

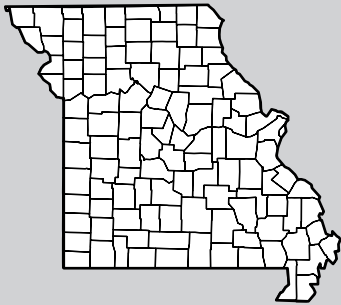


REGIONAL PUBLIC SAFETY
COMMUNICATIONS

ISSUES & ANSWERS

9-1-1 Wireless Legislation

Current Status in Missouri*



- 17** counties do not have enhanced 9-1-1 service
- 11** counties are in the process of installing enhanced wireless 9-1-1
- 69** counties have full enhanced wireless 9-1-1

Missouri is the last state in the nation to enact a funding mechanism to support wireless 9-1-1 services.

* Statistics from National Emergency Number Association (NENA).

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Wireless communications are now a cultural norm, with 96 percent of all Americans using wireless communications devices. Today there are an estimated 302 million wireless phone subscribers in the U.S., according to the CTIA (Cellular Telecommunication & Internet Association).



More and more, long distance and local communications are moving from wireline to wireless technology. For the first time in the U.S., cellular spending exceeded wireline spending in 2007. Landline revenues have fallen since 2000 and the Telecommunications Industry Association (TIA) estimates there will be more than 110 million more wireless than landline subscribers in the U.S. by 2009.

In 2011, 71 percent of all 9-1-1 calls in the Kansas City region came from wireless devices, and some communities experience much higher rates.

The Issue

Even though such a high percentage of 9-1-1 calls come from wireless devices, currently only landline telephone customers in Missouri pay for 9-1-1 services.

As more consumers move from landline to wireless communications, 9-1-1 revenues are dropping, and local communities are facing financial hardships to maintain and improve their 9-1-1 systems.

Many Missouri counties need wireless revenues to install and support 9-1-1 systems that can keep up with new and changing communications technologies.

State legislation is needed to allow a statewide 9-1-1 wireless surcharge that would support enhanced 9-1-1 services throughout Missouri.

Legislative Background

In 1994, the Federal Communications Commission (FCC) issued a ruling for wireless 9-1-1, requiring wireless service providers to implement wireless 9-1-1 or E911 at the request of a local Public Safety Answering Point (PSAP).

E911, or Enhanced 911, ensures that 9-1-1 calls are routed to the appropriate answering point and provides enhanced caller location information to the dispatcher.

The 1994 ruling allowed wireless carriers to seek cost recovery for their expenses associated with E911. Immediately following the ruling, many communities across the nation began work to upgrade their systems to receive location information on wireless calls.

In 1998, the Missouri General Assembly passed legislation calling for a statewide monthly surcharge on wireless communications services to support 9-1-1, subject to voter approval. The legislation allowed a portion of the funds collected from the surcharge to be used to reimburse wireless companies for their costs.

Subsequent to the passage of the 1998 state law, the FCC issued rules relieving governments from the responsibility of reimbursing wireless companies for the cost of providing number and location information from customers to 9-1-1 answering points.

In 1999 and 2002, public votes on this proposition failed by wide margins, although the 1999 vote prevailed in the state's urban centers. Since that time, new Voice over Internet (VoIP) services have further impacted 9-1-1 funding streams.

In 2007, members of the Missouri House of Representatives' Interim Committee to Evaluate the 9-1-1 System held hearings throughout the state to gather concerns about the 9-1-1 system.

Options for Solutions

The Kansas City region's local officials have identified two options for addressing this funding challenge to maintain quality enhanced 9-1-1 services. These options are:

1

Allow a statewide surcharge on communications devices capable of contacting 9-1-1 that would accomplish the following:

- Provide stable ongoing funding to local communities with 9-1-1 systems to maintain/enhance their system operations
- Provide for a state grant fund to help small communities and rural parts of the state install and operate 9-1-1 services

Most states across the nation use a statewide approach, which appears to be favored by wireless carriers. 9-1-1 surcharges may be added to customers' bills and carriers may remit revenues to a single public agency rather than numerous ones.

2

Enable counties and cities to levy a surcharge on wireless devices operated by customers in their jurisdictions, similar to the 9-1-1 surcharge on landline phones. This approach would allow those communities that are willing to tax themselves to raise the revenues necessary to maintain quality 9-1-1.

This approach is similar to how local communities first established the funding mechanism for basic 9-1-1 service, through a local surcharge approved by the community's voters.

Section 190 of the Missouri Statutes could be revised to allow the surcharge to be levied on both wireless and wireless communications devices.

Principles for a Fair Statewide Approach

Discussions continue at the state level to focus on the pursuit of a statewide approach. As state legislators consider the issue and draft legislation, the following principles are key to an equitable and well-managed revenue fund that meets the needs of large and small communities throughout Missouri:

Funds must be allocated to support existing 9-1-1 systems.

Local communities that have invested in 9-1-1 systems with a dedicated landline surcharge should be able to receive a reasonable portion of the statewide wireless surcharge in relation to the number of billed wireless customers.

A statewide grant fund should be established.

A statewide grant fund should be established to provide funds for small communities and rural counties in those situations where a landline surcharge and that community's share of the statewide wireless fund would not be sufficient to cover system installation and operating costs.

- ***Local commitment should be required.***

Local communities accessing the state grant fund should be required to seek voter approval for a landline surcharge to demonstrate commitment toward a local system.

- ***Eligibility should be limited.***

The statewide grant fund should be limited to public agencies operating 9-1-1 systems and should be not be available for service providers.

Governance

The Governor's Oversight Committee on 9-1-1 should be the body responsible for governance of the statewide surcharge and the decision-making body for the grant fund.

State administrative costs

A modest portion of the statewide wireless surcharge should be available to support state expenses to administer the program. These costs should not exceed 5 percent of total revenues annually. The Governor's Oversight Committee should review and approve the state's budget for administrative costs annually.



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