
A BILL FOR AN ACT

RELATING TO WIRELESS ENHANCED 911.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that despite clear
2 restrictions on expenditures imposed by chapter 138, Hawaii
3 Revised Statutes, and no enabling legislation being passed to
4 authorize such actions, the wireless enhanced 911 board reported
5 in a fiscal year 2007 report that it intends to expend the
6 balance of the wireless enhanced 911 fund (\$20,157,156.50 as of
7 December 31, 2007) for projects to expand coverage in rural
8 areas and in-building coverage, and other future technologies
9 not yet identified by the wireless community. Also stated in
10 the report was the board's intention to spend \$1,385,000 to
11 retain a consultant to manage the improvement of wireless
12 coverage within public buildings.

13 The fiscal year 2007 report is deficient in not providing a
14 progress report on each public safety answering point, wireless
15 service provider, and wireline provider, although it does report
16 that the State moved from 14.8 per cent to 89.8 per cent
17 deployment of wireless enhanced 911 service. That being the
18 case and there being a \$15,000,000 gap between the current fund



1 balance and the proposed fiscal year 2008 expenditures, the
2 legislature finds that it would appear the fund contains far in
3 excess of the funds the board needs and that the surcharge
4 should be reduced.

5 The legislature further finds that the wireless enhanced
6 911 board's administration of the wireless enhanced 911 fund has
7 preempted both the department of health's statutory mandate to
8 assist each county in the development of a 911 emergency
9 telephone system and the county council's role in determining
10 whether provision of wireless enhanced 911 services is a budget
11 priority within their respective jurisdictions.

12 The purpose of this Act is to:

- 13 (1) Reduce the wireless enhanced 911 surcharge to 43
- 14 cents;
- 15 (2) Provide that funds expended from the wireless enhanced
- 16 911 fund for reimbursement of capital costs shall
- 17 supplement, but not supplant, funds regularly
- 18 appropriated by the counties;
- 19 (3) Require the wireless enhanced 911 board to annually
- 20 present a plan to the legislature prior to each
- 21 regular legislative session that:



- 1 (A) Specifies a surcharge no greater than is
- 2 necessary to meet its expenses and planned
- 3 expenditures; and
- 4 (B) Proposes to refund surplus surcharge funds;
- 5 and
- 6 (4) Require the Auditor to conduct a financial and
- 7 management audit of the wireless enhanced 911 fund.

8 SECTION 2. Section 138-4, Hawaii Revised Statutes, is
 9 amended by amending subsections (a) and (b) to read as follows:

10 "(a) A monthly wireless enhanced 911 surcharge, subject to
 11 this chapter, [~~shall~~] may be imposed upon each commercial mobile
 12 radio service connection.

13 (b) [~~The effective date of the surcharge shall be July 1,~~
 14 ~~2004.~~] The rate of the surcharge shall be set at [~~66~~] 43 cents
 15 per month for each commercial mobile radio service connection.

16 The surcharge shall have uniform application and shall be
 17 imposed on each commercial mobile radio service connection
 18 operating within the [~~State~~] state except:

- 19 (1) Connections billed to federal, state, and county
- 20 government entities; and
- 21 (2) Prepaid connections."



1 SECTION 3. Section 138-5, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) After January 1, 2005, every public safety answering
4 point shall be eligible to seek reimbursement from the fund
5 solely to pay for the reasonable costs to lease, purchase, or
6 maintain all necessary equipment, including computer hardware,
7 software, and database provisioning, required by the public
8 safety answering point to provide technical functionality for
9 the wireless enhanced 911 service pursuant to the Federal
10 Communications Commission order. Reimbursements under this
11 section shall supplement but not supplant the funds regularly
12 appropriated for these purposes. All other expenses necessary
13 to operate the public safety answering point, including but not
14 limited to those expenses related to overhead, staffing, and
15 other day-to-day operational expenses, shall continue to be paid
16 through the general funding of the respective counties. For the
17 purposes of this subsection, "operational expenses" include any
18 charges for ongoing service provided by the local exchange
19 carrier."

20 SECTION 4. Section 138-6, Hawaii Revised Statutes, is
21 amended to read as follows:



1 "~~{}~~§138-6~~{}~~ **Report to the legislature.** The board shall
2 submit an annual report to the legislature~~{}~~ no later than
3 twenty days prior to the convening of each regular session of
4 the legislature, beginning with the 2009 regular session,

5 including:

6 (1) The total aggregate surcharge collected by the State
7 in the last fiscal year;

8 (2) The amount of disbursement from the fund;

9 (3) The recipient of each disbursement and a description
10 of the project for which the money was disbursed;

11 (4) The conditions, if any, placed by the board on
12 disbursements from the fund;

13 (5) The planned expenditures from the fund in the next two
14 fiscal ~~{}~~ years;

15 (6) The amount of any unexpended funds carried forward for
16 the next fiscal year;

17 (7) A cost study to guide the legislature towards
18 necessary adjustments to the fund and the monthly
19 ~~{}~~ surcharge that:

20 (A) Specifies the level of surcharge necessary to
21 fund the board's expenses and planned
22 expenditures; and



1 (B) Proposes to refund surcharge funds in excess of
2 the funds necessary to fund the board's expenses
3 and planned expenditures;

4 and

5 (8) A progress report of jurisdictional readiness for
6 wireless E911 services, including each public safety
7 answering [~~points,~~] point, wireless [~~providers,~~]
8 service provider, and wireline [~~providers,~~] provider.

9 The report shall include the status of requirements
10 outlined in the Federal Communications Commission
11 Order 94-102 and subsequent supporting orders related
12 to phase I and phase II wireless 911 services."

13 SECTION 5. The auditor shall conduct a financial and
14 management audit of the wireless enhanced 911 fund to address
15 the following issues:

16 (1) The role the wireless enhanced 911 board should play
17 in assisting the counties in deployment or operation
18 of wireless enhanced 911 in light of the department of
19 health's duties assigned pursuant to paragraph 321-
20 224(a)(7) and 321-225(a)(6), Hawaii Revised Statutes,
21 and the responsibility of the county councils to
22 determine whether provision of wireless enhanced 911



1 services is a budget priority within their respective
2 jurisdictions;

3 (2) Whether the statutory authority to reimburse the
4 public safety answering points and the wireless
5 service providers for costs incurred to deploy
6 wireless enhanced 911 services includes, or should
7 include:

8 (A) The ongoing cost of operating 911 call centers,
9 including trunking line charges, answering
10 position charges and long distance calling
11 charges assessed by the local exchange carrier;

12 (B) The cost incurred for acquiring personnel
13 services by contract that would be prohibited if
14 acquired by hiring personnel; and

15 (C) The cost of equipment that may also be used to
16 process wireline 911 calls;

17 (3) Whether the wireless enhanced 911 board should be
18 expending funds from the wireless enhanced 911 fund to
19 purchase products for use by the public safety
20 answering points rather than reimbursing the counties
21 for those purchases;



1 (4) Whether the wireless enhanced 911 fund serves the
2 purpose for which it was created and reflects a clear
3 link between the benefit sought and charges made upon
4 the users or beneficiaries of the program, as opposed
5 to serving primarily as a means to provide the program
6 or users with an automatic means of support which is
7 removed from the normal budget and appropriations
8 process; and

9 (5) Any other issues pertinent to the audit revealed by
10 its review of the wireless enhanced 911 board's
11 records and interviews of its personnel.

12 The auditor shall submit a report to the legislature no
13 later than twenty days prior to the convening of the 2009
14 regular session, containing findings and recommendations,
15 including any proposed legislation and identifying alternative
16 forms of funding concerning how the wireless enhanced 911 fund
17 has been managed and the moneys in the fund are expended.

18 SECTION 6. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 7. This Act shall take effect on June 29, 2008.



Report Title:

Wireless Enhanced 911; Surcharge

Description:

Reduces the monthly surcharge on wireless telephone accounts for deployment of system to locate wireless 911 callers. Requires wireless enhanced 911 board to annually present a 2-year plan to the legislature of the level of surcharge necessary to support expenditures for the next two fiscal years, and return of surplus surcharge funds. Requires the Auditor to perform a financial and management audit of the wireless enhanced 911 fund. (HB3367 HD1)

