



# LATE TESTIMONY

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**STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
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TESTIMONY  
OF  
RUSS K. SAITO, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEE  
ON  
CONSUMER PROTECTION & COMMERCE  
ON  
February 18, 2009

H.B. 1014, H.D.1

RELATING TO ENHANCED 911 SERVICES

Chair Herkes and members of the Committee, thank you for the opportunity to testify on H.B. 1014, H.D.1.

The Department of Accounting and General Services (DAGS) strongly recommends that H.B. 1014, H.D.1 be reverted to its original form in H.B. 1014. In its current form, H.B. 1014, H.D.1 would reduce the wireless enhanced 911 surcharge and the board's ability to provide wireless enhanced 911 service at the level desired to enable first responders to ensure the health and safety of the State's citizens who make wireless calls for emergency help to 911 Public Service Answering Points (PSAPs). This would reduce the State's ability to fulfill its most basic responsibility to provide for the health and safety of its citizens.

If this committee reverts H.B. 1014, H.D.1 to its original form in H.B. 1014, it will establish a single entity to administer enhanced wireless 911 services for the State of

Hawai'i. This would put Hawai'i on par with most of the country by creating a single entity for the coordination of wireless enhanced 911 services.

The State of Hawai'i established the Wireless Enhanced 911 Board (Board) to administer wireless enhanced 911 service in the State of Hawai'i, and the Board has succeeded in implementing the service statewide. However, the Wireless Enhanced 911 Board does not include representation from other communications service providers. This leaves out many citizens who use communications technologies beyond wireless telephone service that are capable of being connected to PSAPs. This bill, if reverted to its original form in H.B.1014 and is passed, will establish a single state entity to administer wireless enhanced 911 services for the State of Hawai'i. New Board members would include representatives from Third Generation (3G) communication service providers, and the director or designee of the Hawaii Public Utilities Commission.

This bill, if reverted to its original form in H.B.1014, would also reduce the current surcharge from 66 cents to 46 cents. Reduction of the surcharge from 66 cents to 46 cents, as H.B.1014 in its original form proposes, will lower the cost burden on wireless phone customers. More importantly, this bill, if reverted to its original form in H.B.1014, will lay the groundwork to allow calls to 911 PSAPs for the delivery of emergency services to be made from all communications technologies. The public will benefit from a more comprehensive, efficient and coordinated implementation, administration and operations of 911 services, and the timely and accurate dispatch of emergency first responders. The county and local public safety organizations will also benefit from improved efficiency and optimum use of resources.

The Wireless Enhanced 911 Board is preparing to expand wireless enhanced 911 coverage statewide, into remote areas and public buildings with limited wireless coverage (such as the basement in the State Capitol), by building cell towers or placing antennas in

these locations. This project will lessen the risk of the public being in distress and not being able to call 911.

Additionally, studies are being reviewed by the PSAPs to explore the migration from current e911 service to "Next Generation 911" service. Next Generation 911 systems are built on Internet Protocol (IP) to support 3<sup>rd</sup> Generation (3G) broadband and wireless telephony, including Voice-over-Internet-Protocol (VoIP), text messaging, streaming video, and Video Relay Services for the deaf and hard-of-hearing. This bill, if reverted to its original form in H.B.1014, would establish the basis for accommodating all of these improvements in wireless enhanced 911 service.

In summary, this bill, if reverted to its original form in H.B.1014, will help the State fulfill its most basic responsibility of protecting the health and safety of its citizens.

Thank you for the opportunity to testify on this matter.

# LATE TESTIMONY

POLICE DEPARTMENT  
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February 18, 2009

The Honorable Robert N. Herkes, Chair  
and Members  
Committee on Consumer Protection and  
Commerce  
House of Representatives  
State Capitol  
Honolulu, Hawaii 96813

Dear Chair Herkes and Members:

Subject: House Bill No. 1014, H.D. 1, Relating to Enhanced 9-1-1 Services

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

The HPD supports the intent of House Bill No. 1014, H.D. 1, to create an inclusive 9-1-1 board to oversee the use of the surcharge in deployment of emergency services. However, we object to the reduction of the surcharge from \$0.66 to \$0.29.

The HPD is the largest Public Safety Answering Point (PSAP) in Hawaii. Over a million calls a year are routed to our PSAP, with almost 80 percent of the calls requesting police service. Enhanced wireless service has been available in Honolulu since January 2006. Prior to going "live," our department did not have an accurate idea of the changes that would be required or the amount of money that would be needed to pay for the increase in technology to provide callers with the service they expect.

Since the wireless enhanced 9-1-1 services have been implemented for a period of time, we see our need more clearly. We are able to make plans to acquire new computer programs. We also have an idea about the amount of money that will be necessary to accomplish this further transition to provide current wireless service as well as Voice over Internet Protocol (VoIP) and other emerging technologies that require further changes to the way we do business. We believe that the fund should pay for these upgrades. Our future requests will be expensive but not excessive. This is in line with being the largest service provider in the state.

*Serving and Protecting With Aloha*

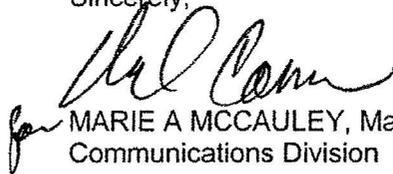
The Honorable Robert N. Herkes, Chair  
and Members  
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The HPD believes that it is critical for the public safety infrastructure on our island to have an alternate communications center that is able to provide redundant services. Our current alternate communications center shares the basement of the Kapolei Police Station. Adding communications to Kapolei was an afterthought, and we have made the best of the situation we can at that location. We have reported significant issues that we believe should be resolved. We believe that the wireless enhanced 9-1-1 fund is the venue for assisting in this area.

We understand that a reduction in the surcharge is necessary to assist the overburdened taxpayer. However, we ask that you consider a smaller reduction and also create a mechanism for retrieving a surcharge from all other providers (e.g., cable and VoIP). These providers also rely on the services provided and should be sharing in the cost of creating the ability to accept new technology as well as maintaining current services.

Thank you for giving us the opportunity to express our concerns about this bill.

Sincerely,

  
for MARIE A MCCAULEY, Major  
Communications Division

APPROVED:

  
BOISSE P. CORREA  
Chief of Police

**HB 1014 HD1**  
**Relating to Enhanced 9-1-1 Services**

**Anonymous**

**LATE TESTIMONY**

**February 18, 2009**

Chair Herkes and Members of the House Commerce and Consumer Protection Committee

Due to the importance of 911 services for the citizens and visitors to the State of Hawaii and the Public Safety agencies that operate these services I would like to take this opportunity to counter the testimony of Hawaiian Telcom and AT&T provided to the House Committee on Public Safety in reference to the original language of the Bill (HB1014)

Hawaiian Telcom states that they are concerned that the proposed changes to the surcharge and reimbursement rules may cause Hawaiian Telcom significant financial harm. As a matter of fact Section 138-5(b) states "After January 1, 2005, each communications service provider may request reimbursement from the fund of enhanced 911 service costs incurred...".

In addition Hawaiian Telcom states HB 1014 would require Hawaiian Telcom to transfer all wireline E911 surcharges over to the Enhanced 911 Board for control and management. Better stated the language of this Bill would require that Hawaiian Telcom and all other communications providers to include VoIP remit the 911 service fees it collects from their customers on behalf of the State of Hawaii to pay for the implementation, administration and operation of 911 services. I argue that the State of Hawaii 911 Board is more qualified than Hawaiian Telcom or any other service provider to administer these funds on behalf of it's citizens rather than the vender (ex: Hawaiian Telcom)

Hawaiian Telcom states that they are concerned that HB1014 does not include Voice over Internet Protocol (VoIP) providers and their customers. Once again, as a matter of fact Section 138-4 Surcharge (a) states "A monthly enhanced 911 surcharge, subject to this chapter, shall be imposed upon each commercial mobile radio and wireline access communications service connection" which would include VoIP providers considering they provide wireline access communications service connections. This Bill clearly provides equity as it includes all "Communications Services"

Next, Hawaiian Telcom states that "...HB1014 is ambiguous when defining the surcharge rate for wireline services. It leaves open for interpretation of the surcharge rate that Hawaiian Telcom would charge its customers" Once again in Section 138-4(b) the proposed Bill states "The rate of the surcharge shall be set at 46 cents per month..." "The surcharge shall have uniform application and shall be imposed on each communications service operating within the State..." which would includes Hawaiian Telcom customers.

Lastly, their testimony states "Hawaiian Telcom developed a surcharge approved by the Hawaiian Public Utilities Commission based on cost studies that captured the costs associated with the wireline Enhanced 911 service. " "The E911 reimbursement rules in HB 1014, however, do not adequately allow Hawaiian Telcom to be reimbursed for all the costs necessary to provide statewide Enhanced 911 service. As indicated above this issue has

been addressed in Section 138-5(b) of the proposed Bill. In addition, this Bill has no language that would interfere with the authority of the Public Utility Commission or of Hawaiian Telcom to set the rates they charge for 911 services.

In conclusion, I encourage this Committee and the Hawaiian Legislature to return HB1014 to its original language and intent. The coordination, oversight and funding afforded by HB1014 is very much needed to continue the operation of the 911 system in the State of Hawaii and for the improvements needed to the antiquated and obsolete 911 infrastructure that is currently in place.

Thank you for this consideration.

HB 1014 HD1  
RELATING TO ENHANCED 911 SERVICES  
JIM LACLAIR  
VICE PRESIDENT – NETWORK OPERATIONS  
HAWAIIAN TELCOM  
FEBRUARY 18, 2009

LATE TESTIMONY

Chair Herkes and Members of the House Consumer Protection and Commerce  
Committee:

I am Jim LaClair, testifying on behalf of Hawaiian Telcom on HB 1014 HD1, “A BILL FOR AN ACT RELATING TO ENHANCED 911 SERVICES.” Hawaiian Telcom supports this bill.

HB 1014 HD1 reduces the Wireless Enhanced 911 surcharge from 66 cents to 29 cents, creates conflict of interest provisions for the administrator of the operations of the board, and allows for the wireline provider to request for cost recovery for expenses related to the deployment, improvement, and maintenance of phase I and phase II wireless enhanced 911 service.

Hawaiian Telcom, as both the wireline provider of E911 services and the host of wireless E911 call routing, would like to limit our comments to the provision that allows for cost recovery for the wireline provider. Currently, as the Public Service Answering Points make equipment modifications specifically to deploy, improve, or maintain wireless enhanced 911 service, these adjustments can require the wireline provider to make changes or investments into its network in order to implement the initiatives that improve the overall functioning of the system. Although these modifications are directly related to the wireless enhanced 911 service sections, the wireline provider is currently not able to request for any cost recovery from the WE911 fund. HB 1014 HD1 will allow for this specific type of cost recovery and such requests will still be subject to the review of the WE911 board.

Thank you for the opportunity to testify.