

STAND. COM. REP. NO. 608

Honolulu, Hawaii

Feb 20, 2009

RE: H.B. No. 1014
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1014, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENHANCED 911 SERVICES,"

begs leave to report as follows:

The purpose of this bill is to:

- (1) Reduce the monthly wireless enhanced 911 surcharge from 66 cents to 29 cents;
- (2) Expand the use of the wireless enhanced 911 fund to include cost recovery for improvements and maintenance of phase I and II wireless enhanced 911 service, as well as costs expended by the wireline provider for such purposes; and
- (3) Prohibit any conflicts of interest by those hired by the Wireless Enhanced 911 Board to perform various administrative duties.

Your Committee received testimony in support of this measure from Hawaiian Telcom. The Police Department of the City and County of Honolulu supported the intent of the measure. The Department of Accounting and General Services and an anonymous individual submitted testimony in support of the measure as originally introduced. The Department of Information Technology



of the City and County of Honolulu provided comments. Testimony in opposition was received from AT&T.

Your Committee finds that this measure, as introduced, presented an opportunity for the Legislature to consider the future of enhanced 911 services in the State and how those services should be funded. Legislative oversight is necessary to ensure that the system meets the public's needs without spending more than is necessary or imposing undue financial burdens either on consumers or taxpayers. Accordingly, while preserving the conflict of interest prohibition added by your Committee on Public Safety, your Committee has amended this measure by restoring its original contents. As amended, this measure would also:

- (1) Provide for a single entity to administer the enhanced 911 services by:
 - (A) Renaming the Wireless Enhanced 911 Board the "Enhanced 911 Board" and adding representatives of the Public Utilities Commission, voice over internet protocol providers, and local exchange carriers to the Board;
 - (B) Broadening the coverage of communication services and providers by adding definitions of "communication service", "communication service connection", "communication service provider", among other definitions, to include services and providers of local landline telephones, cellular telephones, wireless communication, interconnected voice over internet protocol, or any other service or technology by which a caller can contact a 911 call center;
 - (C) Authorize any "communication service provider" to seek reimbursement of enhanced 911 service costs from the enhanced 911 fund, including the incumbent local exchange carrier; and
 - (D) Removing references to "wireless" and "commercial mobile radio service" in chapter 138, Hawaii Revised Statutes.
- (2) Reduce the monthly surcharge on cellular telephone accounts for enhanced 911 service from 66 cents to 46 cents;



- (3) Impose the monthly surcharge on landline, voice over internet protocol, and any other communication service able to contact a 911 call center;
- (4) Repeal the provision that surcharge funds are not general funds of the State;
- (5) Repeal the requirement that expenses related to overhead, staffing, and other day-to-day expenses of operating 911 call centers be paid through the general funding of the respective counties;
- (6) Repeal the provision reserving two-thirds of surcharge funds for reimbursement of 911 call centers and one-third for wireless service providers;
- (7) Increase the authority of Board to spend surcharge funds not just to reimburse costs of implementing enhanced 911 service but on funding operation of the enhanced 911 system generally; and
- (8) Reinstate the authority for proxy voting by Board members, which was repealed by Act 22, Session Laws of Hawaii 2008.

Your Committee has also amended this measure by changing the effective date to January 1, 2020, to facilitate further discussion of the issues it raises.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1014, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1014, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



