

Testimony on HB 2590
Before the Senate Utilities Committee
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Thank you, Mr. Chair and members of the Senate Utilities Committee for allowing me to speak in support of House Bill 2590, the VoIP Enhanced Wireless 9-1-1 bill.

The KAC and the League are in support HB 2690 as we believe that new technologies will develop that give access to 9-1-1. As these technologies develop and provide access to emergency services 9-1-1, the providers should be part of helping build and maintain the local 9-1-1 system. We view this bill as far-sighted.

I would like to give a little history regarding the progress made by local governments in completion of the enhanced 9-1-1 capabilities.

As you recall, the 2004 Kansas Legislature created the Wireless Enhanced 9-1-1 Act, now found at K.S.A. 12-5321 *et seq.* The Act allowed for the collection of 50 cents per wireless subscriber to be remitted (25 cents to the Local Collection Point Administrator and 25 cents to the state for a grants program). As set forth by the statute, the Local Collection Point Administrator is the Kansas Association of Counties and the League of Kansas Municipalities.

Using zip code data supplied by the wireless carriers, the Local Collection Point Administrator allocates the fees to the Public Safety Answering Points (PSAPs), less a 2% administrative fee, for the building of the Enhanced 9-1-1 system. The bill before you is modeled on the Wireless Enhanced 9-1-1 Act.

During the 18 months that the fees have been collected, compliance by the wireless providers has varied. The merger of several of the companies has led to data and/or payments being delayed. I am happy to report that as of this report all but two wireless companies are in compliance. The statewide board overseeing the Enhanced Wireless 9-1-1 deployment has voted to promulgate rules and regulations that include a monetary penalty for non-compliance.

Due to the remittance of money, but no data, this has allowed a large interest balance to accumulate in the Local Collection Point Administrator account. As there is no statutory guidance as to what is to be done with the interest, it was decided that this would be used for

training. There have been 2 training events and another planned after the statewide audit report.

The Local Collection Point Administrators contracted with Summers, Spencer & Callison, CPAs, Chartered for an audit for the year ending June 30, 2005. I have attached a copy of the audit as well as the audit letter accompanying it. You will notice the audit letter references the lack of recourse when wireless companies do not comply by providing information and/or money. Because of this omission in the original bill, the KAC and the League of Kansas Municipalities would ask for an amendment to KSA 12-5325 to be added to HB 2690. This is the statute that gives the Secretary of Administration authority to assess monetary penalties and interest.

A sample amendment would be:

12-5325 (c) adopt rules and regulations necessary for the effectuation of this act, including, but not limited to, assessing monetary penalties against wireless carriers and voice over internet service providers that fail to comply with the provisions of this act. 1) Any monetary penalties and interest collected from wireless carriers or voice over internet service providers shall be deposited with the local collection point administrator and subsequently routed back to the corresponding Public Safety Answering Point (PSAP) and shall be used solely for those expenses allowed by the Act.

By adding this language it creates a level playing field for all wireless carriers and voice over internet service providers.

Finally, I would address the amendment on page 7 of the bill. This would allow the PSAPs to have one more year...until July 1, 2007 to make a valid request for wireless enhanced 9-1-1 services. We estimate that by July 1, 2006 44% of PSAPs will have made a formal request.

Kimberly Winn from the League and Dennis Kriesel from the KAC staff are here with me, and we would be glad to answer any questions.