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# A BILL FOR AN ACT

RELATING TO ENHANCED 911 SURCHARGES.

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

1           SECTION 1. Chapter 138, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§138-       Prepaid wireless E911 surcharge. (a) A prepaid  
5 wireless E911 surcharge of           cents shall be imposed on each  
6 retail transaction of prepaid wireless telecommunications  
7 service. The prepaid wireless E911 surcharge is the liability  
8 of the consumer and not of the seller or provider.

9           (b) The prepaid wireless E911 surcharge shall be collected  
10 by the seller from the consumer with respect to each retail  
11 transaction occurring within the State. The amount of the  
12 prepaid wireless E911 surcharge shall be separately listed on an  
13 invoice, receipt, or other similar document that is provided to  
14 the consumer by the seller.

15           (c) A retail transaction that is transacted in person by a  
16 consumer at a seller's business location shall be treated as  
17 occurring within the State if the business location is within  
18 the State or for any retail transaction that is treated as



1 occurring in the State for purposes of the tax imposed pursuant  
2 to section 237-13.8; provided that if no tangible personal  
3 property is shipped and the billing address of the consumer or  
4 the consumer's payment instrument is not known, the transaction  
5 shall be sourced to the State if the consumer's mobile telephone  
6 is associated with an address within the State.

7 (d) A seller may deduct and retain 3 per cent of prepaid  
8 wireless E911 surcharges collected from consumers. The seller  
9 shall remit the balance of prepaid wireless E911 surcharges  
10 collected from consumers, including all surcharges collected  
11 where the amount of the surcharge has not been separately stated  
12 on an invoice, receipt, or other similar document provided to  
13 the consumer by the seller, to the board. The board may require  
14 sellers to remit the balance of the surcharges collected  
15 electronically and shall establish registration and payment  
16 procedures.

17 (e) The amount of the prepaid wireless E911 surcharge that  
18 is collected by a seller from a consumer shall not be included  
19 in the base for measuring any tax, fee, surcharge, or other  
20 charge that is imposed by the State, any political subdivision  
21 of the State, or any intergovernmental agency.



1           (f) If a minimal amount of prepaid wireless  
2 telecommunications service is sold with a prepaid wireless  
3 device for a single, non-itemized price, the seller shall not  
4 apply the surcharge imposed in subsection (a) to the  
5 transaction. For purposes of this subsection, a "minimal  
6 amount" means service of ten minutes or less or \$5 or less.

7           (g) The board shall establish procedures by which a seller  
8 of prepaid wireless telecommunications service may document that  
9 a sale is not a retail transaction.

10           (h) Within thirty days of receipt and for use in  
11 accordance with the purposes of chapter 138, the board shall  
12 transfer all remitted prepaid wireless E911 surcharges to the  
13 enhanced E911 fund pursuant to section 138-3.

14           (i) Section 138-9 shall apply to providers and sellers.

15           (j) No provider or seller shall be liable for damages to  
16 any person resulting from or incurred in connection with the  
17 provision of any lawful assistance to any investigative or law  
18 enforcement officer of the United States or any political  
19 subdivision, in connection with any lawful investigation or  
20 other law enforcement activity by such law enforcement officer.



1        (k) The prepaid wireless E911 surcharge imposed by this  
2 section shall be the only funding obligation imposed on prepaid  
3 wireless telecommunications service in the State for enhanced  
4 911 services. No other tax, fee, surcharge, or other charge for  
5 enhanced 911 services shall be imposed by the State, any  
6 political subdivision of the State, or any intergovernmental  
7 agency, upon any provider, seller, or consumer with respect to  
8 the sale, purchase, use, or provision of prepaid wireless  
9 telecommunications service."

10        SECTION 2. Section 138-1, Hawaii Revised Statutes, is  
11 amended by adding seven new definitions to be appropriately  
12 inserted and to read as follows:

13        "Consumer" means a person who purchases prepaid wireless  
14 telecommunications service in a retail transaction.

15        "Prepaid wireless E911 surcharge" means the surcharge that  
16 is required to be collected by a seller from a consumer in the  
17 amount established under 138- .

18        "Prepaid wireless telecommunications service" means a  
19 wireless telecommunications service that is sold in  
20 predetermined units or dollars that decline with use in a known



1 amount and allows a caller to dial 911 to access the 911 system,  
2 a service that shall be paid for in advance.

3 "Provider" means a person that provides prepaid wireless  
4 telecommunications service pursuant to a license issued by the  
5 Federal Communications Commission.

6 "Retail transaction" means the purchase of prepaid wireless  
7 telecommunications service from a seller for any purpose other  
8 than resale.

9 "Seller" means a person who sells prepaid wireless  
10 telecommunications service to another person.

11 "Wireless telecommunications service" means commercial  
12 mobile radio service as defined by title 47 Code of Federal  
13 Regulations section 20.3."

14 SECTION 3. Section 138-3, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 **"§138-3 Enhanced 911 fund.** There is established outside  
17 the state treasury a special fund, to be known as the enhanced  
18 911 fund, to be administered by the board. The fund shall  
19 consist of amounts collected under [~~section~~] sections 138-4[-]  
20 and 138- . The board shall place the funds in an interest-  
21 bearing account at any federally insured financial institution,



1 separate and apart from the general fund of the State. Moneys  
2 in the fund shall be expended exclusively by the board for the  
3 purposes of ensuring adequate funding to deploy and sustain  
4 enhanced 911 service, developing and funding future enhanced 911  
5 technologies, and funding expenses of administering the fund."

6 SECTION 4. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect on July 1, 2020.



**Report Title:**

Prepaid Wireless; Enhanced 911 Surcharge

**Description:**

Establishes an unspecified prepaid wireless E911 surcharge per retail transaction of prepaid wireless telecommunications service at the point of sale; allows sellers to deduct and retain 3 per cent of the surcharge that is collected; and requires the amounts collected by the enhanced 911 board to be placed in the enhanced 911 fund. Effective July, 1, 2020.  
(SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



DAVID Y. IGE  
GOVERNOR

SHAN TSUTSUI  
LT. GOVERNOR



MARIA E. ZIELINSKI  
DIRECTOR OF TAXATION

STATE OF HAWAII  
**DEPARTMENT OF TAXATION**  
P.O. BOX 259  
HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

To: The Honorable Gregg Takayama, Chair  
and Members of the House Committee on Public Safety

Date: Thursday, March 19, 2015

Time: 10:05 A.M.

Place: Conference Room 309, State Capitol

From: Maria E. Zielinski, Director  
Department of Taxation

Re: S.B. 193, S.D. 2, Relating to Enhanced 911 Surcharges

The Department of Taxation (Department) appreciates the intent of S.B. 193, S.D. 2 and provides the following comments for your consideration.

S.B. 193, S.D. 2 imposes a surcharge on each retail transaction of prepaid wireless telecommunications service. The bill deems the consumer liable for the surcharge, but requires the seller or provider to collect the surcharge and pay it over to the Enhanced 911 Board. S.B. 193, S.D. 2 excludes the proposed surcharge from any tax, fee, or surcharge imposed by the State.

S.B. 193, S.D. 2 refers to section 237-13.8, Hawaii Revised Statutes (HRS), for sourcing of sales to the state for purposes of the surcharge. The Department recommends replacing the direct reference to section 237-13.8, HRS, with the rule from that section. This will prevent any confusion between the general excise tax and the proposed surcharge. The amendment will also clarify the operation of the sourcing rule by stating a unified rule rather than relying on a cross-reference.

The following language, to replace the current subsection (c), is provided as a suggested amendment:

(c) A retail transaction that is transacted in person by a consumer at a seller's business location shall be treated as occurring within the State if the business location is within the State. A transaction shall also



be treated as occurring within the State if tangible personal property is shipped and the customer's shipping address is within the state, or if there is no shipment, if the customer's billing address is within the State. If no tangible personal property is shipped and the customer's billing address is not known, the transaction shall be treated as occurring within the State if the consumer's mobile telephone is associated with an address within the State."

The above amendment maintains the sourcing rules proposed in the original subsection (c), but without reference to chapter 237, HRS.

Thank you for the opportunity to provide comments.

TESTIMONY  
OF  
PAUL K. FERREIRA,  
STATE OF HAWAII, ENHANCED 911 BOARD  
TO THE  
HOUSE COMMITTEE  
ON  
PUBLIC SAFETY  
ON  
MARCH 19, 2015  
10:05 A.M.  
STATE CAPITOL, CONFERENCE ROOM 309

**IN SUPPORT  
OF  
SENATE BILL 193, S.D. 2  
RELATING TO ENHANCED 911 SURCHARGES**

Chair Takayama, Vice Chair Yamashita, and members of the committee, thank you for the opportunity to testify on SB 193, SD 2.

The Enhanced 911 Board (Board) supports SB 193, SD 2, that seeks to collect the 911 surcharge from prepaid wireless consumers at the retail point of sale.

The collection on prepaid wireless 911 surcharge is very important in order to sustain adequate funding for enhanced 911 statewide. Our testimony is provided today on behalf of the thirteen-member Enhanced 911 Board that is comprised of representatives from each of the Public Safety Answering Points (PSAPs), representatives of the communications service providers, the public utility, and representatives from State agencies.

911 surcharges should be imposed in a fair and equitable manner with respect to prepaid mobile service like the 911 surcharge is collected today for postpaid wireless. The 911 surcharge should be imposed upon all consumers of telecommunication services that have the ability to access 911. This is an important funding mechanism to assist state and local governments in sustaining 911 systems and to provide for the deployment of new and emerging technologies. Prepaid wireless telecommunications services are an important segment of the telecommunications industry and have grown in use by consumers; however, today prepaid wireless consumers are exempt from the surcharge and yet have always had access to 911.

Today consumers of prepaid wireless are being subsidized by postpaid consumers who pay a monthly 911 surcharge. To be fair and equitable, prepaid wireless consumers should not be exempt from the 66 cents 911 surcharge and therefore should pay a 66 cents 911 surcharge per transaction at the point of sale.

The telecommunications industry association estimates prepaid wireless consumers represent approximately 20% of the consumer market in Hawaii. All states have experienced

Testimony of Paul K. Ferreira, State Of Hawai'i, Enhanced 911 Board  
House Committee on Public Safety  
March 16, 2015  
Page 2

tremendous growth of prepaid consumers which is why 36 states have now adopted legislation to collect a 911 surcharge from prepaid wireless consumers. The prepaid business model rather than postpaid contracts is the trend for the wireless industry today. While in the beginning prepaid was a good option for low income consumers, these are not the only consumers opting for prepaid rather than a contract today. Commercial ads by the carriers have made it evident that the prepaid consumer is a broad market in the competitive market of the wireless industry. Contracts will likely be non-existent in the near future. Without the collection of the 911 surcharge on prepaid wireless, the State of Hawaii will be facing reductions in revenue to support our 911 system.

Wireless Enhanced 911 was established by the State of Hawaii in 2004. The 911 surcharge has to date been funded in the postpaid model. The 911 surcharge is service connections that are purchased by consumers at retail on a "pay as you go" basis with no contracts or monthly bills.

Given consumers of prepaid wireless are "pay as you go" a one-time fee for prepaid is not fair and equitable. What is fair and equitable would be to collect the 911 surcharge of 66 cents per transaction at the point of sale. This 911 surcharge would be collected at each sale at the time of purchase directly from the consumer. The surcharge on prepaid, like postpaid, would be remitted to the special fund established for enhanced 911 outside the State Treasury known as the Enhanced 911 fund that is administered by the Enhanced 911 Board. Moneys in the fund are expended exclusively by the Board for the purposes of ensuring adequate funding to deploy and sustain enhanced 911 services statewide.

The benefit to the public is a comprehensive, efficient, and coordinated statewide 911 system serving all citizens that are funded in a fair and equitable manner for all.

For these reasons, we urge the committees to support our amendments that we have provided with this testimony. Thank you for this opportunity to testify on this important matter.

Sincerely,



PAUL K. FERREIRA  
LEGISLATIVE COMMITTEE CHAIR  
ENHANCED 911 BOARD

**TESTIMONY OF THE HAWAI`I POLICE DEPARTMENT**

**SENATE BILL 193, SD2**

**RELATING TO ENHANCED 911 SURCHARGES**

**BEFORE THE COMMITTEE ON PUBLIC SAFETY**

DATE : Thursday, March 19, 2015

TIME : 10:05 A.M.

PLACE : Conference Room 309  
State Capitol  
415 South Beretania Street

**PERSON TESTIFYING:**

Police Chief Harry S. Kubojiri  
Hawai`i Police Department  
County of Hawai`i

(Written Testimony Only)

William P. Kenoi  
Mayor



Harry S. Kubojiri  
Police Chief

Paul K. Ferreira  
Deputy Police Chief

## County of Hawai'i

### POLICE DEPARTMENT

349 Kapi'olani Street • Hilo, Hawai'i 96720-3998  
(808) 935-3311 • Fax (808) 961-2389

March 17, 2015

Representative Gregg Takayama  
Chairman and Committee Members  
Committee on Public Safety  
415 South Beretania Street, Room 309  
Honolulu, Hawai'i 96813

**Re: SENATE BILL 193, SD2, RELATING TO ENHANCED 911 SURCHARGES**

Dear Representative Takayama:

The Hawai'i Police Department supports Senate Bill 193, SD2, with its purpose being to establish an unspecified prepaid wireless E911 surcharge per retail transaction of prepaid wireless telecommunications service at the point of sale, which basically eliminates the exemption for prepaid wireless connections.

We believe this legislation as written will serve to ensure an act of equity amongst consumers of wireless communications devices in terms of needed revenue for enhanced 911 (E911) services attendant to these devices. In essence, the wireless communications industry similar to the computer industry is constantly incorporating and deploying, newer, faster, and more efficient technology into the field.

In response, the Public Safety Answering Points (PSAPS) must also constantly upgrade their equipment in order to take advantage of the increasing capabilities of these devices as well as to meet public expectations for the technology. The recent movement towards the Next Generation 911 upgrading of PSAPS is a prime example. These upgrades will allow PSAPS to receive text messages, photos, and video from wireless phones.


In that the E911 funding is utilized for necessary upgrades, we believe the rise in use of prepaid wireless connections should be attendant with elimination of the exemption in the best interests of the communities served by the various PSAPS in the state of Hawai'i. We also cannot overlook the fact that the "pay as you go" industry is making wide gains into the wireless market share and we believe in order to sustain our needs, we will need to make up for the loss of market share of the traditional data plans.

It is for these reasons, we urge this committee to approve this legislation.

Representative Gregg Takayama  
Senate Bill 193, SD2, Relating to Enhanced 911 Surcharges  
Page 2  
March 17, 2015

Thank you for allowing the Hawai`i Police Department to provide comments relating to Senate Bill 193, SD2.

Sincerely,



HARRY S. KUBOJIRI  
POLICE CHIEF

POLICE DEPARTMENT  
**CITY AND COUNTY OF HONOLULU**

801 SOUTH BERETANIA STREET · HONOLULU, HAWAII 96813  
TELEPHONE: (808) 529-3111 · INTERNET: [www.honolulu.org](http://www.honolulu.org)



KIRK CALDWELL  
MAYOR

LOUIS M. KEALOHA  
CHIEF

DAVE M. KAJIHIRO  
MARIE A. McCAULEY  
DEPUTY CHIEFS

OUR REFERENCE    **SN-AS**

March 19, 2015

The Honorable Gregg Takayama, Chair  
and Members  
Committee on Public Safety  
House of Representatives  
Hawaii State Capitol, Room 309  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Takayama and Members:

**SUBJECT: Senate Bill No. 193, SD2, Relating to Enhanced 911 Surcharges**

I am Sean Naito, Major of the Communications Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD supports Senate Bill No. 193, SD2, Relating to Enhanced 911 Surcharges, with the suggested amendment to set the unspecified prepaid wireless enhanced 911 surcharge at \$0.66.

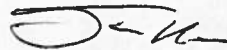
This bill provides fair and equitable contribution to the funding of the 911 system. Currently, prepaid wireless consumers are exempt from paying the \$0.66 surcharge but have the same access to the 911 system. The collection and payment obligation of charges to support the 911 system should be in parity with other wireless consumers.

The HPD urges you to support Senate Bill No. 193, SD2, with the suggested amendment.

The Honorable Gregg Takayama, Chair  
and Members  
Committee on Public Safety  
March 19, 2015  
Page 2

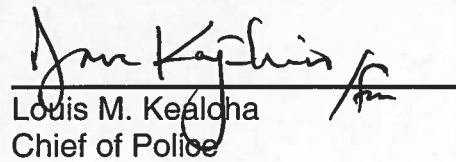
Thank you for the opportunity to testify.

Sincerely,



Sean Naito, Major  
Communications Division

APPROVED:



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Louis M. Kealoha  
Chief of Police





**Executive Officers:**  
John Schilf, RSM Hawaii - Chairperson  
Derek Kurisu, KTA Superstores - Vice Chair  
Lisa DeCoito, Aloha Petroleum - Treasurer  
John Erickson, Frito-Lay - Secretary  
Lauren Zirbel, Executive Director

---

**1050 Bishop St. PMB 235  
Honolulu, HI 96813  
Fax : 808-791-0702  
Telephone : 808-533-1292**

**TO:**  
COMMITTEE ON PUBLIC SAFETY  
Representative Gregg Takayama, Chair  
Representative Kyle T. Yamashita, Vice Chair

**FROM: HAWAII FOOD INDUSTRY ASSOCIATION**  
Lauren Zirbel, Executive Director

**DATE:** March 19, 2015  
**TIME:** 10:05am  
**PLACE:** Conference Room 309

**RE: SB193 SD2**

**Position: Oppose**

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

Here in Hawaii our businesses and our customers already pay several costly taxes and fees that are not only a financial burden, but an administrative burden as well. The state's system is complex and hard to navigate and adding an additional surcharge creates unnecessary added cost for retailers and consumers.

We appreciate that the bill allots 3% of the fee to the retailer and has clarified some other aspects of this program. However, we believe that given the importance of 911 to all residents, and visitors, this program is precisely the type of thing that should be covered by an appropriation from the General Fund.

For these reasons we ask that this bill be held.

Thank you for the opportunity to testify.

**John R. Cmelak**  
Vice President  
State Tax Policy-West Area



2785 Mitchell Drive, MS: 8-2  
Walnut Creek, CA 94598

Phone 925 279-6789  
Fax 925 279-6377  
Mobile 510 468-4477  
john.cmelak@verizonwireless.com

March 19, 2015

Honorable Gregg Takayama  
Chair, House Public Safety Committee  
Hawaii State Capitol  
Room 324  
Honolulu, HI 96813

Honorable Kyle Yamashita  
Vice Chair, House Public Safety Committee  
Hawaii State Capitol  
Room 422  
Honolulu, HI 96813

**RE: Senate Bill 193 SD2, 9-1-1 Prepaid Surcharge – Support**

Dear Chair Takayama and Vice Chair Yamashita:

Verizon supports SB 193 SD2, legislation relating to the imposition of Hawaii's 9-1-1 surcharge on prepaid wireless services.

This bill captures all the key components of the NCSL model bill. SB 193 SD2 is legislation similar to that which has already been adopted in 35 states, the District of Columbia and the Virgin Islands. It is the most appropriate method by which to accurately impose Hawaii's 9-1-1 surcharge on prepaid wireless services.

Verizon is a strong supporter of the public safety community and believes that an efficient and fair 9-1-1 system is in the best interest of the People of Hawaii.

Concerning implementation of this legislation, we recommend an effective date of January 1, 2017 to allow time for carriers and retailers to set up systems for 9-1-1 surcharge collection and remittance.

Verizon appreciates the opportunity to support SB 193 SD2.

Respectfully submitted,

A handwritten signature in black ink that reads "John R. Cmelak".

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Impose enhanced 911 surcharge on prepaid phones

BILL NUMBER: SB 193, SD-2

INTRODUCED BY: Senate Committee on Ways and Means

BRIEF SUMMARY: Adds a new section to HRS chapter 138 to provide that the enhanced 911 surcharge of \_\_\_ cents shall be imposed as a one-time charge on prepaid wireless telecommunications services. The surcharge shall be the liability of the consumer but collected by the seller. Allows the seller to retain 3% of the surcharge collected from consumers and remit the balance to the enhanced 911 board.

EFFECTIVE DATE: July 1, 2020

STAFF COMMENTS: The legislature by Act 159, SLH 1994, established a wireless enhanced 911 surcharge of 66 cents per month and a wireless enhanced 911 fund to allow deployment of phase 1 and phase 2 of the wireless enhanced 911 service and expenses of administering the fund. The wireless enhanced 911 program allows wireless phones to be located by public safety personnel in the event of an emergency. The fee is collected to reimburse facilities that provide Public Safety Answering Points (PSAP) which are set up to determine the location of a wireless 911 call for emergency services.

In Act 79, SLH 2009, the legislature determined that there was an excess \$16 million in the enhanced 911 fund. At the time, public safety officials complained that diversion of receipts in the fund could disqualify the state from participating in federal grant programs to enhance the technology of 911 systems. But the fund was raided anyway. It now may be a good time for lawmakers to investigate whether all the funding needs of the system have been made and if upgrades are still needed. Are there technologies still to be implemented to fully operate the system? Is the rate too high, bringing in revenues faster than they can be spent? If the latter is true, then lawmakers should consider reducing the rate so the monthly burden will not be as great on users.

Currently, wireless phones are assessed a surcharge of 66 cents per month while landline phones are assessed 27 cents per month. Prepaid service connections or prepaid pay as you go cell phones are exempt from this surcharge. Because prepaid phones also have access to enhanced 911 services, it appears equitable to assess those phones a fair rate as well.

One practical issue to examine is when prepaid phones are recharged with minutes purchased online. Section 237-13.8, HRS, which is referred to in this bill, appears to source such a transaction to Hawaii if the customer's billing address is in Hawaii. For a Hawaii customer, then, the recharge would be a retail transaction and the surcharge would apply. However, the communications company has neither presence nor property in Hawaii (they make the customers buy the phones), so constitutional nexus may be lacking. If the communications company doesn't pay GET, its customer is considered to be importing a service, so that Use Tax is payable. But there is nothing comparable to the Use Tax for this surcharge, so an out-of-state communications company may be able to get away without paying it and thus gain a competitive advantage.

Digested 3/17/15

March 19<sup>th</sup>, 2015

Honorable Gregg Takayama  
Chair, House Public Safety Committee  
Hawaii State Capitol  
Room 324  
Honolulu, HI 96813

Honorable Kyle Yamashita  
Vice Chair, House Public Safety Committee  
Hawaii State Capitol  
Room 422  
Honolulu, HI 96813

**RE: Senate Bill 193 SD2, 9-1-1 Prepaid Surcharge – Support with Amendments**

Dear Chair Takayama and Vice Chair Yamashita:

On behalf of CTIA-The Wireless Association®, the trade association for the wireless communications industry, I am writing to express our support for Senate Bill 193 SD2, with amendments, related to the imposition of the 9-1-1 surcharge on prepaid wireless services.

CTIA and the wireless industry are strong supporters of the public safety community and also believe a fully-funded and efficient 9-1-1 system is in the best interest of the people of Hawaii. With the proliferation of 9-1-1 calls made from wireless devices, it is that much more imperative that those who benefit from access to the 9-1-1 system are also contributors. As such, CTIA supports the public policy that prepaid wireless consumers should be paying a 9-1-1 surcharge.

Due to the unique business model of prepaid wireless services, where the majority of transactions occur at national ‘big box’ stores and other general retailers, the only way to accurately capture the 9-1-1 surcharge is to collect the surcharge at the point-of-sale at the time of the retail transaction. The wireless industry believes that model legislation endorsed by the National Conference of State Legislatures (NCSL) in 2009 is the appropriate method in which to accurately capture this surcharge. This legislation has been adopted in 35 states and the District of Columbia.

CTIA does support the policy espoused by Senate Bill 193 SD2, but would respectfully suggest one amendment. We would request Senate Bill 193 SD2 be amended to require the remittance of the 9-1-1 surcharge to the Department of Taxation. As amended, Senate Bill 193 SD2 would require the 9-1-1 surcharge to be remitted to the 9-1-1 Board. We would respectfully request the 9-1-1 surcharge be remitted to the Department of Taxation, the state agency that is familiar with administering other taxes and fees in Hawaii. Furthermore, this would streamline the remittance process for retailers who are already submitting Hawaii excise tax to the Department of Taxation. Requiring retailers to remit to two separate agencies creates administrative complexity and burdens. Furthermore, designating the Department of Taxation for 9-1-1 surcharge

remittance is consistent with the NCSL model-endorsed legislation that 36 states and the District of Columbia have adopted.

Thank you for the opportunity to submit testimony in favor of Senate Bill 193 SD2, with amendments.

Sincerely,



Bethanne Cooley  
Director, State Legislative Affairs  
CTIA-The Wireless Association ®

