

Approved: Carl Dean Holmes
Date 4-29-99

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl Holmes at 9:06 a.m. on March 3, 1999 in Room 522-S of the Capitol.

All members were present except:

Committee staff present: Lynne Holt, Legislative Research Department
Mary Torrence, Revisor of Statutes
Jo Cook-Whitmore, Committee Secretary

Conferees appearing before the committee: Cindy Lash, Legislative Post Audit
Judy Moler, Kansas Association of Counties
Diane Gage, Sedgwick County
Keith Faddis, City of Overland Park
Dorothy Faulkner, Ford County
James Denney, Douglas County
Kim Gulley, League of Kansas Municipalities
Jay Emler, Liberty Cellular
Beth Canuteson, Sprint PCS
Teresa Colvin, CellularOne

Others attending: See Attached List

Hearing on HB 2399 - Emergency telephone tax, wireless phone

Chairman Holmes introduced Cindy Lash, Principal Auditor for Legislative Post Audit, who provided background information and an update on the 911 audit (Attachment 1). This audit was at the request of the Senate Commerce Committee and Ms. Lash provided a copy of the scope statement with her testimony.

Judy Moler, Legislative Services Director/General Counsel for the Kansas Association of Counties, provided testimony in support of **HB 2399** (Attachment 2).

Diane Gage, Director of Sedgwick County Department of Emergency Communications, testified in favor of **HB 2399** (Attachment 3).

Overland Park Deputy Police Chief R. Keith Faddis provided testimony as a proponent of **HB 2399** (Attachment 4).

Dorothy Faulkner, Director of the Ford County Communication Center, testified in support of **HB 2399**. Her testimony (Attachment 5) included a letter from Don Wiles, Chairman of the Ford County Commissioners, expressing support for the bill.

James Denney, Director of the Douglas County Emergency Communications Center, provided testimony in favor of **HB 2399** (Attachment 6).

Representing the League of Kansas Municipalities, Assistant General Counsel Kim Gulley testified as a proponent of **HB 2399** (Attachment 7).

Jay Emler, Assistant General Counsel for Liberty Cellular, Inc., testified in opposition to **HB 2399** (Attachment 8).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 522-S Statehouse, at 9:06 a.m. on March 3, 1999.

Beth Canuteson, Manager of State Government Affairs for Sprint PCS, next testified as an opponent to **HB 2399** (Attachment 9). Ms. Canuteson also distributed a position paper, from the Kansas Wireless Carriers, in opposition to **HB 2399** (Attachment 10).

Representing CellularOne, Teresa Colvin, Tax and External Affairs Manager, provided testimony as an opponent to **HB 2399** (Attachment 11).

At the conclusion of the testimony, conferees responded to questions from the committee.

The meeting adjourned at 10:24 a.m.

Next meeting is Thursday, March 4.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: _____

March 3, 1999

NAME	REPRESENTING
Kim Gulley	LKM
Sara Sura	Issues Management Group
Mike Sheehy	Federico Consulting
BEIAN HUDNALL	
Georgette Linsinger	Ford County
Dorothy Zauchner	Ford County Communications
Diane Gage	Sedgwick County Emergency Communications
Kelly Kuitala	City of Overland Park
KEITH FADDIS	CITY OF OVERLAND PARK POLICE
JIM DENNEY	DOUGLAS CO. EMERGENCY COMMUNICATIONS
Erik Sartorius	Johnson Co. Board of Realtors
Cindy Lash	Legislative Post Audit
Michelle Martin	Liberty Cellular, Inc.
Craig Templeton	EMR, Inc.
STEVE KEARNZY	KIN I C.C.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: March 3, 1999

NAME	REPRESENTING
Jay Scott Emler	Liberty Cellular, Inc.
Judy Miller	16. Area of Council
Bein Canuteson	Sprint PCS
Shane Peterson	Ks Taxpayers Network
Sandy Braden	McMill, Gaches, & Assoc.
ED SCHAUB	WESTERN RESOURCES
Ron Hoffman	HARVEY County 9-1-1
Jim Yavally	Cellular One
Ron GACHES	SW Bell MOBILE SERVICES
Pat Lehman	KS Fire Service Alliance
Mike Recht	AT+T
Rob Hodges	KTIA
Tom Gleason	Independent Telecom. Group
Roger Franze	KGC
Doug Lawrence	SWBT



LEGISLATURE OF KANSAS
LEGISLATIVE DIVISION OF POST AUDIT

MERCANTILE BANK TOWER
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March 3, 1999

To: Members, House Utilities Committee
From: Cindy Lash, Principal Auditor *CL*
Legislative Post Audit

Re: Background and Update on 911 Audit

The Senate Commerce Committee requested an audit of the 911 system in the State as part of its deliberations on SB63, a bill that would extend the 911 tax to wireless users. The audit was approved by the Legislative Post Audit Committee on February 2nd. A copy of the scope statement is attached.

The audit will be quite extensive, and will address three major areas:

- what does the 911 system look like in Kansas--a county by county inventory of coverage, levels of service, tax rates, tax revenues, Y2K compliance, % wireless calls
- what will it take to meet the FCC requirements regarding wireless phones, and what are some possible ways for recovering the costs
- looking in-depth at a sample of counties, does the structure of the current system seem to lead to inefficiencies, higher costs, or other problems

The audit will be presented in parts in order to make some information available before the end of the legislative session. We anticipate a report on Question 1, the Statewide inventory of 911 information, will be presented to the Post Audit Committee in mid- to late-April, during the break before the veto session. A report on Questions 2 and 3 will be available this summer.

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT |

SCOPE STATEMENT

Reviewing the 911 Emergency Phone System

Emergency telephone service (911) operates under the control of city and county governments. Currently, State law allows users of hardwired telephones to be billed an amount up to 75 cents per phone line per month for 911 services, while no charge is assessed against wireless (cellular) phones. A recent order of the Federal Communication Commission requires full 911 service to wireless phone users, under certain conditions. A bill introduced in the Senate to extend the 911 tax to wireless users has raised broader questions about how well the system is functioning in Kansas.

Because there is no Statewide oversight of the 911 system, legislators lack such basic information as which counties have 911 systems, what level of system they have (for example, enhanced systems identify the caller's name, address, and phone number, while the most basic systems provide no identifying information), and whether counties have a single consolidated system or whether 911 calls are directed to multiple public safety answering points. Without this basic information, it's difficult to determine whether the citizens of Kansas are well-served by the 911 system, and to make informed decisions about the need for additional taxes in this area. To address these concerns, the audit would answer the following questions:

1. **What is the current status of the 911 system in Kansas and how does that compare to other states?** Through a combination of surveys and reviews of budget information from city and county governments, we would develop an inventory of basic information such as which counties have 911 service, what level of service they have, their tax levy rate for individuals and businesses, how much they collect in 911 taxes annually, what their fund balances were at the end of the fiscal year, whether they think their systems are Y2K compliant, how many public safety answering points operate in their county, the percent of 911 calls that originate from cellular telephones, the percent of 911 wireless calls that are made by law enforcement and other public safety officials, and whether the county accepts 911 wireless calls that originate in other counties. We also would contact a sample of other states to learn how their 911 systems are structured and paid for, and compare that to Kansas. We'd conduct additional work as needed.
2. **What will it cost to meet FCC requirements regarding wireless telephones, and what options exist for recovering those costs?** We would review the FCC requirements and work with officials of local governments and wireless companies to determine, to the extent possible, the equipment costs they would incur to meet those requirements. We'd review any existing estimates, or estimate the revenues that would be generated if the State's current tax system was extended to wireless users, as envisioned by SB63. We'd also determine if those revenues would be sufficient to cover the anticipated costs of local governments and wireless companies. We would review the funding mechanisms other states have adopted to meet FCC requirements, and talk with FCC officials and other interested parties to identify other possible ways to fund wireless coverage. We'd conduct additional work as needed.

- 3 **Does the current structure of the 911 system result in inefficiencies, higher costs, or other problems for the citizens of Kansas?** We'd conduct in-depth work on a sample of counties (including large and small, consolidated and unconsolidated) that would look at such things as the cost of their equipment and whether it was purchased competitively, whether excess equipment costs are incurred in areas that have multiple public safety answering systems, whether tax money is being spent only for the purposes allowed by statute, what the county is doing to monitor 911 performance and the outcome of that monitoring, the extent to which counties audit 911 tax receipts remitted to them by the local telephone companies, and whether 911 revenues could be maximized by requiring more timely submission of tax moneys. We'd also look at the extent to which 911 is being used by local government employees to contact their central offices, how much those calls cost the system and the wireless companies, and whether the system was designed for this purpose. We'd conduct additional work as needed.

Estimated Completion Time: 12-14 weeks

To meet the Commerce Committee's need for information, this audit could be reported in two parts.



KANSAS
ASSOCIATION OF
COUNTIES

TESTIMONY
Concerning House Bill 2399

Presented by
Judy A. Moler, Legislative Services Director/General Counsel
Kansas Association of Counties
To the
House Utilities Committee
March 3, 1999

Representative Holmes and members of the committee, the Kansas Association of Counties is in support of HB 2399. This bill is similar to a bill introduced by the Kansas Association of Counties.

Counties currently collect a tax on hard-wired telephone lines, used for the financing of operations of the emergency telephone service provided through Emergency Communications. The money collected is used for the purchase and maintenance of equipment such as radios, telephones and computer aided dispatch systems. Currently, state statute only allows for the collection of tax from hard-wired phone systems and exempts wireless service users.

When the current statute was written, there was no way to anticipate the enormous growth of the mobile or cellular telephone industry. Wireless phones are now a vital part of quick emergency response calls. Many people buy wireless phones specifically to use them in case of emergency. In fact, many phone companies market their wireless products specifically for use in an emergency.

This bill does not provide for a new tax...it merely extends the existing tax equitable. This bill also provides for a lower tax rate for those areas that have not yet put locator equipment in place.

The Kansas Association of Counties respectfully requests passage of the bill.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to the KAC by calling (785) 233-2271.

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Fax 785•233•4830
email kac@ink.org

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 2



**SEDGWICK COUNTY , KANSAS
DEPARTMENT OF
EMERGENCY COMMUNICATIONS**

Diane M. Gage, Director
525 N Main Ste-B-6
Wichita, KS 67203-3707
(316) 383-7077
(316) 383-8060 (FAX)

**TESTIMONY TO THE HOUSE COMMITTEE ON UTILITIES
REGARDING HOUSE BILL 2399**

March 3, 1999

Chairman Holmes and members of the House Committee on Utilities, I am Diane Gage, Director of Sedgwick County Emergency Communications, Sedgwick County's "911" department. Sedgwick County supports House Bill 2399, to expand the current emergency telephone tax to include wireless telephones, with a clarification on the location.

Access to emergency services through the use of "911" was activated in Sedgwick County on February 1, 1980, since which time the emergency telephone tax has been collected from both business and residential hardwired telephone subscribers. At that time, wireless subscribers were very rare, but in recent years they have become a significant user of "911" services.

In 1994, Sedgwick County processed 24,111 wireless "911" calls or 6.7% of the total number of "911" calls, by 1998 this had increase to 95,326 wireless "911" or 23.2% of the total "911" calls. (See attachment). The growth of wireless phones has been phenomenal. It is estimated there is one wireless phone for every four residential lines. Using this figure, there would be close to 50,000 wireless telephones in Sedgwick County alone. Yet, none of these access lines financially support the "911" system, this falls entirely on the users of hardwired telephones.

Wireless users receive a tremendous benefit by having access through "911" for emergency services. As an example, in March 1998, a young couple was driving through the western part of Wichita. The wife suddenly felt faint and passed out. Her husband recognized she wasn't breathing, called "911" from his wireless telephone. Emergency crews were started to his location and the dispatcher instructed him on CPR. The woman was in full cardiac arrest due to a previously unknown heart condition. Between the efforts of the husband, dispatcher and emergency crews, she was revived and is anticipated to lead a full life. If her husband had not possessed a wireless telephone and had been forced to either look for a telephone or find other assistance, she would more than likely not be with us today.

The proposed changes in this bill take into consideration improving the level of service to wireless users. This is becoming more and more important as the number of wireless subscribers increases, as well as the number of people using wireless as their primary telephone system.

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 3

On New Year's Eve, our center received a "911" call from a woman who was being beaten. She was in her residence on a wireless telephone. Initially, the dispatcher was unable to obtain her location. Without a location or telephone number, there is no way emergency crews can respond. Finally, the dispatcher was able to ascertain an address.

The Wichita Business Journal on January 29, 1999, reported on a local company's plans to debut wireless home service. It is becoming almost less expensive to have a wireless telephone than a hardwired line. As people move to totally wireless, the likelihood increases for incidents like this domestic violence situation.

There is a need for clarification in the bill as to what is considered the origination point of wireless calls. Is it the telephone number of the wireless phone or a geographical coordinate? If a geographical coordinate is what is intended, FCC Docket 96-264, Wireless Phase II defines location as follows:

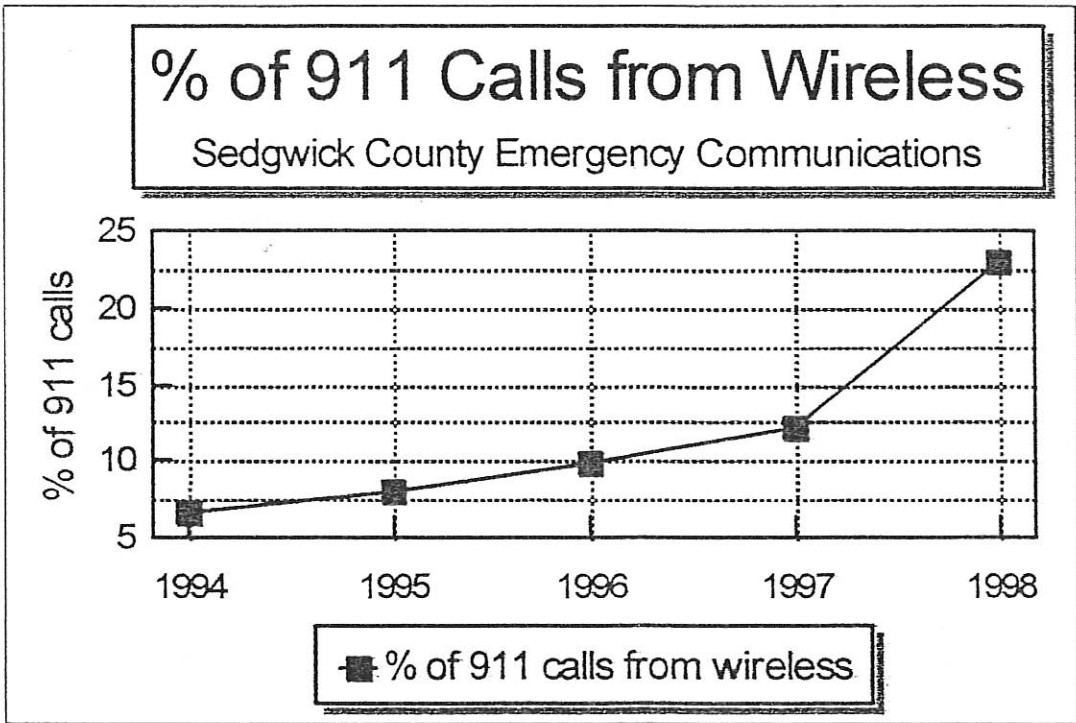
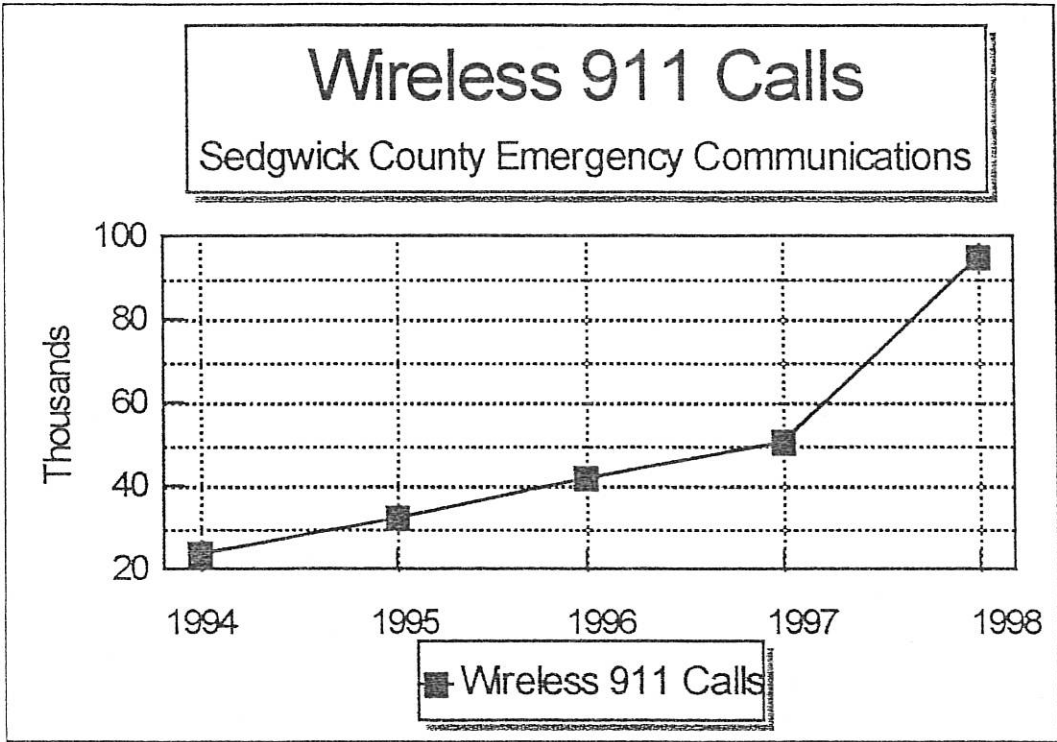
“..the mobile station must be located in two dimensions (i.e., longitude and latitude) within a radius of no more than 125 meters. Accuracy to 125 meters would be measured using root mean square (RMS) techniques, which means that location devices would be required to be accurate to within 125 meters in about 67 percent of all cases.”

FCC Docket 96-264 is the driving force behind the improvements to the delivery of "911" services to wireless subscribers. Phase II is scheduled for implementation in October 2001.

HB2399 not only addresses the need to make technological improvements to the existing system, but provides for a means for wireless subscribers to support the "911" system as do the hardwired users. Thank you for your time and consideration, I would be glad to answer any questions.

Sincerely,

Diane M. Gage
Director, Sedgwick County
Emergency Communications



Wichita Business Journal

**USD 259 tabs NEC
for \$9.1 million
tech upgrade
Page 5**

VOLUME 14, NUMBER 5

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JANUARY 29, 1999

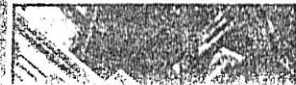
INSIDE



**Corporate
Citizenship 1999
(Subscribers only)**



**Love Box's
packaging
strategies
Page 8**



Telecom to debut wireless home service

By **JERRY SIEBENMARK**

A new phone company is headed to town and it promises to be like no other provider in the market.

SouthCentral Telecom, a 46-year-old phone company that serves seven rural communities in south-central Kansas and two in north-central Oklahoma, is preparing to offer Wichita-area business and residential customers phone service via a wireless medium.

The Medicine Lodge-based telecom received approval last week from the Kansas Corporation Commission to operate as a competitive local exchange

provider for the Wichita-Hutchinson area — an area that officials say comprises about 18,000 square miles.

SouthCentral's products will include local and long-distance service, Internet access, intranet services, high-speed data transmission and later, cable television.

And how those services are delivered is what makes the company unique.

Instead of using ground or pole-based phone lines to deliver phone service, the company will use a series of towers scattered throughout the area to transmit and receive signals from 12-inch dish antennas

attached to customers' homes and businesses.

In other words, the difference between SouthCentral and its competitors is its phone service will be delivered by transmitted signals as opposed to in-ground cabling.

Wireless phone service is something of a novelty in the United States. Only recently, Regent, N.D., became the nation's first town to receive wireless residential phone service, according to the Cellular Telecommunications Industry Association.

"Generally, we are positioning the wireless industry to be directly competitive with (traditional phone

companies)," said Jeffrey Nelson, CTIA spokesman. "If you want to see what telecommunication competition will be like in the future, look at wireless today."



Campidilli

And, said Ernest Campidilli, general manager for SouthCentral's Wichita office, wireless service removes the expenses an upstart telecom would normally undergo with the installation of phone lines.

See **WIRELESS** — page 7

Derby buys El Paso Water

By **JERRY SIEBENMARK**

The city of Derby shook its standing as the state's sole municipality to receive its water from a privately owned concern when it acquired its supplier, El Paso Water Co., in a \$5.9 million deal Wednesday.

The deal, which city and company officials said has been in the works for three years, means Derby will finally have command of the company that supplies the city with 2 million gallons of water a day.

El Paso, which supplies water to...



The growing staff of The Community Voice hopes to expand its readership — and its revenues — during 1999. From left, they are: editor-in-chief Bonita Gooch, Chester Thomas, LaTricia Harper, Dorothy Crouch, Loui Nosaman, Christopher Bagley, and Deedee Newton-Beaver.

COURTESY PHOTO

One competitor sees South Central's entry as an opportunity

Continued from page 1

"Really, this fiber in the sky is much more economical to use than putting fiber in the ground," Campidilli said.

The means to provide wireless service were obtained by SouthCentral last year, when it purchased the rights from the Federal Communications Commission to operate on a digital bandwidth.

But wireless service does not scare some of SouthCentral's soon-to-be competitors. David Scott, president and chief executive officer of competitor Birch Telecom, said SouthCentral's entry could enable Birch to use some of SouthCentral's services instead of having to resell Southwestern Bell Telephone Co.'s lines.

Derby

Continued from page 1

Paso in the near future, including its staffing, although the employees could at some point become city employees, contract with the city to provide labor and billing services, or vice versa, Nelson said.

The decision to sell El Paso was based largely on the realization that Derby would be better-suited to operate the water company rather than private interests, said Kerry Clark, El Paso stockholder and company director.

"The city is growing rapidly and the needs for expansion are just more well-suited to the city than a private group of stockholders," Clark said.

Nelson agreed. He said with an annual growth rate between 3.5 percent and 4 percent, as well as a projected doubling of the city's population in the next 15 years, it is important for the water company to keep pace with those expectations.

Cessna signs

"It's kind of another step to breaking the stranglehold that Southwestern Bell has as a monopoly," Scott said.

As for any rivalry issues, Scott believes it's too early for that to be a factor in an environment where CLECs are sprouting almost daily because of the Telecommunications Act of 1996, which requires telecom monopolies to free access to their lines in order to spur competition.

"Various companies are good at particular things and they all have a shot at a very big market," he said. "It'll be

years before the new competitors in the market will be fighting each other."

Campidilli said SouthCentral could begin offering wireless service this summer. The company is in the process of arranging Interconnection agreements with Southwestern Bell so it can begin offering some service.

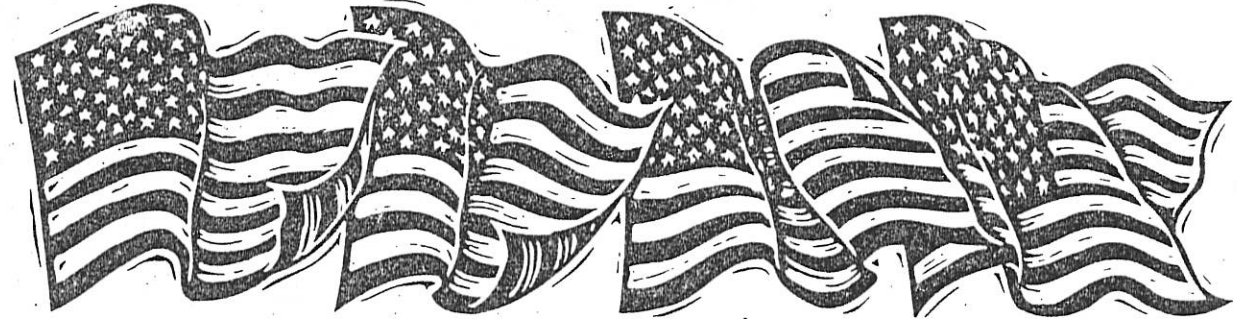
Once the wireless network is in place, SouthCentral's 1,200 square feet of newly acquired office space in the former Kansas State Bank & Trust building at 125 N. Market will serve as the company's central network facility,

receiving signals from possibly as many as 42 tower sites in the metropolitan area.

Brad Tiedemann of J.P. Weigand & Sons Inc. brokered the lease transaction.

Campidilli anticipates during the next three to four years, SouthCentral will employ between 20 and 25 people in Wichita.

For now, the groundwork is being laid, with the primary target being small to mid-sized businesses. From there, Campidilli expects to begin targeting residential customers as well.



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TESTIMONY IN SUPPORT OF House Bill 2399

Thank you for the opportunity to speak to your committee today. This is the third time I have had the opportunity to testify and the fourth time I have attended a hearing regarding the Emergency Telephone service. During that time there has been testimony regarding the number of calls to 911 increasing to nearly 40 percent of all 911 calls in some areas, the number of wireless phones increasing, wireless phones replacing traditional phones. Statistics have been tossed back and forth, some current and some not, of people paying the 911 tax twice if they have a wireless phone and a traditional phone. A number of issues have been brought up since I first testified in 1994. It has become obvious some may have lost sight of why we are here. It is quite simply an issue of public safety.

With that in mind let's look back in time and talk about why 911 came to be. It began as a very simple idea: to give people one number to call for police, fire and ambulances when they needed help. Once the call was made, help was on the way. But that first 911 service wasn't good enough. If the caller hung up or the phone was disconnected, we had to call a special number to get the name and address of the caller. That worked, but it took time. So a better method was developed called enhanced 911. This gave us the name and address of the caller so if we were disconnected, we could still send help.

Then cellular phones hit the market. This gave people access to 911 in areas where they had never had it before: driving in their cars, just walking down the street or if their traditional phone was out of service. But there was a problem. Let me give two examples to truly illustrate the difference between a wired phone and a wireless phone.

In 1986 I was a Field Sergeant working the midnight shift. The communications center received a 911 call, but they could not understand the caller. At first it sounded as if the caller was intoxicated and they thought it might be a prank. They could not understand anything the caller was saying. They dispatched two officers and myself to the address displayed on the 911 (ALI/ANI) screen. They continued to try and talk to the caller. At times the voice would become faint and drift away. By this time the officers had arrived at the door of the apartment where the call originated. We knocked with no success. The dispatchers could hear us knocking over the open phone line and the caller started talking in an agitated voice. The dispatcher called over the radio and said, " I think I heard the word help". Without

HOUSE UTILITIES

DATE: 3-3-99
ATTACHMENT 4

hesitation, the first officer forced open door. We located the caller, an elderly woman, in her bedroom. She had apparently suffered a stroke. She was unable to move one side of her body. She could not speak coherently. An ambulance was ordered and she was taken to the hospital for treatment. If it were not for E911, there would have been no help for this woman.

Let's move ahead 12 years for an example of a wireless call and see the difference. A young man calls the Overland Park communications center on 911 using a wireless phone. As the call progresses, the calltaker learns that the young man is armed with a shotgun and is threatening to shoot himself. He is driving around Overland Park - somewhere. The 911 screen (ANI/ALI) only shows the name of the wireless company the young man uses. Another dispatcher notifies the Field Sergeant about the situation. The original calltaker continues to talk to the young man trying to get him to say where he is or to describe landmarks, anything to help locate him. All of the resources of the Overland Park Police are of no use to this young man. The mere fact that he called indicates that he wants help but we can't help him because we don't know who he is or where he is. After many minutes, the calltaker gets him to stop and tell her where he is. The officers arrive on the scene and he surrenders without incident and is taken to the hospital.

That, ladies and gentleman, is the difference between a wired call and a wireless call.

There has been much discussion about the 911 tax, how much is charged and people with traditional phones and wireless already paying for 911 and those who do not have wireless service paying to support wireless 911 as well. Each of us in this room pay taxes, sales taxes, real estate taxes, income taxes and personal property taxes. When your tax statement comes each year, you look at it and see how much goes to the schools, fire districts, water districts or other taxing entities. You probably wonder how that money is spent, what is that money used for. Well the 911 tax is unique in the world of taxes. It is used only to support the handling of 911 calls. It pays the telephone bill for the 911 network, it pays to maintain the 911 database so we can locate wired callers, it pays for the telephone lines to the answering point and it pays for the telephone equipment so the calls can be answered. In some cases it can be used for necessary equipment to actually get help to the callers such as police radios or computer aided dispatch systems. It does not pay for salaries, furniture, street signs, buildings or office supplies. The 911 monies are used only to get the help to those who dial 911. That's it and that's all.

Now we come to the FCC mandates to the wireless providers to provide essentially the same services that are now available to wired 911 callers. In the Kansas City metro area we have fulfilled the first requirement of the FCC mandates by asking for the phase I service to be provided. We are testing in three answering points to be sure we can receive the information. That is requirement number II. Requirement number III is the reason we are here. The FCC rule states that a cost

recovery mechanism must be in place so the wireless providers can be paid for the cost of providing this service.

Since 1994 Public Safety agencies have approached the legislature asking that wireless phones be included in the language of the emergency telephone service statute. Since 1994 the wireless providers have argued against including wireless phones in the statute. This is confusing. When the wireless phones first came on the market the providers used safety and security as a marketing tool. I recall one manufacturer placing a police duty hat on top of their wireless phone in their print ads. One company ran radio ads with a woman's voice that was having car trouble. In an excited voice she describes a man walking towards her vehicle. Then you hear the relief in her voice when she remembers her wireless phone. Even now one company runs a TV ad of a woman who is lost and walks into a seedy bar and the commercial closes by asking if a wireless phone wouldn't come in handy.

The wireless companies clearly understand the safety value of wireless phones. For some time in the Kansas City metro area, all five wireless companies have been cooperating with Southwestern Bell Telephone to test phase I of the FCC mandate. Just last month, 4 of the 5 companies told Southwestern Bell that they would not participate in any further testing unless there was a cost recovery mechanism in place. We are only asking that those who would most benefit from the service pay for the service.

Let's look at the facts we now know and that everyone can agree with. Wireless phone sales continue to rise. Wireless 911 calls continue to rise. Wireless users do not receive the same level of service as wired callers. It will cost money to upgrade equipment in the answering points and the telephone companies to provide this service. Additional funds will be needed to provide this upgrade. Currently only wired telephone subscribers are charged for 911 service.

We are asking that the emergency telephone service tax be extended to wireless service subscribers.

I have taken a great deal of your time and I want to express my appreciation.

I will be happy to answer any questions you may have.

R. KEITH FADDIS, DEPUTY CHIEF
OVERLAND PARK KANSAS POLICE
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rkfaddis@opkansas.org

Ford County Communication Center

100 Gunsmoke
Dodge City, Ks 67801

Director Dorothy Faulkner

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Fax 316-227-4655

TESTIMONY TO THE COMMITTEE ON UTILITIES
REGARDING HOUSE BILL NO. 2399
FEBRUARY 23, 1999

LADIES AND GENTLEMAN, THANK YOU FOR ALLOWING ME THE OPPORTUNITY TO SPEAK ON THE ISSUE OF TAXATION ON WIRELESS PHONES.

AS THE DIRECTOR OF FORD COUNTY COMMUNICATIONS CENTER IN DODGE CITY. I MUST SHARE WITH YOU SOME CONCERNS I HAVE WITH WIRELESS PHONES AND THE USE OF 911.

I MUST FIRST SAY THAT I AM A GREAT BELIEVER IN TECHNOLOGICAL CHANGES. I FEEL THE WIRELESS PHONES WILL HELP GET FASTER RESPONSES TO THE EMERGENCIES. THIS IS THE GOOD THING. ABOUT THE EXPANSION OF THE WIRELESS PHONE SYSTEMS, HOWEVER THE BOOMING EXPANSION OF WIRELESS SYSTEMS HAS EXCEEDED THE CAPABILITY OF MANY COMMUNICATIONS CENTERS THROUGHOUT THE NATION AND LEFT MANY COMMUNITIES WITH AND INCREASED RESPONSIBILITY AND ASSOCIATED LIABILITY.

SEVEN YEARS AGO, WE COMBINED THE COMMUNICATION IN FORD COUNTY AS ONE. THEN TO SUPPLY THE NEEDS OF THE COUNTY THE ENHANCED 911 WAS UPGRADED FOR A COST OF MORE THAN \$110,000.00. THE COUNTY ALSO PUT IN PLACE NAMING THE COUNTY ROADS IN FORD COUNTY, WHICH WAS A LARGE COST TO THE COUNTY. I, AS THE DIRECTOR FELT THAT FORD COUNTY WAS ON THE UPSIDE IN THE CHANGE OF TECHNOLOGY.

AS CALLERS, (USERS) OF WIRELESS PHONES DIAL 911 IT MAY CROSS MANY COUNTIES. WE RECEIVE CALLS AS FAR AWAY AS I-70 NEAR TOPEKA, KS AND SOUTH OF OUR COUNTY INTO OKLAHOMA. TODAY WE STILL RECEIVE CALLS OUTSIDE OUR AREA. TO HANDLE A CELLULAR CALL VERSES HARDWIRED CALLS TAKES MUCH LONGER. 1. TO FIND THE LOCATION OF THE CALLER 2. IF IT IS OUTSIDE OUR COUNTY, WE NEED TO GET THE EXACT LOCATION. 3. IF WE ARE UNABLE TO SEND THIS CALL TO THE PROPER COUNTY, WE THEN HAVE TO MAKE A LONG DISTANCE CALL OR OTHER MEANS TO GET THIS INFORMATION TO THE RIGHT AGENCY. 4. THE SIGNAL IS ALSO SOMETIMES VERY WEAK. THE SAME CALLER MAY HAVE TO CALL IN AS MANY AS 2 TO 3 TIMES BEFORE WE CAN GET THE INFORMATION.

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 5

THERE IS NOTHING IN PLACE FOR THE COMMUNICATIONS CENTERS TO TRACE A CELLULAR CALL. THERE IS NO INFORMATION THAT SHOWS UP ON OUR ANI (AUTOMATIC NUMBER INFORMATION). THEN WINDS UP BECOMING A MANAGEMENT NIGHTMARE FOR THE COMMUNICATIONS PERSONNEL TO FIND THE APPROPRIATE RESPONSE TO GET THE PROPER HELP TO THE SCENE. DOING THE WRONG THING MAY NOT BE WITHOUT LEGAL IMPLICATIONS. MANAGING THESE CALLS PROPERLY TAKES ADDITIONAL EQUIPMENT AND MONEY, THEREFORE, IT IS ONLY FAIR THAT THE COMMUNITIES CAN GET REIMBURSEMENT FROM THE WIRELESS PHONE INDUSTRY TO MANAGE A PROBLEM CREATED BY THEIR EXPANSION.

LIKE THE HARDWIRED PHONE SYSTEMS, THE TAXATION SHOULD HAVE LIMITS AND RESTRICTIONS. HOWEVER I WOULD LIKE TO SEE THE UTILIZATION OF THIS TAX INCLUDE A STIPULATION THAT ALLOWS FOR TRAINING, AS CHANGE OCCURS IN THE TECHNOLOGY OF WIRELESS SYSTEMS THE MANAGEMENT OF 911 CALLS WILL BECOME MORE DEMANDING, THEREFORE TRAINING WILL NEED TO BE ONGOING AND SOURCES OF FUNDING WILL NEED TO BE APPROPRIATED.

HOUSE BILL NO.2399 WILL PROVIDE A MEANS FOR COMMUNICATIONS CENTERS TO IMPROVE THE SERVICES AND EQUIPMENT FOR THE WIRELESS SUBSCRIBERS.

THANK YOU FOR YOUR CONSIDERATION IN THIS MOST URGENT MATTER.

SINCERELY,

DOROTHY FAULKNER
COMMUNICATIONS DIRECTOR, FORD COUNTY
100 GUNSMOKE STREET.
DODGE CITY KS. 67801

Ford County Communication Center

100 Gunsmoke
Dodge City, Ks 67801

Director Dorothy Faulkner

316-227-4575
Fax 316-227-4655

February 23, 1999
Committee on Utilities
House Bill No. 2399

I, the Chairman of the Ford County Commissioners, representing the county of Ford, do hereby wish to express the support of the House Bill No. 2399.

These proposals will allow for the taxation of wireless, and mobile phone for 911 calls similar to the taxation of hard-wire phone systems. With these proposals the use of the taxation can be used by the local PSAF'S those answering centers that have to deal with the calls for service anyway, regardless of the answering point. We feel these proposals need your support in order for the local 911 centers to expand to meet the needs of the communication network that is changing daily.

Sincerely,

 Don Wiles, Chairperson

Ford County Commission

**Douglas
County 9-1-1
Emergency
Communications**

March 2, 1999

Representative Tom Sloan
Kansas House of Representatives

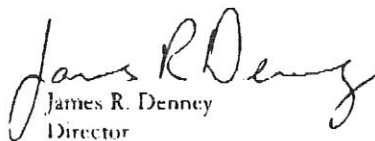
Dear Sir :

This letter is written to you in support of House Bill No. 2399 amending K.S.A. 12-5302/3.

The Douglas County 911 center receives over 25,000 911 calls each year. The percentage of these calls originating from a cellular telephone has risen steadily over the past few years to its current rate of twenty-five (25) percent. It is my firm belief that the percentage rate of 911 calls will continue to grow as the proliferation of cell phones continues.

The Douglas County 911 center has the necessary equipment to receive Automatic Location Information should local cell phone companies begin sending such data.

Sincerely,


James R. Denney
Director

DOUGLAS COUNTY EMERGENCY COMMUNICATIONS CENTER
111 East 11th St. • Lawrence, KS 66044-2912 • (785) 832-5237 • (785) 832-5206 (FAX)

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 6



LEAGUE OF KANSAS MUNICIPALITIES

LEGAL DEPARTMENT □ 300 S.W. EIGHTH □ TOPEKA, KANSAS 66603

PHONE: (785) 354-9565 □ FAX: (785) 354-4186

To: House Utilities Committee
From: Kim Gulley, Assistant General Counsel
Date: March 3, 1999
Re: HB 2399

Thank you for allowing me to appear on behalf of the League of Kansas Municipalities and our 529 member cities. We appear today in support of HB 2399.

Our support for this legislation turns on two key factors:

- The emergency 9-1-1 systems which are established and maintained by Kansas local governments are vital public safety tools. Adequately funding this service is necessary to maintain and enhance the safety of all Kansans.
- All Kansas phone customers, regardless of the type of phone service, benefit from the availability of 9-1-1 emergency services. However, under the current statutory framework, wireless customers are exempt from the tax which is imposed in order to fund the establishment and maintenance of these systems. Customers using a wired phone system currently bear 100% of the burden for 9-1-1 funding. HB 2399 rectifies this inequity.

As you review this bill, we would like to offer one amendment for your consideration. HB 2399 penalizes those communities which have not yet established a locator system by cutting the tax in half in those areas. We understand that this provision may have been added for the purpose of encouraging the purchase and maintenance of locator systems. However, we believe that the penalty may actually have the opposite effect.

Allowing all communities to impose the same tax may provide the funds necessary for more areas of the state to purchase and maintain locator systems. We all agree that the ultimate goal should be to have the ability to locate all 9-1-1 callers instantly upon the receipt of their emergency call. Authorizing all local governments to impose 100% of the tax would certainly help to provide funding to achieve this goal.

Further, the 9-1-1 system even in areas that do not currently have a locator system still provides a valuable public safety function for wireless phone customers. Although the caller cannot be located simply upon dialing 9-1-1, the call can still be routed to the appropriate local unit for response.

For these reasons, we respectfully request that HB 2399 be amended to remove the portion of the bill which distinguishes between those communities who already have a locator system and those which still need to establish such systems.

Again, thank you for allowing me to appear in support of HB 2399. We appreciate your consideration of this important public safety matter.

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 7

TESTIMONY ON BEHALF OF

LIBERTY CELLULAR, INC.

HOUSE UTILITIES COMMITTEE

JAY SCOTT EMLER

MARCH 3, 1999

Chairman Holmes, members of the Committee, thank you for the opportunity to appear before you today. My name is Jay Scott Emler. I am Assistant General Counsel for Liberty Cellular, Inc. which does business as **Kansas Cellular**. I will try to briefly explain the history of cellular 9-1-1 service in the rural areas and how it is currently handled.

I. History

A. Liberty Cellular, Inc. ("Liberty"):

1. Liberty is a Kansas corporation organized and owned by 25 Kansas independent local exchange companies.
2. There are retail centers in Emporia, Garden City, Great Bend, Hutchinson, Junction City, Manhattan, Ottawa, Pittsburg, Salina, and Winfield.
3. There are currently 335 employees around Kansas.
4. Liberty began providing cellular service on July 11, 1990 from a cell site located just outside McPherson.
5. Liberty currently operates 135 sites throughout the state of Kansas.
6. All cell sites are located in what the Federal Communications Commission calls Rural Service Areas (RSAs).

7. Liberty covers approximately 90% of the state of Kansas.

B. 9-1-1 Service for Cellular

1. Beginning in April 1990, **Kansas Cellular** began contacting various emergency answering points so that a system to answer cellular 9-1-1 calls would be in place when the first tower was turned on.
2. It should be noted that contact was made with local police departments, sheriff departments and Public Safety Answering Points (PSAPs).
3. Approximately 30 offices were contacted with a request to accept cellular 9-1-1 calls.
4. Only two agencies were willing to accept calls originating on the **Kansas Cellular** system, Salina and Great Bend.
5. Other agencies indicated they would accept calls from the **Kansas Cellular** system, but only for their individual jurisdictions. This was then and remains currently technologically not possible.
6. As **Kansas Cellular's** subscriber base increased, customers continued attempts to make "Good Samaritan" calls, frequently to no avail, and were very concerned that **Kansas** did not provide a cellular 9-1-1 service.
7. **Kansas Cellular** customer service representatives were relaying calls to the appropriate answering point. This was not required, nor was that service available 24 hours a day. I am certain you can imagine the potential liability, which **Kansas Cellular** voluntarily faced.
8. Because in the RSAs the majority of cellular traffic is from vehicles, **Kansas Cellular** elected to approach the Kansas Highway Patrol to assist in answering 9-1-1 calls. That was the proposal which was contained in Senate Bill 645 in 1994.

9. The costs associated with the cellular 9-1-1 calls, such as long distance charges and airtime charges, were and still are completely absorbed by **Kansas Cellular**. Calls to the Kansas Turnpike Authority, the Kansas Highway Patrol, or the designated answering points, are free to users of the **Kansas Cellular** system.
10. There are still counties that do not provide landline 9-1-1 service and there are still counties which do not want to provide service to cellular users. Based upon the compromise legislation that was passed in 1994, however, every county in which a tower is located must make arrangements to have an answering point for such calls.

C. 1994 Legislative Efforts

1. Senate Bill 688:
 - a. Placed a charge on cellular users equal to that imposed on landline customers on a county by county basis;
 - b. Provided for 9-1-1 service on a county by county basis so that a cellular user would never have known whether that service was available in a particular location; and
 - c. Mandated cellular carriers provide 9-1-1 service, but permitted the PSAPs to refuse to accept cellular calls.
2. Senate Bill 645:
 - a. Placed a \$.30 per month charge on all wireless users;
 - b. Guaranteed 9-1-1 availability statewide; and
 - c. Provided for centralized or regionalized answering points for consistency throughout Kansas. Those answering point would have been with the Kansas Highway Patrol.
3. The cellular industry and the Kansas 9-1-1 Providers Group testified repeatedly late into the session.

4. Finally, based upon the testimony of the Kansas 9-1-1 Providers Group that there really was no need for additional funding and that all they really wanted was to assure any 9-1-1 calls would be transmitted to their individual facilities, a compromise bill was passed. That legislation required the cellular industry to make 9-1-1 available to its customers and required counties designate to which answering point the cellular providers in the area would deliver the calls. Additionally, the legislation provided that there would be no assessment against cellular users.
(HB 3055)

II. Current Problems

- A. Where is the call originating?
 1. Each cell in the RSAs can cover an area between 20 and 40 miles in radius.
 2. Coverage is designed to be ubiquitous.
 3. Topographical and atmospheric conditions influence which cell site will pick up a call at any given point in time.
- B. There is a substantial likelihood that a call will have to be relayed to another county or jurisdiction when it is answered.
- C. **Kansas Cellular** averages approximately **8125** minutes of "emergency" calls per month statewide. These minutes include all calls to the designated answering points. The average per day, therefore, is **270.8** minutes spread over **96** counties. Divide that number by 135 towers and the average number of minutes per day per tower is **2.00**.
- D. Let me now give you one more interesting statistic about the "volume" of calls. In the last nineteen (19) months, **31%** of the minutes I just gave you were generated by individuals associated with law

enforcement and public safety. That changes the minutes of legitimate calls to 5606, the average minutes per day to 186.87, and the average minutes per day per tower to 1.38. Interestingly, that number was 1.391 in November, 1997. So, even though **Kansas Cellular** increased its subscriber base by more than twenty thousand subscribers, the average minutes of 9-1-1 calls per day per tower **went down**.

- E. In calculating the forgoing numbers, I have only used those minutes that I can specifically trace to a particular service. In one instance, I found a customer that had almost 200 minutes of calls to 9-1-1 **per month**. Since I am not certain that customer is with a public safety organization, I **did not include** those minutes in my calculations. I have to ask, however, "What private citizen, no matter how much of a 'Good Samaritan' he or she may be, must talk for 200 minutes to a 9-1-1 provider?"

III. Legislative Request

This Legislature listened to the conferees in 1994, accepted their testimony, and ratified the agreement that was reached among those conferees. That is the legislation that was embodied in HB 3055 in 1994. For the last three years, representatives of some of the answering points have tried to breach the agreement that was reached with the wireless industry, and ratified by the Legislature, by requesting the changes that this Committee is considering today. **Kansas Cellular** has kept its side of the agreement by providing 9-1-1 service to the state of Kansas at no charge to the public answering points or to its customers.

It is interesting to note that the legislation before you has been requested by some of the same agencies that are responsible for allowing **Kansas Cellular** to be defrauded of revenue by the very people who are charged with monitoring the public welfare and preventing such crimes as theft of services.

Kansas Cellular believes that there is a basic question that must be answered, " For what purpose is the public suffering another tax?" The answer certainly is not that it is necessary. The volume is not even as great as it was in 1997. This is a tax for the sake of taxing, not for the benefit of the public.

Kansas Cellular respectfully requests that this Committee take no action on the proposed legislation as it is only designed to place further tax burdens on Good Samaritans and the public at large.

Thank you for your time and attention. I will be happy to answer any questions you may have.



Beth Canuteson

Manager of State Government Affairs
4900 Main Street
Kansas City, Missouri 64112
(816) 559-1930

Mister Chairman and members of the committee, my name is Beth Canuteson and I am here today representing Sprint PCS. Sprint PCS is a national wireless telecommunications company currently offering digital communication service in over 260 cities throughout the United States including Kansas City, Topeka, Lawrence and Wichita. I would like to thank you for this opportunity to discuss 911 from a wireless perspective.

As you know, since 1968, 911 has served as the universal emergency assistance number for public use throughout the United States. Basic 911 service connects emergency callers with a Public Safety Answering Point (PSAP) which in turn dispatches the appropriate emergency personnel.

Sprint PCS is committed to assisting you in the development of an even better 911 system for your constituents who are also our wireless customers. The spread of wireless services in Kansas, to a mobile public, has enhanced the ability of the public to contact public safety officials in a more timely fashion thereby improving the 911 system in place today. Sprint PCS is proud to provide this newer part of Kansas's 911 system.

CURRENT SITUATION

National studies have shown that a majority of wireless owners cite safety issues as the primary reason for owning their handset. Sprint PCS is well aware that, of all the benefits provided by wireless services, personal security and the ability to receive emergency assistance are two of the most important to our customers.

Understanding our responsibility in this process, we testified on the issue in November of 1997 before the Joint Committee on Economic Development and again earlier this month before the Senate Commerce Committee. As a result of that Senate hearing, the wireless industry and representatives from the Association of Counties have begun discussions on this issue and hope to develop consensus legislation for the next legislative session.

As you know, the Senate referred this issue to the Legislative Post Audit Committee for a review of the current system and needs. There are 105 counties in KS. According to a information compiled by US Cellular, of the 26 states where they operate, KS has the

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 9

highest Public Safety Answering Point (PSAP) per citizen ratio. The rate is one PSAP for every 20,115 people.

Texas, which has a ratio of one PSAP to every 35,538 completed an audit by a Texas State Auditor which cites numerous situations where efficiencies could be obtained through consolidation. An estimated 31% of all state 911 revenues (\$29.2 million) could be saved annually according to the audit. The audit further stated that units of local government could save up to \$34.2 million statewide. In Texas:

- 54% of Answering Points reported less than 10 emergency calls per day
- Only 3% of Answering Points reported more than 100 calls per day
- There were duplicative administrative costs of \$4.9 million due to overlaps between regional and local entities.

I bring this study to your attention because the proposed legislation before you is nothing but a tax on wireless customers with no enhanced benefits to Kansas citizens. Additional funding should not be approved without the benefit of the Legislative Post Audit Committee report, expected this spring.

The wireless industry currently provides basic 911, or a link to a PSAP, to our customers free of charge. If you make a 911 call on the Sprint PCS network, it will not even show up on your bill. Minutes of use, roaming or long-distance fees are not charged. Further, Sprint PCS eats the interconnection fee charged by the landline phone company. We believe we should encourage appropriate use of the 911 system.

Unlike basic 911, enhanced, or E911 wireline, systems automatically provide PSAPs with the street address of the caller as well as the caller's telephone number. These services are known as Automatic Location Identification (ALI) and Automatic Number Identification (ANI). ANI and ALI enable a PSAP to send help quickly even if the caller does not know his or her exact location or is disoriented. This system also allows a PSAP to call the individual back if the call is terminated.

The mobile nature of wireless telephones requires further development of E911 services. ALI transmission provides a challenge because a wireless phone is mobile and the location of the handset can not easily be associated with a specific street address. Moreover, the wireless phone operates through a radio broadcast which does not lend itself to easy location identification. ANI is difficult to provide because most 911 systems are not currently capable of passing 10 digits of information to the PSAP, which means the area code can not be provided and wireless callers could be roaming from a different area code.

Wireless phones are used every day for life saving communication and are often the only means of contact available, thus the need for additional development of the 911 system is apparent. National studies have shown more than 90% of the 50,000 wireless 911 calls made each day are made by highway travelers, many of whom can not effectively describe their location.

THE FCC ORDER

Because not everyone is aware of the action taken by the Federal Communication Commission (FCC) concerning this issue, I would like to take a moment to briefly describe the FCC's mandate.

In an attempt to address the concerns related to wireless E911, the FCC issued an order (FCC 94-102) on July 26, 1996, which mandates a two phase implementation of wireless E911 technology. Phase I requires that wireless carriers must be able to provide PSAPs, requesting wireless E911 service, with a caller's telephone number and the location of the cell site transmitting the call by April 1, 1998 or within six months of the PSAP's request, whichever is later. However wireless carriers are required to provide this service only if: a) a cost recovery mechanism is in place; b) a PSAP has made a formal request for such services; and c) the PSAP is capable of receiving and utilizing the data elements associated with the services.

Phase II requires that carriers be able to identify the location of a caller within 125 meters at least 67% of the time by October 1, 2001. Currently it is uncertain which technologies for Phase II will exist at a level that will meet the statistical requirements of the FCC order.

I want to be clear: Sprint PCS supports the development and implementation of wireless E911. However the development of this system will provide a great challenge to all involved, both in its design and deployment. Technology exists today to provide Phase I, although modifications and improvements to the current system will be required. Sprint PCS is committed to partnering in this process.

Let me reiterate that the FCC order only imposes an obligation on wireless providers to implement enhanced 911 services where an appropriate cost recovery mechanism is in place, the PSAP within any given jurisdiction have formally requested such service, and the PSAP has the capability to receive and utilize the information transmitted. As policy makers, you must decide how best to fund the development of wireless E911 services. If you create a statewide wireless E911 fund, it should be used only to pay the costs associated with the implementation of the FCC's Order.

WHERE DO WE GO FROM HERE ?

Sprint PCS recommends that you do not advance HB 2399 this year, but instead take the opportunity to further understand the implications of the FCC Order on wireless E911 and determine if there is an opportunity for greater efficiency in the current system, based on the findings of the Legislative Post Audit Committee.

Mister Chairman and members of the committee, thank you for the opportunity to discuss this important aspect of public safety. We look forward to working with you and the organizations represented here today to create an even more reliable and dependable E911 system for your constituents and our wireless customers. I would be happy to answer any questions you may have.

1-20-15

Kansas Wireless Carriers* HB 2399 Position Paper

The Kansas Wireless Carriers oppose House Bill 2399.

This legislation would implement up to a \$.75 fee on each wireless customers without providing enhanced services to Kansas citizens.

- In contrast to most landline calls to 911 are typically "Good Samaritan" calls to aid a stranger - wireless customers shouldn't be taxed for helping others.
- Our customers already pay 911 surcharges on their service at home and at the office.
- Wireless companies voluntarily make 911 calls over wireless networks free of charge in spite of the fact that wireless companies still pay the landline company for terminating 911 calls.

House Bill 2399 does nothing to address the FCC's 1996 order on wireless enhanced 911.

- In an attempt to address the concerns related to wireless E911, the FCC issued an order (FCC 94-102) on July 26, 1996, which mandates a two phase implementation of wireless E911 technology. Phase I requires that wireless carriers must be able to provide PSAPs, requesting wireless E911 service, with a caller's telephone number and the location of the cell site transmitting the call by April 1, 1998 or within six months of the PSAP's request, whichever is later. However wireless carriers are required to provide this service only if:
 - a) a cost recovery mechanism is in place;
 - b) a PSAP has made a formal request for such services; and
 - c) the PSAP is capable of receiving and utilizing the data elements associated with the services.

The issue should be postponed until the next legislative session.

- The Senate has already referred the issue to the Legislative Post Audit Committee for review. That review of the existing 911 service should be conducted to identify opportunities to improve the efficiency and cost effectiveness of the program today, e.g. a Texas State Auditor's report cites many situations where efficiencies could be obtained through consolidation and estimated 31% of all 911 revenues (\$29.2 million) could be saved annually. Similar savings may be achievable in Kansas and would affect the need or amount of a wireless enhanced 911 surcharge.
- The wireless industry is meeting with representatives of the Association of Counties to develop consensus legislation. This process This process will likely result in a recommendation for legislation which addresses the key concerns of the wireless industry and the public safety community.

* Aerial Communications, AirTouch Communications, AT&T Wireless, CMT Partners (dba Cellular One), Liberty Cellular Inc. (dba Kansas Cellular), Sprint PCS, US Cellular, Western Wireless

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 10

Testimony Before The House Committee On Utilities
By Teresa Colvin, Tax & External Affairs Manager, Cellular One
March 3, 1999 Hearing – H.B. 2399

Mister Chairman and members of the committee, my name is Teresa Colvin and I am appearing today on behalf of Cellular One. Cellular One provides wireless communications services in the Kansas City, Wichita, Topeka and Lawrence markets.

Cellular One is prepared to implement the federal mandate for wireless enhanced 911 service as specified in the FCC's Order in docket 94-102 (June, 1996). In order to implement wireless enhanced 911 service, legislation needs to reference the key provisions of the federal mandate. This can be done by including a clear definition of wireless enhanced 911 service and the conditions that need to be met before the service can be provided. These conditions are as follows:

- (1) a PSAP must formally request that wireless providers implement phases I and II of the federal mandate;
- (2) the PSAP must indicate the it has the capability to process the information transmitted; and
- (3) a cost recovery mechanism that fully reimburses wireless providers for their costs to provide wireless enhanced service must be in place.

HB 2399 is very short on specifics. It simply includes the imposition of a new tax on wireless customers without providing wireless enhanced 911 services. The lack of specifics in this bill means that there is little guarantee that wireless enhanced 911 service will be efficiently and economically deployed.

There are many questions surrounding 911 service that should be addressed before legislation is adopted.

- Do emergency services providers have a need for additional revenue?
- Do all counties have 911 service, and is the service uniform in all counties?
- How much is collected annually in 911 taxes?
- Do we have "gaps" or "overlaps" in public safety answering points, and should some be consolidated?

Some of these questions are already being researched. The Senate, in considering a similar bill to HB 2399, referred it to the Joint Committee on Post Audit. We urge this committee to delay action on this bill until the information cited in the audit is available.

Let me assure you that Cellular One is prepared to work with other wireless service providers and members of the public safety community to develop a plan to implement wireless E911. We believe that following the work of the Legislative Post Audit Committee, the various stakeholders should meet during the interim to draft a framework for a bill which addresses the implementation of wireless enhanced service.

Thank you for the opportunity to discuss this very important issue.

HOUSE UTILITIES

DATE: 3-3-99

ATTACHMENT 11