

SENATE BILL REPORT

HB 2595

As Reported By Senate Committee On:
Ways & Means, February 25, 2002

Title: An act relating to a state wireless enhanced 911 excise tax.

Brief Description: Providing funding for wireless enhanced 911 services.

Sponsors: Representatives Morris, Anderson, Gombosky, Cox, Edwards, Nixon, Ogden, Santos, Delvin, Voloria, Conway, Cooper, Ruderman, Wood, Kagi and Sullivan.

Brief History:

Committee Activity: Ways & Means: 2/25/02 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Long, Parlette, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau and Winsley.

Staff: Terry Wilson (786-7433)

Background: Emergency 911 telephone services allow callers to reach agencies that can dispatch the appropriate type of response. "Enhanced" 911, or "E911," allows the person answering the emergency call to identify the location of the calling party.

In 1991, the voters of Washington adopted Referendum 42, which imposed a 20 cent maximum per-month tax on each switched access telephone line (wireline) to pay for E911 throughout the state. The actual tax rate is based on actual revenue needs and may vary from year to year. The state tax is administered by a state E911 coordinator. The coordinator is assisted by the E911 advisory committee, appointed by the Adjutant General of the state Military Department, and representing fire, safety, utility, telecommunication, and local government officials. There are currently 27 members on the advisory committee.

In addition to state taxes, there are also county taxes. Counties may impose up to a 50 cent tax per switched access line for E911 purposes. Counties may also impose up to 25 cents per radio access (wireless) line for basic 911 purposes.

The legislation in 1994 authorizing counties to impose a wireless 911 tax of 25 cents per month also directed wireless telecommunications companies to provide automatic number identification (ANI) to Public Safety Answering Points (PSAPs) for 911 calls at no charge.

In 1996, the Federal Communications Commission (FCC) issued an order requiring wireless carriers to provide E911 service in two phases. By April 1998 wireless carriers must provide ANI and cell sector locations for emergency calls (Phase I). By October 2001 wireless carriers must provide actual latitude and longitude coordinates so that most emergency calls

may be pinpointed to within 410 feet of a caller's exact location (Phase II). Wireless carriers must only comply with these FCC requirements if the following conditions are met:

1. A 911 call center must request ANI and cell sector location data (Phase I);
2. The requesting call center must be capable of receiving and using the data; and
3. A funding mechanism must be in place to recover costs of providing these E911 services.

On November 18, 1999, the FCC removed the requirement that a funding mechanism be in place to recover wireless carrier costs of providing these E911 services but retained the requirement for PSAP cost recovery.

Under the federal Mobile Telecommunications Sourcing Act of 2000, state and local governments are required to allow mobile telecommunication transactions to be sourced to the customer's primary place of use. The federal law defines primary place of use as "the street address representative of where the customer's use of the mobile telecommunications service primarily occurs."

Summary of Bill: The county 25 cent tax on each radio access line for basic 911 is redesignated an E911 tax and increased to 50 cents. The tax base for the county tax is modified to provide that the tax applies to wireless lines whose place of primary use is within the county. The definition of radio communications service company as it applies under the county tax is updated to include the federal definition for commercial mobile radio services as well as facility and non-facility-based service resale companies, but to exclude paging companies.

A state E911 tax of 20 cents per month is imposed on each radio access line. Revenues from the state tax are deposited into the E911 account. The purposes for which the account can be used are expanded to include implementation and operation of wireless E911 statewide, including adequate funding of counties and reimbursement of wireless carriers. None of the 20 cents may be distributed to a county unless the county has imposed the local 50 cent tax on each radio access line at the maximum rate.

Representatives of large and small wireless companies are added to the E911 advisory committee. With the advice of the committee, the state E911 coordinator is required to set uniform standards for the transmission of 911 calls from wireless companies to E911 systems. The standards must not exceed standards of the FCC.

The state ANI law is repealed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on January 1, 2003.

Testimony For: None.

Testimony Against: None.

Testified: No one.