia	\$ 1.50	\$ 1.00
Hawaii	\$ 0.27	\$ -
Idaho	\$ 1.00	\$ 1.00
Illinois	\$ 1.25	\$ 0.75
Indiana	3-10% of monthly access	\$ 2.00
Iowa	\$ 2.50	\$ 0.50
Kansas	\$ 0.75	\$ -
Kentucky	\$ 1.75	\$ 0.70
Louisiana	\$ 2.00	\$ 0.85
Maine	\$ 0.50	\$ 0.50
Maryland	\$ 1.00	\$ 1.00
Massachusetts	\$ 0.85	\$ 0.30
Michigan	\$ 3.00	\$ 0.52
Minnesota	\$ 0.55	\$ 0.50
Mississippi	\$ 1.00	\$ 1.00
Missouri	\$ 1.50	\$ -
Montana	\$ 0.50	\$ 0.50
Nebraska	\$ 1.00	\$ 0.50
Nevada	Tax based	\$ 0.25
New Hampshire	\$ 0.42	\$ 0.42
New Jersey	General fund	General fund
New Mexico	\$ 0.51	\$ 0.51
New York	\$ 0.35	\$ 1.50
North Carolina	\$ 4.00	\$ 0.80
North Dakota	\$ 1.00	\$ 1.00
Ohio	\$ 0.50	\$ 0.65
Oklahoma	15% of recurring charges	\$ 0.50
Oregon	\$ 0.75	\$ 0.75
Pennsylvania	\$ 1.50	\$ 1.00
Rhode Island	\$ 1.00	\$ 1.28
South Carolina	\$ 1.50	\$ 0.59

Range of 9-1-1 Maximum Surcharges

South Dakota	\$	0.75	\$	0.75
Tennessee	\$	2.00	\$	1.00
Texas	\$	0.50	\$	0.50
Utah	\$	0.53	\$	0.53
Vermont	Univ. Svc Funding		Univ. Svc Funding	
Washington	\$	0.70	\$	0.25
West Virginia	\$	3.75	\$	1.43
Wisconsin	\$	1.00	\$	-
Wyoming	\$	0.50	\$	-

MEMO

Matanuska Telephone Association
1740 S. Chugach St.
Palmer, Alaska 99645

To: Ms. Lauren Wickersham
From: Matt Gebhardt
Date: February 14, 2005
Subject: Generic 911 Information.

Basic 911 (B911) is the delivery of emergency 911 calls to a Public Safety Answering Point (PSAP). A "Basic 911 system" may be accessed utilizing the three-digit number 911, but no available options or enhanced systems are included in the system - in particular no selective routing. Basic 911 in general connects a 9-1-1 caller to a designated answering point.

An "Enhanced 911 system" is traditionally a telephone communications service consisting of telephone network switching features and public safety answering points designated by the local government. E911 should be capable of directing 911 calls to appropriate PSAPs by selective routing based on the geographical location from which the call originated and provides the capability for Automatic Number Identification (ANI) and Automatic Location Identification (ALI).

NENA (the National Emergency Number Association) makes the distinction between B911 and E911 as follows:

The feature that separates B911 from E911 is Selective Routing. Basic systems may have both ANI and ALI but are not considered Enhanced until Selective Routing is added. Generally speaking, Enhanced 911 systems will feature Selective Routing, ANI, ALI, Selective and Fixed Transfer and Alternate Routing. Selective Routing delivers 911 calls to a specific PSAP based upon the street address of the caller.

My understanding of the funding mechanism involving the surcharge and the "enhanced 911 system" is described per AS 29.35.131 which reads:

(a) A municipality may, by resolution or ordinance, elect to provide an enhanced 911 system at public safety answering points, may purchase or lease the enhanced 911 equipment or service required to establish or maintain an enhanced 911 system at public safety answering points from a local exchange telephone company or other qualified vendor, and may impose an enhanced 911 surcharge, in an amount to be determined by the municipality, on all local exchange access lines that provide telephone service to wireline telephones in the area to be served by the enhanced 911 system.

The question of the definition of "enhanced 911 system" as referred to above then is explained in AS 29.35.137-3 as follows:

(3) "enhanced 911 system" means a telephone system consisting of network, database, and enhanced 911 equipment that uses the single three digit number, 911, for reporting a police, fire, medical, or other emergency situation, and that enables the users of a public telephone system to reach a public safety answering point to report emergencies by dialing 911; an enhanced 911 system includes the personnel required to acquire, install, operate, and maintain the system and its facilities and to dispatch the calls generated by the system;

It may be noteworthy that the AS and NENA definitions of "enhanced 911" are not exactly in unison.

As regards Wireless 911 implementation there are several phases of implementation:

Phase 0 = a wireless caller can dial 911 and reach a Public Safety Answering Point (PSAP). No ANI supplied.

Phase 0.5 = a wireless caller can dial 911 and the PSAP will receive the caller's Automatic Number Identification. (This is not an "officially recognized" phase to my knowledge).

Phase I = a wireless caller can dial 911 and the PSAP will receive the caller's ANI and the cell site the call originated from. Alaska statute mentions a cost recovery mechanism for companies that provide Phase I. However Phase I is of obvious limited value to law enforcement (especially compared to Phase II.) Some companies in state may have implemented this phase and received recovery but I am not aware of them.

Phase II = a wireless caller can dial 911 and the PSAP will receive the caller's ANI and the latitude / longitude. The accuracy requirements vary, depending in part the architecture implemented, from 50 to 300 meters.

Phase II is what public safety is driving towards. There are two methods of implementation. The first is "handset" based and it requires a GPS in every cell phone. When the caller dials 911 he or she is located by the GPS in that cellular device. The other method is "network" based and involves triangulation of the cell signal in order to pinpoint the location of the caller. Both have their pros and cons. Network was mandated to achieve 100 meter accuracy for 67% of the 911 calls and 300 meter accuracy for 95% of the calls. Handset was more stringent needing to hone into 50 meters at 67% and 150 meters at 95%.

9-1-1 FACT BOOK

FOR

THE STATE OF ALASKA

March 23, 2004

For questions, comments or corrections regarding this information, please contact:

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Questions and Answers About Alaska's 9-1-1 Surcharge and Proposed Legislation

This document responds to some frequently asked questions about 9-1-1 in Alaska. The appendices include a Glossary where many of the acronyms and technical terms are defined.

Who Regulates 9-1-1?

Within the State of Alaska, 'municipalities' are given the authority to collect a surcharge to fund an Enhanced 9-1-1 system. "Municipality" has the meaning given in AS 29.71.800 and includes a public corporation established by a municipality, as well as a village as defined in AS 09.65.070 (e).

Specifically, "A municipality may, by resolution or ordinance, elect to provide an enhanced 911 system at public safety answering points..." [AS 29.35.131 (a)] Thereafter, the local jurisdiction has wide discretion in the operation and funding of 9-1-1 systems and call taking operations.

In current Alaska statutes, the Regulatory Commission of Alaska (RCA) "...has no jurisdiction over an enhanced 911 system." [AS 29.35.131 (c)] This section has precluded the RCA's involvement in evaluating carrier performance in providing 9-1-1 services, as well as participating in the analysis of carrier cost basis for E9-1-1 services.

The Federal Communications Commission (FCC) has authority over wireless carriers and the provision of 9-1-1 and Enhanced 9-1-1 service through 47 U.S. Code § 151 and 47 U.S. Code §§ 301 and 303(r).

"In addition to designating 911 as the universal emergency dialing code, the Wireless Communications and Safety Act of 1999 (911 Act) charges the FCC with taking a leadership role in the implementation of end-to-end emergency response at the State and local level. The 911 Act also provides a list of stakeholders with an interest in developing a coordinated statewide emergency response plan and whose input is critical to the success of these efforts. As written in Section 3(b) of the 911 Act:

In encouraging and supporting that deployment, the Commission shall consult and cooperate with

- State and local officials responsible for emergency services and public safety.
- the telecommunications industry (specifically including the cellular and other wireless telecommunications service providers),
- the motor vehicle manufacturing industry,
- emergency medical service providers and emergency dispatch providers,
- transportation officials,
- special 9-1-1 districts, public safety, fire service and law enforcement officials,
- consumer groups, and

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9-1-1 System Implementation**

- hospital emergency and trauma care personnel (including emergency physicians, trauma surgeons, and nurses).

Section 3(b) limits the FCC's role to providing support and does not authorize it to regulate statewide plans."

What are the costs of implementing and maintaining Enhanced and wireless 9-1-1?

Each community will have different requirements for Basic 9-1-1 or Enhanced 9-1-1. In particular, the peak and average number of 9-1-1 calls received daily will determine call taker staffing and the number of positions in the emergency communications center. National standards (ANSI, NENA, and NFPA) require minimum staffing for available call takers, on duty twenty four hours a day, seven days a week.

The costs to initially implement Enhanced 9-1-1 include:

Cost Component	Description
Telephones, Headsets and Peripheral Equipment	Includes the telephones to answer and transfer calls (can also be used as a backup in case of Intelligent Workstation failure); equipment lists typically include printers and remote modems for vendor maintenance and support.
Console Furniture and Chairs	Provides an adjustable desk to support the various equipment used by a call taker or dispatcher; heavy-duty seating required for twenty-four hour usage (two to three shifts per day).
Intelligent Workstations	These provide additional data to the call taker, including the ANI/ALI display, and call control features, such as ring-back and single-button transfer; typically a Personal Computer.
Mapping Displays	This component may be an additional personal computer or a software application to display inbound call locations on a visual map display; necessary for effective wireless 9-1-1 Phase II call answering.
Database Servers	These computers provide the information viewed by the call taker and are typically provided in pairs for redundancy and availability; they may be located at the provider's Central Office or on-premise at the PSAP.
Communications Servers	These computer switches manage the communications between the various components and monitor the communications circuits.
Switches and Routers	Provides data network connectivity between the Workstations and Servers, including ALI databases.
Spares Package	To enable the rapid restoration of failed systems, replacement parts for critical components are stored locally.
Logging Recorders	Provides a continuous audio log of the telephone conversations; frequently provided as evidence in court cases.
Instant Recall Recorders	Provides for the rapid replay of a telephone or radio conversation to confirm information.
TDD Modems	Telecommunications Devices for the Deaf (TDD) modems are required at each call taker position to ensure Equal Access to emergency services.
Selective Router	This component routes incoming 9-1-1 calls to the appropriate PSAP, based on jurisdiction boundaries or other locally-determined criteria.
Installation Services	Physical installation and testing of provided equipment, circuits and software; may be provided by multiple vendors.
Engineering Services	Professional services to design and integrate the various vendors, products and services.

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Cost Component	Description
Project Management	Administration of vendor and carrier contracts; provides project oversight and risk management services; approves contract deliverables and payment milestones.
Training and Documentation	Includes call taker training, supervisory and system administration training; documentation can include updates to training, policy and procedure manuals.
Address, Mapping and Geographic Data Preparation	Each carrier must have accurate address information to process the service orders that originate the ALI records. These tasks may include driving local roads, applying new addresses to structures, and generating automated extracts of GIS information.
Project Team Participation	Considers local agency involvement to complete the numerous tasks required, such as design reviews, testing, and cutover; frequently this represents a significant requirement for overtime funding as operational staff participate in this additional effort.
Facilities Preparation	Depending on the condition of existing facilities, a communications center or equipment room may need upgrades or modifications to accommodate space and environmental requirements, such as additional electrical power, cooling, or secure storage. Uninterruptible power supplies, such as batteries and generator sets, are also required to ensure the various system components survive local power outages.

If an agency has implemented Computer Aided Dispatch (CAD), there are standardized interfaces that provide the E9-1-1 information automatically to initiate the CAD system call entry. This integration may incur costs from both the 9-1-1 vendor and the CAD vendor.

Each agency must also evaluate its options for backup and recovery. In many cases, adjacent PSAPs can provide mutual backup services should one communications center experience an outage. If an agency is the single PSAP, alternatives such as provisioning an unoccupied facility may be feasible, but will add to the overall capital costs of ensuring the continuous availability of 9-1-1 call answering services.

The typical costs to maintain and operate an Enhanced 9-1-1 system include:

Cost Component	Description
Call Taking	Salary and benefits of staffing call taking function; in small centers, call takers may fill other roles such as radio dispatch or administrative support.
Network Charges	Monthly recurring costs for telecommunications circuits dedicated to in-bound 9-1-1 calls and transfers; may include circuits for out-bound calling or dedicated lines between PSAPs.
ALI Database Maintenance	Charges paid to 'aggregator' of carrier data to accumulate and validate ALI information.
System Maintenance	Hardware and software maintenance costs, including and recurring software licenses or upgrades; vendor technical support.
Wireless Carrier Cost Recovery	For those agencies that have requested 9-1-1 Phase I and/or Phase II, wireless carriers are entitled to payment for the cost of providing these services.
Training and Development	Ensures continuing education for call takers and program administrators; includes training requirements for new hires; travel expenses; subscriptions.
Quality Assurance	Provides for local Quality Assurance role, required for most Emergency Medical Dispatch programs to provide additional liability protection for the communications center.

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Cost Component	Description
Address and Geographic Data Maintenance	Ensures continuous and timely maintenance of address and mapping information; may be provided by a 9-1-1 program office, the planning department of local government, or by a commercial provider.
Program Management	Provides for oversight and accounting of 9-1-1 revenues and expenditures; administration of vendor, carrier and provider contracts; liaison with adjacent agencies.
Facilities and Overhead Costs	Considers internal or direct charges for utilities, janitorial, security, Repair and Maintenance of communications center; fuel for generators.
Supplies	Electronic storage media, such as disks and tapes, paper forms, and other office supplies.

How much do municipalities pay to maintain and upgrade their 911 systems?

For example, the following costs are preliminary 2004-2005 budget projections for the Municipality of Anchorage's E9-1-1 system. They consist primarily of Infrastructure Costs and Operational Costs.

Infrastructure Costs

System Maintenance	\$	164,301
Network Charges	\$	47,656
ALI Database Maintenance	\$	693,000
Address and Geographic Data Maintenance	\$	265,000
Subtotal	\$	1,169,957

These Infrastructure Costs reflect the direct costs of the upgraded E9-1-1 system currently being implemented. Previously, the System Maintenance and ALI Database Maintenance contract with ACS represented an annual cost of \$358,000. Due to the scope of wireless 9-1-1 and ALI database enhancements, that annual cost rises to almost \$860,000. Additional costs for data circuits and interconnects to adjacent borough communications centers have yet to be finalized and included.

Operational Costs

Program Management	\$	85,000
Staffing	\$	2,369,169
Supervision		Included
Call Taking		Included
MSAG Coordinator		Included
Quality Assurance		Included
Training and Development	\$	30,000
Supplies	\$	2,500
Subtotal	\$	2,486,669

These Operational Costs reflect a percentage allocation of the effort required to answer 9-1-1 calls. This does not cover the full cost of the Municipality's Police and Fire Dispatch Centers (approximately \$6.91 million).

What is Cost Recovery? Do we need Phase II Cost Recovery?

All 9-1-1 services are provided on a 'cost of service' basis to local jurisdictions. Carriers charge for the equipment, telecommunications circuits and maintenance of the 9-1-1 systems that they provide. For wireless 9-1-1, the FCC considered special rules for wireless carrier cost recovery, since Commercial Mobile Radio Service "...CMRS carriers covered by our E911 rules are not subject to rate regulation and may adjust their prices to recover their costs." They went further to say:

"In deciding to eliminate the prerequisite for a carrier cost recovery mechanism, we did not intend to disturb existing mechanisms or discourage states from establishing such mechanisms at any time, but rather to remove the need to satisfy such a requirement before E911 service could be implemented. The cost recovery rule was not eliminated entirely, but was modified to retain the limited provision that a mechanism be in place for the recovery of the PSAP's costs of implementing E911. The purpose of this modification was to accelerate implementation of this important service to ensure that wireless callers of 911 obtain emergency assistance more rapidly and efficiently." [FCC 94-102 Fifth Memorandum Opinion and Order, November 9, 2000]

In response to a local agency request for Wireless 9-1-1 Phase I and Phase II service, wireless carriers are entitled to recover their costs for providing these services. Under current Alaska Statutes [AS 29.35.131 (d)], carriers are entitled to recover Phase I costs but the statute is silent as to Phase II costs.

While the costs of Phase I capability are not substantial, the provision of Phase II is expected to be significant, corresponding to millions of dollars in capital investment on the part of the wireless carriers. Recovering these costs will likely represent surcharges ranging from \$.50 to \$4.00 per wireless subscriber.

Lacking statutory direction, wireless carriers will likely add a 9-1-1 fee or service charge to their subscriber bills independent of a statutory 9-1-1 surcharge to recover their costs. By having the revenue stream associated with wireless 9-1-1 'pass through' the municipality or borough, carrier accountability for the performance of 9-1-1 is improved. Local jurisdictions will have the ability to review proposed capital costs, as well as the ability to retain future payments for poor 9-1-1 calling performance by the carriers.

Are there any federal grants or incentives that Alaska might receive to upgrade these systems?

The Public Safety Foundation of America (PSFA) accepts private, corporate and public donations on behalf of the public safety community and then distributes those funds to provide financial grants and technical support to individual nonprofit PSAPs across the nation. The Municipality of Anchorage received \$500,000 from PSFA in February, 2003. Other communities have recently pre-qualified to submit grant requests to PSFA, and intend to submit full grant

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applications for the next round of funding. (www.psf.a.us) Examples of eligible and ineligible costs through this program include:

Eligible Costs	Ineligible Costs
Automatic Number Identification (ANI)/Automatic Location Identification (ALI) 911 Controller	Geographic Information Systems (GIS), GIS field equipment, Global Positioning System (GPS) or data collection devices or services
Computer Aided Dispatch (CAD) interfaces	Centerline file, parcel data, or Point file development
Updates to Complete Customer Premise Equipment	Base map creation; digital ortho/aerial photography
Complete Customer Premise Equipment (CPE) map interfaces	Consoles, furniture, chairs
Mapping and Map Editing software	Management Information System (MIS) packages
Map validation & verification	Maintenance/Tech Support
GIS discrepancy tracking & reporting	Secondary PSAP equipment/software/connectivity
Project Management	Back-up systems or Mobile command units
Shipping and Installation costs	Unjustified expenditures which are not detailed
Training, Documentation & Reference Manuals	Mobile Data Terminals (MDT)
Consulting related specific to wireless deployment	Radio systems & equipment
Education initiatives related directly to wireless 911 for public officials	Automatic Vehicle Location (AVL)
Computers specific to wireless/mapping administration	Public Education
Cell tower, Emergency Service Number (ESN), Public Safety Answering Point (PSAP) jurisdiction layer development	Uninterrupted Power Supply (UPS) systems
Local Exchange Carrier (LEC) interconnection charges & E2, E2+ or PAM interfaces	Salaries, Overtime & related costs
Wireless trunk installation charges	Legal fees

The U.S. Congress is considering two bills that would provide additional grants to local agencies in deploying 9-1-1. House Resolution 2898 (H.R. 2898) and Senate Bill 1250 (S.1250) have similar provisions, with each providing up to \$100 or \$500 million (respectively) annually for this purpose. H.R. 2898 recently passed the House and S.1250 is still in committee. Both bills, however, have language that requires 'certification' by a state authority as to the expenditures of existing 9-1-1 funds. This requirement is considered in Alaska HB499, designating the Governor as having responsibility for this certification.

What do other states charge for 9-1-1 services?

9-1-1 surcharges range nationally from 19 cents to four dollars per month per subscriber. The highest surcharge is collected in North Carolina (\$4.00) and the lowest in Michigan (19 cents). (Source: NENA, July 2003)

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Range of 9-1-1 Surcharges
Exact amounts may be adjusted locally
(* as of July, 2003. Remaining states are being verified)

State	Wireline	Wireless
Alabama*	\$2.00 (max)	\$0.70
Alaska*	\$0.50 - 0.75	\$0.50-0.75
Arizona*	\$0.37	\$0.37
Arkansas*	\$0.77	\$0.50
California	Based on Access fees	Based on Access fees
Colorado	\$0.70	\$0.70
Connecticut*	\$0.20	\$0.20
Delaware*	\$0.50	\$0.60
Distict of Columbia	None	\$0.56
Florida	\$0.50	\$0.50
Georgia*	\$1.50	\$1.00
Hawaii*	\$0.27	None
Idaho*	\$1.00 (max)	\$1.00 (max)
Illinois	\$1.25	\$0.75
Indiana	3-5% of monthly access	\$0.65
Iowa*	\$0.25-\$2.50	\$0.50
Kansas*	\$0.75 (max)	None
Kentucky*	\$1.75	\$0.70
Louisiana*	\$1.00 Res \$2.00 Bus	\$0.85
Maine*	\$0.50	\$0.50
Maryland*	\$0.60 (will be \$1.00 10/1/03)	\$0.60 (will be \$1.00 10/1/03)
Massachusetts	funded by directory assistance	\$0.30
Michigan*	\$0.19-\$3.00	\$0.52
Minnesota*	\$0.55	\$0.50
Mississippi*	\$1.00 Res \$1.00 Bus	\$1.00
Missouri	\$1.50 (max)	None
Montana	\$0.50	\$0.50
Nebraska*	\$0.25 - \$1.00	\$0.50
Nevada	Tax based	\$0.25
New Hampshire*	\$0.42	\$0.42
New Jersey	General Fund	General Fund
New Mexico	\$0.51	\$0.51
New York*	\$0.35	\$1.20 - \$1.50
North Carolina*	Local ordinance \$0.25 - \$4.00	\$0.80
North Dakota	\$1.00	\$1.00
Ohio*	\$0.50 (max) (limited to a few Counties, no general surcharge)	None (\$0.65 proposed)
Oklahoma*	3-5% of monthly recurring charges (up to 15%)	\$0.50
Oregon*	\$0.75	\$0.75
Pennsylvania*	\$0.74-\$1.50	\$1.00
Rhode Island	\$0.60	\$0.60
South Carolina*	\$0.50-\$1.50	\$0.59
South Dakota	\$0.75	\$0.75
Tennessee	\$0.65-\$2.00 / \$1.50-\$3 special	\$1.00
Texas	\$0.50	\$0.50
Utah	\$0.53	\$0.53
Vermont	Universal Service Funding	Universal Service Funding
Virginia*	\$3.00 (max)	\$0.75
Washington*	\$0.20 statewide \$0.35-50 by counties	\$0.25
West Virginia*	\$0.55 - \$3.75 by County	\$1.43
Wisconsin	\$1.00	None
Wyoming	\$0.50	None

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How many communities in Alaska do not have a dedicated 911 emergency response operator?

The National Emergency Number Association (NENA), under a grant for the US Department of Transportation, performed a national survey of statewide readiness (October 2002). They determined the following 9-1-1 profile information for Alaska:

Area	9-1-1?	Number of PSAPs
Aleutians East Borough	No	0
Anchorage "Borough"	Yes	1 Primary, 1 Secondary
Bethel Census Area	Yes	1 Primary
Bristol Bay Borough	Yes	1 Primary
Dillingham Census Area	Yes	1 Primary
Fairbanks North Star Borough	Yes	5 Primary
Haines Borough	No	0
Juneau Borough	Yes	1 Primary
Kenai Peninsula Borough	Yes	2 Primary
Ketchikan Gateway Borough	Yes	0
Kodiak Island Borough	Yes	1 Primary
Lake and Peninsula Borough	No	0
Matanuska-Susitna Borough	Yes	1 Primary
Nome Census Area	No	0
North Slope Borough	Yes	1 Primary
Northwest Arctic Borough	No	0
Prince of Wales-Outer Ketchikan "County"	Yes	2 Primary
Sitka Borough	Yes	1 Primary
Skagway-Hoonah-Angoon Census Area	No	0
Valdez-Cordova Census Area	No	0
Wrangell-Petersburg Census Area	No	0
Yakutat Borough	No	0
Yukon-Koyukuk Census Area	No	0

In January 2001, a comprehensive "Telecommunications Services Inventory of Rural Alaska" was completed for The Denali Commission. This survey of 267 communities in Alaska found that Basic 9-1-1 Service is provided in 86 communities and Enhanced 9-1-1 service is available in 17 communities. Thus, this survey yields 164 communities have no 9-1-1 service. Additional findings from that report state that "Most community respondents...did not know where the number rings" and "...911 rings in a variety of places, from the local power plant to the nearest State trooper's office hundreds of miles away."

"The Wireless Communications and Public Safety Act of 1999 ("911 Act") took effect on October 26, 1999. The purpose of the 911 Act is to improve public safety by encouraging and facilitating the prompt deployment of a nationwide, seamless communications infrastructure for emergency services. The 911 Act directs the FCC to make 911 the universal emergency number for all telephone services."

The 911 Act required wireless carriers to report on their progress in implementing 9-1-1 as the primary number for requesting emergency assistance. "The purpose of the Carrier Transition Reports for Implementation of the 911 Universal Emergency Telephone Number is to ensure that

**Municipality of Anchorage/Anchorage Police Department
9-1-1 System Implementation**

carriers have commenced the transition to the use of 911 as the emergency telephone number where 911 is not currently in use, pursuant to the requirements that the Commission adopted in the *Implementation of 911 Act, The Use of N11 Codes and Other Abbreviated Dialing Arrangements.*”

In filings with the FCC, ACS Wireless indicates that they route 9-1-1 calls to the following PSAPs (April 2002):

Anchorage	911 PSAP
Seward	911 PSAP
Homer	911 PSAP
Soldotna	911 PSAP
Fairbanks	911 PSAP
Badami	911, safety officer, we modify to 659-5300
Barrow	911 PSAP
Juneau	911 PSAP
Sitka	911 PSAP
Ketchikan	911, we modify to 223-9111 PSAP
Thorne Bay	911, safety officer, we modify to 828-3399
Craig	911, safety officer, we modify to 826-3903

Mukluk Telephone Company indicates the following 9-1-1 call routing (September 2002):

Little Diomede	No 911 service point specified by the community
Elim	No 911 service point specified by the community
Golovin	No 911 service point specified by the community
Koyuk	No 911 service point specified by the community
Nome	(907) 443 0911, Nome Public Safety
ST Michael	No 911 service point specified by the community
Shaktoolik	(907) 955-3661
Shishmaref	No 911 service point specified by the community
Stebbins	No 911 service point specified by the community
Teller	No 911 service point specified by the community
Wales	No 911 service point specified by the community
White Mountain	(907) 638-5000

Matanuska Telephone Association routes 9-1-1 calls to the Palmer Dispatch Center. Nome Cellular routes 9-1-1 calls to the City of Nome Police Department.

United Utilities, Inc. routes 9-1-1 calls in the following communities (June 2002):

Bethel	Bethel Police Department
Hooper Bay	Hooper Bay Police Department
McGrath	Village Public Safety Officer
St. Mary's	St. Mary's Police Department
Unalakleet	Village Public Safety Officer

How does Wireless 9-1-1 work?

Calling 9-1-1 from any wireless handset is a free telephone call, even for subscribers that have not initiated service plans. There are 3 phases that are referred to in implementing Wireless 9-1-1 call answering features:

Designation	Capability
Phase 0	Call routed to PSAP
Phase I	Call-Back Number Cell Site, Antenna Sector
Phase II	Call Back Number Latitude/Longitude

The most basic of these, sometimes called Phase 0, simply means that when you dial 9-1-1 from your cell phone a call taker at a public safety answering point (PSAP) answers. The call taker will likely be a municipality or borough PSAP depending on how the wireless 9-1-1 call is routed.

In Phase I, wireless carriers are required to provide the general location of a 9-1-1 caller by identifying the radio tower that received the call. In most cases the carriers can improve the location estimate by identifying the general direction from the tower to the caller in terms of the cell face (antenna sector) which best received the call. The carrier is to route the 9-1-1 call, the calling number identification, and tower address/cell face to the most appropriate PSAP for that tower or cell face as identified by the local 9-1-1 authorities.

Phase II wireless 9-1-1 systems can deliver the cell phone location information to PSAPs in the form of latitude-longitude coordinates rather than street addresses. To make efficient use of this data, PSAPs must be equipped with computer software, databases and display hardware which can show the call location on a graphical map, rather than just a text address. This requirement places a premium on local Geographic Information System (GIS) capabilities and the ability to leverage existing community GIS resources.

Phase II requires much more accurate location technology. The candidate technologies are generally classified as Network-Based or Handset-Based. The Network-Based technologies use electrical measurements at the cell towers to "triangulate" the location of the calling telephone. Handset-Based solutions rely upon Global Positioning Satellite (GPS) receivers in the telephone handsets to determine and report the handset location. Each wireless carrier is entitled to their choice of technology for wireless 9-1-1.

Phase II location accuracy requirements, as established by the FCC, are as follows:

- A carrier choosing a Network-Based technology must deploy Phase II to 50% of the subscribers within a PSAP's service area within six months of the PSAP's request, and to 100% of the subscribers within 18 months of the request. The carrier must also achieve 100 meters accuracy for 67% of the calls, and 300 meters accuracy for 95% of the calls.

- A carrier choosing Handset-Based location technology must achieve 50-meter accuracy for 67% of the calls, and 150 meters accuracy for 95% of the calls.

What telephones pay the surcharge? Can we differentiate between different types of phone lines or services?

According to current Alaska statutes (AS 29.35.131), a surcharge can be collected "...on all local exchange access lines that provide telephone service to wire line telephones in the area to be served by the enhanced 911 system." In addition "A municipality that provides services under an enhanced 911 system may also by resolution or ordinance impose an enhanced 911 surcharge on each wireless telephone number that is billed to an address within the enhanced 911 service area."

While wire line carrier tariffs identify the various types and costs of services, there is no effective way to determine what purpose the subscriber has made of the circuit. This is why the surcharge is applied equally to all telephone lines that could access dial tone to place a 9-1-1 call. For instance, a telephone number could be used primarily for a FAX machine, but the unit has a handset and a dial pad – this would allow someone to call 9-1-1.

Note that the federal government considers 9-1-1 surcharges a tax, and therefore does not remit any 9-1-1 revenues to local communities.

Is there a differentiation between call taking and dispatching?

Yes! Call taking is the process of answering a call from the public. 9-1-1 does not distinguish between residents and visitors and there is no cost to place the call. Once the nature of the emergency and the location of the caller are identified, the call taker has sufficient information to replay the information or to directly dispatch emergency responders.

If the call taker is also an agency's dispatcher, they can instantly broadcast a radio dispatch message to first responders. In a manner of speaking, for 9-1-1 service the "customer" is the public, while the "customer" for dispatch services is the respective public safety agency. This is further reflected in many inter-agency contracts for dispatch services that define the scope of services, performance levels and annual costs of providing dispatching services.

If a 9-1-1 call is not an emergency, the caller will be requested to call back on a non-emergency line. Since there is a limited number of incoming 9-1-1 lines, call takers attempt to keep the lines clear for bona fide emergency requests.

Who determines how 9-1-1 surcharges are applied to the costs of public safety call taking?

The current state statutes for 9-1-1 identify allowable expenditures, but do not specify how or in what allocation surcharge collections are spent. Each municipality or borough determines the scope of its 9-1-1 program.

Isn't raising the surcharge a way to avoid the Tax Cap?

No, in fact voters are frequently asked to specifically endorse the additional costs of a 9-1-1 system. For example, in 2003 Anchorage voters approved an increase in the tax cap to support the maintenance of the upgraded E9-1-1 system:

**"EMERGENCY/AREAWIDE COMMUNICATIONS SYSTEMS AMBULANCES, AND
RELATED CAPITAL IMPROVEMENT BONDS**

Shall Anchorage borrow up to \$2,930,000 through the issuance of general obligation bonds and increase the municipal tax cap by an annual amount not to exceed \$659,000? The bond proceeds would pay a portion of the costs of replacing the existing 911 system, acquiring property for, equipping, rehabilitating, improving, constructing and upgrading emergency areawide communications systems, purchasing and/or refurbishing medic units (e.g. ambulances), and related capital improvements within Anchorage and the increase in the municipal tax cap would pay the associated annual operations and maintenance costs.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated total 2003 areawide assessed valuation in Anchorage) an annual increase in taxes of approximately \$1.85 to retire the proposed debt and (ii) an annual increase in the municipal tax cap (Charter 14.03(b) (2)) of approximately \$3.51 to pay for annual operation and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected areawide within Anchorage. Anchorage will also pledge its full faith and credit for payment of the bonds. (AO 2003-13)" [February 2003]

Additional Facts

- Approximately one-half of all 9-1-1 calls received are from wireless telephones (Source: Municipality of Anchorage, Kenai Peninsula Borough and Matanuska-Susitna Borough; also national data: NENA).
- Approximately one-half of the marine rescue calls received by the Coast Guard are from cellular telephones, not VHF radio (Source: USCG).
- Of the over 3,000 counties in the United States, 231 do not have Basic 9-1-1 service; 6% of the land in the U.S. is not covered by 9-1-1 (Source: NENA report Card to the Nation).
- 95% of adults in the United States are very familiar with the 9-1-1 Emergency Calling System; 96% of Americans believe that 9-1-1 is available everywhere in the U.S. (Source: NENA Report Card to the Nation).
- The United States has over 6,000 primary and secondary PSAPS. 99% of the U.S. population is provided with at least Basic 9-1-1; this Basic 9-1-1 coverage represents 96% of the geographic U.S. (Source: NENA Fast Facts).

Glossary

3G	Refers to the "Third Generation" of Personal Communications Systems Wireless Technology
Abandoned Call	A call placed to 9-1-1 in which the caller disconnects before the call can be answered by the Public Safety Answering Point (PSAP) attendant.
ACD	Automatic Call Distribution; equipment that automatically distributes incoming calls to available attendants in the order the calls are received, or queues calls until an attendant becomes available.
ACN	Automatic Crash (or Collision) Notification; The process of identifying that a motor vehicle has been involved in a collision, collecting data from sensors in the vehicle, and communicating that data to a Call Center or PSAP.
AGPS	Assisted Global Positioning System
AIN	Advanced Intelligent Network
ALI	Automatic Location Identification; the automatic display at the PSAP of the caller's telephone number, the address of the telephone, and supplementary emergency services information, such as the primary responding police, fire and EMS agencies.
Alternate PSAP	A PSAP designated to receive calls when the primary PSAP is unable to do so.
Alternate Routing	The capability of routing 9-1-1 calls to a designated alternate location(s) if all 9-1-1 trunks to a primary PSAP are busy or out of service. May be activated upon request or automatically, if detectable, when 9-1-1 equipment fails or the PSAP itself is disabled.
AMPS	Advanced Mobile Phone Service; an analog cellular telephone service.
ANI	Automatic Number Identification; the originating telephone number delivered with a 9-1-1 call.
ANSI	American National Standards Institute
AOA	Angle of Arrival; a terrestrial Location Determination Technology (LDT) that computes a transmitter's location based upon the angle at which the transmitter's radio signal strikes multiple receivers.

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9-1-1 System Implementation**

APCO	Association of Public Safety Communications Officials
AST	Alaska State Troopers
Basic 9-1-1	An emergency telephone system which automatically connects 9-1-1 callers to a designated answering point.
Bell Core	Bell Communications Research
CAD	Computer Aided Dispatch
CALEA	Communications Assistance for Law Enforcement Act (Public Law 103-414); provides for electronic monitoring of telecommunications for law enforcement purposes.
CAMA	Centralized Automatic Message Accounting; a centralized point for the recording of switched message toll call information. The information is transmitted over trunk facilities to the recording location and contains the telephone number of the party originating the call, the start and end time of the call, and the destination of the call.
CAS	Call-path (or Channel) Associated Signaling; a method for delivery of wireless 9-1-1 calls in which the Mobile Directory Number and other call associated data are passed from the Mobile Switching Center to the PSAP via the voice path.
CDMA	Code Division Multiple Access
CDR	Call Detail Reporting
Centrex	A business telephone service offered by some Local Exchange Carriers that provides PBX type features over access lines.
CLASS	Custom Local Area Signaling Services
CLEC	Competitive Local Exchange Carrier
CLLI	Common Language Location Identifier; Bell Core standard code used to identify a Central Office (CO) through the use of an 11-character code
CMRS	Commercial Mobile Radio Service
CO	Central Office; a telephone switching center; the Local Exchange Carrier facility where access lines are connected to switching equipment for connection to the Public Switched Telephone Network.

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- COAM Customer Owned And Maintained
- Consolidated PSAP A facility where one or more Public Safety Agencies choose to operate as a single 9-1-1 entity.
- COS Class of Service
- CPAS Cellular Priority Access Service; a uniform nationwide method of providing priority access to authorized wireless subscribers in the event of an emergency.
- CPE Customer Premise Equipment; equipment located in customer facilities, including workstations, telephones, and switches.
- CRDB Coordinate Routing Database
- CTI Computer-Telephony Integration; integrating telephone functions into a computing device.
- CTIA Cellular Telecommunications Industry Association
- DID Direct Inward Dial; the ability for a caller outside a company to call an internal extension without having to pass through a switchboard operator or attendant at the MLTS.
- Direct Dispatch The performance of 9-1-1 call answering and dispatching by personnel at the primary PSAP.
- Diverse Routing The practice of routing circuits along different physical paths in order to prevent total loss of 9-1-1 service in the event of a facility (cable) failure.
- DMS100 Central Office switch manufactured by Nortel
- DS Digital Signal; a classification of digital circuits by the rate and format of the signal (D) and the equipment providing the signals (T).

Service	Channels	Speed
DS0	1	64 Kbps
DS1/T1	24	1.544 Mbps
DS1C	48	3.152 Mbps
DS2	96	6.312 Mbps
DS3/T3	672	44.736 Mbps
DS4	4,032	274.176 Mbps

DSL Digital Subscriber Loop

**Municipality of Anchorage/Anchorage Police Department
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E9-1-1	Enhanced 9-1-1; an emergency telephone system which includes network switching, database and CPE elements capable of providing Selective Routing, Selective Transfer, Fixed Transfer, caller routing and location information, and ALI.
EIA	Electronics Industry Association
EMF	Enhanced Multi-Frequency; a voice path signaling protocol that allows the transmission of up to 20 digits per call using Multi Frequency tones.
EO	End Office
EOC	Emergency Operations Center
E-OTD	Enhanced-Observed Time Difference; a network-based Location Determination Technology (LDT).
EMD	Emergency Medical Dispatch
EMS	Emergency Medical Service
ESME	Emergency Services Message Entity
ESMR	Enhanced Specialized Mobile Radio
ESN	Emergency Services Number; an ESN is a three to five digit number representing a unique combination of emergency service agencies (Law Enforcement, Fire, and Emergency Medical Service) designated to serve a specific range of addresses within a particular geographical area, or Emergency Service Zone (ESZ). The ESN facilitates selective routing and selective transfer, if required, to the appropriate PSAP and the dispatching of the proper service agency(ies).
ESNE	Emergency Services Network Entity
ESRD	Emergency Services Routing Digits; a pseudo-ANI typically used with Call-path Associated Signaling (CAS) or CAS Hybrid architectures that identify the cell site or cell sector from which a wireless 9-1-1 call originates. The ERSR may also be used as the key field to retrieve the ALI associated with the call.
ESRK	Emergency Services Routing Key; a pseudo-ANI typically used with Non Call-path Associated Signaling (NCAS) which identifies a group of cell sites or cell sectors in a defined geographic area associated with an ESZ or group of ESZs. The ERSK may also be used as the key field to retrieve the ALI associated with the call.

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ESZ	Emergency Services Zone
FCC	Federal Communications Commission
FGD	Feature Group D, a Multi-Frequency signaling protocol.
GIS	Geographic Information System; a computer software system that enables one to visualize geographic aspects of a body of data. It contains the ability to translate implicit geographic data (such as a street address) into an explicit map location; it has the ability to query and analyze data in order to receive the results in the form of a map. It also can be used to graphically display coordinates on a map i.e. Latitude/Longitude from a wireless 9-1-1 call.
GOS	Grade of Service; the probability (P), expressed as a decimal fraction, of a telephone call being blocked. "P.01" is the grade of service reflecting the probability that one call out of one hundred will be blocked.
GPS	Global Positioning System; a satellite-based Location Determination Technology (LDT).
GSM	Global System for Mobile Communications; international standard digital radio interface utilized by some North American PCS carriers.
IDEN	Integrated Dispatch Enhanced Network; Motorola technology for ESMR.
IEEE	Institute of Electrical and Electronics Engineers, Inc.
IETF	Internet Engineering Task Force
ILEC	Incumbent Local Exchange Carrier; a telephone company that has the initial telephone company franchise in an area.
IMSI	International Mobile Subscriber Identity
IRR	Instant Recall Recorder
IS-95	Digital wireless telephone standard using CDMA.
IS-136	Digital wireless telephone standard using TDMA.
ISDN	Integrated Services Digital Network

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ISUP	Integrated Services Digital Network User Part; a message protocol to support call set up and release for interoffice voice call connections over SS7 Signaling.
ITS	Intelligent Transportation System.
IVR	Interactive Voice Response
IWS	Intelligent Workstation
IXC	Interexchange Carrier
J-STD-036	TIA Committee TR-45 Standard for integration of Enhanced Wireless 9-1-1 Phase II information.
LAN	Local Area Network
LDT	Location Determining Technology; a system which computes the x and y coordinates of a wireless 9-1-1 caller.
LEC	Local Exchange Carrier; local telephone company
LNP	Local Number Portability; ability for a customer to change their telephone provider while keeping the same telephone number.
Logging Recorder	A voice-band audio recorder which records to and plays from a permanent storage media such as tape or disk. Logging recorders are typically multi-channel so as to simultaneously record from several sources.
MACs	Moves, Adds and Changes
MDN	Mobile Directory Number; Call Back Number for wireless telephones
MF	Multi-Frequency
MIN	Mobile Identification Number; a 34-bit binary number that a wireless handset transmits to identify itself to the wireless network.
MLTS	Multi-Line Telephone System; a system comprised of common control unit(s), telephone sets, and control hardware and software. This includes network and premises based systems. i.e., Centrex and PBX, Hybrid, and Key Telephone Systems owned or leased by governmental agencies and non-profit entities, as well as for profit businesses
MOU	Memorandum of Understanding

**Municipality of Anchorage/Anchorage Police Department
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MPC	Mobile Position Center
MSAG	Master Street Address Guide; tabular file used to validate telephone company service orders for ALI database.
MSC	Mobile Switching Center; per ANSI Standard TR-45.2, also refers to MTSO and MSO.
MSD-01	Security Industry Association standard for incident information transfer to PSAPs
MSID	Mobile Station Identifier; also MIN or IMSI.
MSO	Mobile Switching Office; the wireless equivalent of a central office that provides switching functions for wireless calls.
MTSO	Mobile Telephone Switching Office
NASNA	National Association of State 9-1-1 Administrators
NCAS	Non-Channel (or Call-path) Associated Signaling; a method for delivery of wireless 9-1-1 calls in which the Mobile Directory Number and other call associated data are passed from the Mobile Switching Center to the PSAP outside the voice path.
NENA	National Emergency Number Association; a not-for-profit corporation established in 1982 to further the goal of "One Nation-One Number." NENA is a networking source and promotes research, planning and training. NENA strives to educate, set standards and provide certification programs, legislative representation and technical assistance for implementing and managing 9-1-1 systems.
NFPA	National Fire Protection Association; develops standards for fire suppression, alarm and emergency communications.
OA&M	Operations, Administration and Maintenance
OC	Optical Carrier
OPX	Off Premise Extension
P-ALI	Pseudo-ALI (wireless antenna/antenna sector identifier); an ALI record associated with a pANI, configured to provide the location of the wireless cell or sector and information about its coverage or serving area (i.e., "footprint").

**Municipality of Anchorage/Anchorage Police Department
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P-ANI	Pseudo-ANI used for routing wireless telephone calls (also ESRK or ESRD); a telephone number used to support routing of wireless 9-1-1 calls. It may identify a wireless cell, cell sector or PSAP to which the call should be routed. Also known as Routing Number.
PBX	Private Branch Exchange (telephone switching system); a private telephone switch that is connected to the Public Switched Telephone Network.
PCS	Personal Communications Services
PDE	Position Determining Entity
PSA	Private Switch ALI; also PSALI
PSALI	Private Switch ALI; also PSA.
PSAP	Public Safety Answering Point; a facility designated, equipped and staffed to receive 9-1-1 calls and route them to emergency response personnel. A Primary PSAP receives 9-1-1 calls directly; if the call is relayed or transferred, the next receiving PSAP is designated a Secondary PSAP.
PSTN	Public Switched Telephone Network
QoS	Quality of Service
RF	Radio Frequency
RFP	Request For Proposal
SAE	Society of Automotive Engineers
SAE J2313	Onboard Land Vehicle Mayday Reporting Interface Standard
SCP	Service Control Point (or Signal Control Point)
Service Level Agreement (SLA)	A contract between a service provider and the end user, which stipulates and commits the service provider to a required level of service.
SIA	Security Industry Association
Simulated Facility Group (SFG)	A Facility Group is a set of trunks established for a particular transport purpose to which incoming calls are routed. When this is simulated, it represents a form of call blocking for congestion control.
SIP	Session Initiation Protocol

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SLA	Service Level Agreement
SMR	Specialized Mobile Radio
SMS	Service Management System
SOI	Service Order Input; a file of completed service order updates that is sent to the DBMSP by all Service Providers.
SONET	Synchronous Optical Network
SP	Signaling Point
SPLNP	Service Provider Local Number Portability (same as LNP)
SR	Selective Router; Central Office switch that routes 9-1-1 calls based on the telephone number or jurisdiction rather than carrier serving areas.
SRDB	Selective Routing Database; the routing table that contains telephone number to ESN relationships which determines the routing of 9-1-1 calls.
SS7	Signaling System 7
SSP	Service Switching Point
STP	Signaling Transfer Point
T1	(see DS)
TAPI	Telephony Application Programming Interface
TCP/IP	Transport Control Protocol/Internet Protocol
TDD	Telecommunications Device for the Deaf; also referred to as TTY (teletypewriter).
TDMA	Time Division Multiple Access
TDOA	Time Difference of Arrival; a terrestrial Location Determination Technology (LDT) that computes a transmitter's location based upon the times a signal is received at multiple receivers.
Telecommunicator	As used in 9-1-1, a person who is trained and employed in public safety telecommunications; the term applies to call takers, dispatchers, radio

**Municipality of Anchorage/Anchorage Police Department
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	operators, data terminal operators or any combination of such functions in a PSAP.
Telematics	The system of components that supports two-way communications with a motor vehicle for the collection or transmission of information and commands.
TIA	Telecommunications Industry Association
Trunk	A communications circuit between two switching nodes (e.g., central offices, PBXs, ANI/ALI controller equipment).
TRS	Telecommunications Relay Service
TSP	Telematics Service Provider
UPS	Uninterruptible Power Supply
VoIP	Voice Over Internet Protocol
WAN	Wide Area Network
Wireless 9-1-1 Phase 0	The delivery of a wireless 9-1-1 call in which there is no ANI or ALI information received (a voice-only call).
Wireless 9-1-1 Phase I	The delivery of a wireless 9-1-1 call in which ANI and the location of the cell site and antenna sector (if utilized) is provided to the call taker; required by FCC Report and Order 96-264 pursuant to Notice of Proposed Rulemaking (NPRM) 94-102; the delivery of a wireless 9-1-1 call with call-back number and identification of the cell-tower from which the call originated; call routing is determined by cell site/sector.
Wireless 9-1-1 Phase II	The delivery of a wireless 9-1-1 call in which ANI and the latitude longitude is provided to the call taker. The call is routed according to Phase I location determination; required by FCC Report and Order 96-264 pursuant to Notice of Proposed Rulemaking (NPRM) 94-102.
WNP	Wireless Number Portability
Wireless Service Provider (WSP)	Cellular, satellite or other radio based telephony or data transport commercial entity.
Wireless Telecommunications	The family of Telecommunications services under the heading of Commercial Mobile Radio Service. Includes Cellular, Personal Communications Services (PCS), Mobile Satellite Services (MSS) and Enhanced Specialized Mobile Radio (ESMR).



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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~~

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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

Matanuska Telephone Association Inc.
1740 South Chugach Street
Palmer, Alaska 99645

907.745.3211
800.478.3211 (in Alaska)

Local
Long Distance
Wireless
Business Solutions
Internet
Directory
DTV



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 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

24-LS0407Y
Cook
2/11/05

CS FOR SENATE BILL NO. 100()

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION**

BY

Offered:

Referred:

Sponsor(s): SENATOR BUNDE

A BILL

FOR AN ACT ENTITLED

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

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1. AS 29.35.131(a) is amended to read:**

4 (a) A municipality may, by resolution or ordinance, elect to provide an
5 enhanced 911 system at public safety answering points and [,] may purchase or lease
6 the enhanced 911 equipment or service required to establish or maintain an enhanced
7 911 system at public safety answering points from a local exchange telephone
8 company or other qualified vendor. The municipality [, AND] may impose an
9 enhanced 911 surcharge [, IN AN AMOUNT TO BE DETERMINED BY THE
10 MUNICIPALITY,] on all local exchange access lines that provide telephone service to
11 wireline telephones in the area to be served by the enhanced 911 system and [. A
12 MUNICIPALITY THAT PROVIDES SERVICES UNDER AN ENHANCED 911
13 SYSTEM MAY ALSO BY RESOLUTION OR ORDINANCE IMPOSE AN
14 ENHANCED 911 SURCHARGE] on each wireless telephone number that is billed to
15 an address within the enhanced 911 service area. An [FOR A MUNICIPALITY

1 WITH A POPULATION OF 100,000 OR MORE AN ENHANCED 911
2 SURCHARGE MAY NOT EXCEED 50 CENTS PER MONTH FOR EACH
3 WIRELESS TELEPHONE NUMBER OR 50 CENTS PER MONTH FOR EACH
4 LOCAL EXCHANGE ACCESS LINE FOR WIRELINE TELEPHONES. FOR A
5 MUNICIPALITY WITH FEWER THAN 100,000 PEOPLE, AN] enhanced 911
6 surcharge may not exceed \$2 [75 CENTS] per month for each wireless telephone
7 number and \$2 [OR 75 CENTS] per month for each local exchange access line for
8 wireline telephones unless the surcharge is imposed by ordinance approved by the
9 voters of the enhanced 911 service area. The amount of surcharge imposed for
10 each wireless telephone number must equal the amount imposed for each local
11 exchange access line for wireline telephones. An enhanced 911 service area may be
12 all of a city, all of a unified municipality, or all or part of the area within a borough
13 and may include the extraterritorial jurisdiction of a municipality in accordance with
14 AS 29.35.020. The governing body of a municipality shall review an enhanced 911
15 surcharge annually to determine whether the current level of the surcharge is adequate,
16 excessive, or insufficient to meet anticipated enhanced 911 system needs. The
17 municipality may only use the enhanced 911 surcharge for the enhanced 911 system.

LEGAL SERVICES

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

COPY

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 11, 2005

SUBJECT: Enhanced 911 surcharges; sectional summary
(CSSB 100(); 24-LS0407\Y version)

TO: Senator Con Bunde
Attn: Lauren Wickersham

FROM: Tamara Brandt Cook
Director

Section. 1. Eliminates the provision setting surcharges at not more than 50 cents per month in municipalities with at least 100,000 people and at 75 cents per month in municipalities with fewer than 100,000. Establishes a maximum surcharge of \$2 per month regardless of the size of the municipality unless a higher surcharge is imposed by ordinance approved by the voters of the enhanced 911 service area. Requires the amount of surcharge imposed for each wireless telephone number to equal the amount imposed for each local exchange access line for wireline telephones.

TBC:jad
05-087.jad

Enclosure

Sectional Analysis



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Con Bunde
Current Version: SB 100
Contact: Lauren Wickersham, 465-3881

Fact Sheet for: Senate Bill 100

Short Title: ENHANCED 911 SURCHARGES

Summary:

- Increases the current E-911 surcharge caps from 50 cents and 75 cents to a statewide cap of \$2.
- Removes statute that changes the surcharge caps based on the population of a municipality.
- Allows an increase above the \$2 cap by ordinance approved by the voters of the E-911 service area.
- Requires the surcharges to be levied on wireless telephone numbers and local exchange access lines for wireline telephones equally.

Benefits:

- Provides municipalities with the revenue they need to implement and maintain E-911 systems.

Background:

- Enhanced 911 systems have been dramatically improving public safety across the nation. Among other benefits, the new technology uses GPS systems to track an individual's location and phone number where he or she calls from. The new systems are saving lives by saving time. Currently, the 50 cent and 75 cent surcharge cap insufficiently funds E-911 systems. This bill allows municipalities across the state to collect the revenue they need to implement and maintain this public safety tool.



Alaska State Legislature

Senator Con Bunde
Senate District P

Vice Chair: Senate Finance Committee
Chair: Senate Labor & Commerce Committee

Sponsor Statement

Senate Bill 100

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

Current Alaska statute allows municipalities to fund 911 services via a surcharge on their telephone billing statements. That surcharge is capped at 50 cents for municipalities with populations of 100,000 or more and 75 cents for populations of fewer than 100,000 (AS 29.35.131 Section (a)). This surcharge applies to both wireless telephone numbers and local exchange access lines for wireline telephones.

Basic 911 (B911) is the delivery of emergency 911 calls to a Public Safety Answering Point (PSAP). A "Basic 911 system" does not provide for options or enhanced systems that can track or locate callers. New technology is providing for more efficient and timely ways to handle and operate 911 calls.

An "Enhanced-911 system" is capable of directing 911 calls to appropriate PSAPs by selective routing based on the geographical location from which the call originated. It provides the capability for Automatic Number Identification (ANI) and Automatic Location Identification (ALI). Both of these features are imperative to respond to 911 calls as quickly as possible. Enhanced 911, particularly when applied to both wireless and wireline calls, has the potential to save lives.

Municipalities cannot afford to fully implement E-911 services with the caps that are presently in statute. The current revenue shortfall in municipalities ranges from over \$4 million (in Anchorage and Fairbanks) to just over \$500,000 (in Kodiak).

Senate Bill 100 includes 4 main changes to current statute. It increases the surcharge caps from 50 and 75 cents to a statewide cap of \$2. It removes statute that bases caps on the population of a municipality. It also allows a municipality to increase the E-911 surcharge above and beyond the \$2 cap with a majority vote of those in the effected service area. And finally, SB 100 requires surcharges be levied on wireless telephone numbers and local exchange access lines for wireline telephones equally.

SB 100 enables municipalities to fund E-911 and thus, to provide residents with a superior emergency response service. It improves public safety and brings life-saving technology to the residents of Alaska.

I urge your support of SB 100.

Sponsor Statement