

2-1-93 (P. 183)

Sub Comm. Commerce
Gettings, DeLaney, Jensen

*Substituted by
HF 388
4/23/93
(P. 1316)*

(P. 512) 3-4-93 Amend/Do Pass W/
FILED JAN 28 1993 S-3081

(P. 961) 3/29/93 Commerce
(From Calendar)

SENATE FILE **43**

BY JENSEN and FRAISE
(P. 1057) 4/7/93 Amend/Do Pass W/S. 3437
4/23/93

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved *[Signature]*

WITHDRAWN

A BILL FOR

1 An Act relating to establishing statewide implementation of 911
2 telephone services and providing for the funding of such
3 services and providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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WITHDRAWN

SF43

1 Section 1. Section 34.1, subsection 1, Code 1993, is
2 amended by striking the subsection.

3 Sec. 2. Section 34.2, subsections 1 and 3, Code 1993, are
4 amended to read as follows:

5 1. After July 1, 1986, when 911 service is established in
6 a service area each public agency, public safety agency, and
7 private safety entity serving territory within the service
8 area shall participate in providing the 911 service. The 911
9 service shall be established according to a written plan which
10 has the written approval of the governing bodies of each
11 public agency, public safety agency, and private safety entity
12 serving territory within the 911 service area. Systems and
13 plans must be approved by the division of disaster services to
14 qualify for state funding.

15 3. The digits "911" shall be the primary emergency
16 telephone number ~~within the 911 service areas established~~
17 ~~under this section in this state.~~ A public safety agency or a
18 private safety entity whose services are available through a
19 911 system may maintain a separate secondary backup number for
20 emergencies, and shall maintain a ~~separate~~ separate number for
21 nonemergency telephone calls.

22 Sec. 3. Section 34A.2, subsections 1, 7, 8, and 9, Code
23 1993, are amended to read as follows:

24 1. "Access line" means a local exchange access wire line
25 or nonwire line that has the ability to access local dial tone
26 and reach, through the public switched network, a local public
27 safety agency.

28 7. "Enhanced 911 service surcharge" is a charge set
29 pursuant to section 34A.7 by the E911-service-area-operating
30 authority division and assessed on each access line which
31 physically terminates within ~~the E911-service-area~~ this state.

32 8. "Local exchange service provider" means a person
33 engaged in providing telecommunications service between points
34 within an exchange, wire line or nonwire line.

35 9. "Provider" means a person who provides, or offers to

1 provide, E911 equipment, installation, maintenance, or
2 exchange access services capable of reaching a local public
3 safety agency, wire line or nonwire line, within the-enhanced
4 911-service-area this state.

5 Sec. 4. Section 34A.6, Code 1993, is amended by striking
6 the section and inserting in lieu thereof the following:

7 34A.6 STATEWIDE E911 ESTABLISHMENT.

8 1. A joint 911 service board granted a waiver under
9 section 34A.3, subsection 2, shall submit an updated enhanced
10 911 service plan to the division on or before March 1, 1994.
11 The plan shall provide for the establishment of a system on or
12 before March 1, 1996, and list the nonrecurring and recurring
13 costs associated with the implementation of the enhanced 911
14 service plan. Recurring costs shall be estimated for the
15 following five-year period beginning on March 1, 1996.

16 2. A joint 911 service board which has implemented an
17 enhanced 911 service plan prior to March 1, 1994, whether in
18 service or not, shall submit a detailed description of the
19 plan and system. The description shall contain a listing of
20 the actual nonrecurring and recurring costs incurred up to
21 March 1, 1994, in an actual budget format. Telephone
22 surcharge funds collected within a specific county but not
23 used to pay for the establishment or operation of the county's
24 system, as required by this chapter, prior to the effective
25 date of this section shall be used to pay appropriate expenses
26 for that county's system before statewide surcharge funds are
27 used. Expenses incurred prior to March 1, 1994, shall be
28 listed by dollars funded by consumer surcharge and other
29 sources for each participating political subdivision. A
30 recurring budget shall also be provided for the following
31 five-year period commencing on March 1, 1994.

32 3. The enhanced 911 service plan and associated budgets
33 shall be approved by the division under the guidance of the
34 administrator. The division may hire a single individual to
35 be responsible for the administration of the statewide E911

1 service surcharge fund.

2 Sec. 5. Section 34A.7, Code 1993, is amended by striking
3 the section and inserting in lieu thereof the following:

4 34A.7 FUNDING -- E911 SERVICE SURCHARGE.

5 After March 1, 1994, all nonrecurring and recurring costs
6 of E911 service plans, approved by the division and
7 implemented throughout the state, shall be the responsibility
8 of the division.

9 1. STATEWIDE E911 SERVICE SURCHARGE IMPOSITION.

10 a. To further local implementation of E911 service
11 throughout the state, a statewide surcharge per month, per
12 access line on each access line subscriber no greater than one
13 dollar, shall be imposed, except as provided in subsection 3.

14 b. Revenues generated by the imposition of the surcharge
15 shall be deposited in a revolving fund to be administered by
16 the division.

17 c. The division shall set the surcharge amount based on
18 data submitted pursuant to section 34A.6, subject to the limit
19 provided in this subsection. The surcharge amount shall be
20 reviewed five years after the surcharge is imposed and shall
21 be reduced should the moneys in the fund be in excess of the
22 amount needed to cover the allowed costs.

23 2. SURCHARGE COLLECTED BY PROVIDERS. The surcharge shall
24 be collected as part of the access line service provider's
25 periodic billing to each subscriber. The provider may retain
26 one percent of the gross surcharges collected as compensation
27 for the costs of billing and collection. If the compensation
28 is insufficient to fully recover a regulated provider's cost
29 for billing and collection of the surcharge, the deficiency
30 shall be included in the provider's cost for ratemaking
31 purposes to the extent it is reasonable and just under section
32 476.6. The surcharge shall be remitted to the division
33 quarterly by the provider. A provider is not liable for an
34 uncollected surcharge for which the provider has billed a
35 subscriber but has not been paid. The surcharge shall appear

1 as a single line item on a subscriber's periodic billing
2 entitled "E911 emergency telephone service surcharge". The
3 E911 service surcharge is not subject to the sales or use tax.

4 3. MAXIMUM LIMIT PER SUBSCRIBER BILLING FOR SURCHARGE. An
5 individual subscriber shall not be required to pay on a single
6 periodic billing the surcharge on more than one hundred access
7 lines, or their equivalent, in an E911 service area. A
8 subscriber shall pay the surcharge in each E911 service area
9 in which the subscriber receives access line service.

10 4. E911 SERVICE FUND. The division shall establish an
11 E911 service fund as a separate account in the state treasury.
12 The account shall be continually appropriated to and under the
13 control of the division and shall not lapse. Moneys in the
14 fund shall not be used for any purposes other than the
15 development and operation of enhanced 911 services in
16 accordance with this chapter. Any moneys remaining in the
17 fund at the end of each fiscal year shall not revert to the
18 general fund of the state or to any political subdivision,
19 except as provided in subsection 5, but shall remain in the
20 E911 service fund. Moneys in the fund may only be used for
21 nonrecurring and recurring costs of the E911 service plan as
22 approved by the division and the administrator.

23 5. USE OF MONEYS IN THE FUND -- PRIORITY AND LIMITATIONS
24 ON EXPENDITURE.

25 a. Moneys deposited in the E911 service fund shall be used
26 for the repayment of any bonds issued for the benefit of, or
27 loan made to, any joint E911 service board pursuant to
28 sections 34A.20 through 34A.22.

29 b. Moneys deposited in the E911 service fund shall be used
30 for the following, in order of priority, if paragraph "a" does
31 not apply:

32 (1) Moneys shall first be spent for actual recurring costs
33 of operating the E911 service plans throughout the state.

34 (2) If moneys remain in the fund after fully paying for
35 recurring costs incurred in the preceding year, the remainder

1 may be spent to pay for nonrecurring costs, not to exceed
2 actual nonrecurring costs as approved by the division and the
3 administrator.

4 (3) If moneys remain in the fund after fully paying
5 obligations under subparagraphs (1) and (2), the division may
6 use moneys from the E911 service fund to pay the salary of the
7 administrator.

8 (4) If moneys remain in the fund after fully paying
9 obligations under subparagraphs (1), (2), and (3), the
10 division shall reimburse political subdivisions for property
11 tax revenues used to fund an E911 service plan prior to the
12 statewide funding date of March 1, 1994, at a rate not to
13 exceed twenty percent of the total reimbursable amount per
14 year until the amount has been totally reimbursed.

15 (5) If moneys remain in the fund after fully paying
16 obligations under subparagraphs (1), (2), (3), and (4), the
17 remainder may be accumulated in the fund as a carryover
18 operating surplus.

19 6. LIMITATION OF ACTIONS -- PROVIDER NOT LIABLE ON CAUSE
20 OF ACTION RELATED TO PROVISION OF 911 SERVICES. A claim or
21 cause of action does not exist based upon or arising out of an
22 act or omission in connection with a provider's participation
23 in an E911 service plan or provision of 911 or local exchange
24 access service, unless the act or omission is determined to be
25 willful and wanton negligence.

26 Sec. 6. EFFECTIVE DATE. This Act, being deemed of
27 immediate importance, takes effect upon enactment.

28 EXPLANATION

29 This bill establishes a statewide enhanced 911 (E911)
30 emergency telephone system. The system is to be in place by
31 March 1, 1994. The division is to set a statewide surcharge
32 per month, per access line on each access line subscriber no
33 greater than one dollar. The surcharge is to be collected by
34 providers and deposited in an E911 service fund established as
35 a separate account in the state treasury. The fund is under

1 the control of the division and funds remaining at the end of
2 a fiscal year do not revert to the general fund of the state
3 or to any political subdivision. The bill takes effect upon
4 enactment.

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S-3119

1 Amend Senate File 43 as follows:

2 1. Page 2, by inserting after line 4, the
3 following:

4 "Sec. ____ . Section 34A.2, subsection 6, paragraph
5 e, unnumbered paragraph 2, Code 1993, is amended to
6 read as follows:

7 Costs are limited to nonrecurring and recurring
8 costs directly attributable to the provision of 911
9 emergency telephone communication service and
10 notwithstanding any other provision to the contrary
11 may include costs for radios and other equipment
12 permanently located at the public safety answering
13 point. Costs do not include expenditures for any
14 other purpose, and specifically exclude costs
15 attributable to other emergency services or
16 expenditures for buildings, radios, or personnel."

17 2. Page 2, line 19, by striking the words
18 "system. The description shall contain" and inserting
19 the following: "system including".

20 3. Page 2, line 21, by inserting after the word
21 "format" the following: ", and any changes made in
22 the plan since the plan was submitted".

23 4. Page 3, line 16, by inserting after the word
24 "division." the following: "The division shall only
25 act to disburse the moneys in the revolving fund to a
26 joint E911 service board pursuant to this chapter and
27 shall not expend moneys from the fund for any other
28 purpose."

29 5. Page 4, line 22, by inserting after the word
30 "administrator." the following: "Moneys in the fund
31 shall be exempt and excluded from any provision
32 purporting to transfer such moneys to the general fund
33 of the state or to any other fund."

34 6. By renumbering as necessary.

By JOHN W. JENSEN

S-3119 FILED MARCH 11, 1993

*but 7 Order
4/23/93*

SENATE FILE 43

S-3081

- 1 Amend Senate File 43 as follows:
- 2 1. Page 1, line 25, by striking the words
- 3 "nonwire line" and inserting the following: "cellular
- 4 or cellular-like service, except for radio common
- 5 carriers and paging services,".
- 6 2. Page 1, line 30, by striking the word "which"
- 7 and inserting the following: "for which the telephone
- 8 number billed is identified as being assigned".
- 9 3. Page 1, line 31, by striking the words
- 10 "physically terminates" and inserting the following:
- 11 "physically-terminates".
- 12 4. Page 1, line 34, by striking the words
- 13 "nonwire line" and inserting the following: "cellular
- 14 or cellular-like service".
- 15 5. Page 2, line 3, by striking the words "nonwire
- 16 line" and inserting the following: "cellular or
- 17 cellular-like service, except for radio common
- 18 carriers and paging services,".
- 19 6. Page 2, line 19, by striking the words
- 20 "system. The description shall contain" and inserting
- 21 the following: "system including".
- 22 7. Page 2, line 21, by inserting after the word
- 23 "format" the following: ", and any changes made in
- 24 the plan since the plan was submitted".
- 25 8. Page 3, line 16, by inserting after the word
- 26 "division." the following: "The division shall only
- 27 act to disburse the moneys in the revolving fund to a
- 28 joint E911 service board pursuant to this chapter and
- 29 shall not expend moneys from the fund for any other
- 30 purpose."
- 31 9. Page 4, line 22, by inserting after the word
- 32 "administrator." the following: "Moneys in the fund
- 33 shall be exempt and excluded from any provision
- 34 purporting to transfer such moneys to the general fund
- 35 of the state or to any other fund."
- 36 10. By renumbering as necessary.

By COMMITTEE ON COMMERCE
PATRICK DELUHERY, Chairperson

out of Order 4/23/93

S-3081 FILED MARCH 4, 1993

SENATE FILE 43

S-3087

- 1 Amend Senate File 43 as follows:
- 2 1. Page 1, line 33, by inserting after the word
- 3 "between" the following: "wire line".
- 4 2. Page 1, line 34, by striking the words "wire
- 5 line or nonwire line".
- 6 3. Page 2, line 3, by striking the words "wire
- 7 line or nonwire line,".

By JOE WELSH
BERL E. PRIEBE

out of Order 4/23/92

S-3087 FILED MARCH 8, 1993

S-3437

1 Amend Senate File 43 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. Section 34A.2, subsection 6, paragraph
5 e, Code 1993, is amended to read as follows:

6 e. A statement of estimated costs to be incurred
7 by the joint E911 service board, including separate
8 estimates of the following:

9 (1) Nonrecurring costs, including, but not limited
10 to, public safety answering points, network equipment,
11 software, database, addressing, initial training, and
12 other capital and start-up expenditures, including the
13 purchase or lease of subscriber names, addresses, and
14 telephone information from the local exchange service
15 provider.

16 (2) Recurring costs, including, but not limited
17 to, network access fees and other telephone charges,
18 software, equipment, and database management, and
19 maintenance, including the purchase or lease of
20 subscriber names, addresses, and telephone information
21 from the local exchange service provider. Recurring
22 costs shall not include personnel costs for a public
23 safety answering point.

24 Costs are limited to nonrecurring and recurring
25 costs directly attributable to the provision of 911
26 emergency telephone communication service and may
27 include costs for radios and other equipment
28 permanently located at the public safety answering
29 point. Costs do not include expenditures for any
30 other purpose, and specifically exclude costs
31 attributable to other emergency services or
32 expenditures for buildings, ~~radios~~, or personnel,
33 except for the costs of personnel for database
34 management and personnel directly associated with
35 addressing.

36 Sec. 2. Section 34A.3, subsection 1, Code 1993, is
37 amended to read as follows:

38 1. Joint 911 service boards to submit plans. The
39 board of supervisors of each county shall establish a
40 joint 911 service board not later than January 1,
41 1989. Each political subdivision of the state having
42 a public safety agency serving territory within the
43 county is entitled to voting membership on the joint
44 911 service board. Each private safety agency
45 operating within the area is entitled to nonvoting
46 membership on the board. A township which does not
47 operate its own public safety agency, but contracts
48 for the provision of public safety services, is not
49 entitled to membership on the joint 911 service board,
50 but its contractor is entitled to membership according

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1 to the contractor's status as a public or private
2 safety agency. The joint 911 service board shall
3 develop an enhanced 911 service plan encompassing at
4 minimum the entire county, unless an exemption is
5 granted by the administrator permitting a smaller E911
6 service area. The administrator may grant a
7 discretionary exemption from the single county minimum
8 service area requirement based upon an E911 joint
9 service board's or other E911 service plan operating
10 authority's presentation of evidence which supports
11 the requested exemption if the administrator finds
12 that local conditions make adherence to the minimum
13 standard unreasonable or technically infeasible, and
14 that the purposes of this chapter would be furthered
15 by granting an exemption. The minimum size
16 requirement is intended to prevent unnecessary
17 duplication of public safety answering points and
18 minimize other administrative, personnel, and
19 equipment expenses. An E911 service area must
20 encompass a geographically contiguous area. No
21 exemption shall be granted from the contiguous area
22 requirement. The administrator may order the
23 inclusion of a specific territory in an adjoining E911
24 service plan area to avoid the creation by exclusion
25 of a territory smaller than a single county not
26 serviced by surrounding E911 service plan areas upon
27 request of the joint 911 service board representing
28 the territory. The E911 service plan operating
29 authority shall submit the plan on or before ~~March-17~~
30 ~~1989~~ January 1, 1994, to all of the following:

- 31 a. The division.
- 32 b. Public and private safety agencies in the
33 enhanced 911 service area.
- 34 c. Providers affected by the enhanced 911 service
35 plan.

36 An E911 joint service board that has a state-
37 approved service plan in place prior to July 1, 1993,
38 is exempt from the provisions of this section. The
39 division shall establish, by July 1, 1994, E911
40 service plans for those E911 joint service boards
41 which do not have a state-approved service plan in
42 place on or before January 1, 1994.

43 The division shall prepare a statewide summary of
44 the plans submitted and present the summary to the
45 legislature on or before ~~June-17-1989~~ August 1, 1994.

46 Sec. 3. NEW SECTION. 34A.6A ALTERNATIVE
47 SURCHARGE.

48 Notwithstanding section 34A.6, the board may
49 request imposition of a surcharge in an amount up to
50 two dollars and fifty cents per month on each

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Page 3

1 telephone access line. The board shall submit the
2 question of the surcharge to voters in the same manner
3 as provided in section 34A.6. If approved, the
4 surcharge may be collected for a period of twenty-four
5 months. At the end of the twenty-four-month period,
6 the rate of the surcharge shall revert to one dollar
7 per month, per access line."

8 2. Title page, by striking line 3 and inserting
9 the following: "services."

By COMMITTEE ON COMMERCE
PATRICK J. DELUHERY, Chairperson

S-3437 FILED APRIL 7, 1993

adopted 4/23/93 (P. 1316)

SENATE FILE 43

S-3599

1 Amend the amendment, S-3437, to Senate File 43, as
2 follows:

3 1. Page 1, by striking line 27 and inserting the
4 following: "include costs for portable and vehicle
5 radios, communication towers, and other radios and
6 equipment".

By PATRICK J. DELUHERY

S-3599 FILED APRIL 22, 1993

adopted 4/23/93 (P. 1316)

**SENATE FILE 43
FISCAL NOTE**

A fiscal note for Senate File 43 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 43 establishes a statewide enhanced 911 (E911) emergency telephone system. The system is to be in place by March 1, 1994. The Disaster Services Division of the Department of Public Defense (DPD) is to set a statewide surcharge per month, per access line on each access line subscriber no greater than \$1.00.

The surcharge is to be collected by providers and deposited in an E911 Service Fund established as a separate account in the State treasury. The Fund is under the control of the Division and funds remaining at the end of a fiscal year do not revert to the General Fund of the State or to any political subdivision.

The bill takes effect upon enactment.

ASSUMPTIONS

1. Statewide implementation would require an additional 4.0 FTE positions within the Division.
2. The cost of the Administrator would be paid from surcharge receipts (\$55,068).
3. The number of telephone wire access lines is estimated to be 1.4 million and the number of non-wire lines is estimated at 60,000.
4. The surcharge rate would be \$1.00 per phone access line per month.
5. All telephone companies would retain 1.0% of the surcharge collected.

FISCAL EFFECT

Senate File 43 will generate \$17.4 million annually for projects to implement the Statewide E911 System and would require an additional 4.0 FTE positions and \$190,000 in salaries and support to the General Fund appropriation for the Division. Personnel costs at the county level will not be an eligible expense from the surcharge revenues.

(SOURCE: Emergency Management Division, DPD)

(LSB 1245ss, DLR)

FILED MARCH 8, 1993

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 43
FISCAL NOTE

A fiscal note for Senate File 43 as amended by S-3437 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 43 as amended by S-3437 allows Enhanced 911 (E911) service boards to impose a surcharge of up to \$2.50 per access telephone line for a 24 month period if approved by a majority of the voters. This bill requires the Emergency Management Division of the Department of Public Defense (DPD) to prepare E911 service plans for those E911 joint service boards who do not have a state-approved plan in place on or before January 1, 1994. This bill also expands the eligible costs that can be incurred by the E911 service boards to include permanently installed radios and equipment, and for the cost of personnel for database management and addressing.

Background

Currently, there are a total of 87 counties that either have E911 service in place or have plans to implement E911 service within the near future. Of these 87 counties, 83 counties have passed a local referendum on E911 surcharge and 4 counties are implementing E911 service without the imposition of a surcharge.

The remaining 12 counties have no current plans to implement E911. These counties include Appanoose, Cass, Davis, Decatur, Fremont, Harrison, Lucas, Monroe, Montgomery, Page, Ringgold, and Van Buren.

Assumptions

1. The counties which have passed a local referendum for an E911 surcharge or have implemented E911 service without a surcharge will not pass a referendum increasing the surcharge to \$2.50.
2. The 12 counties with no current plans for implementing E911 service will pass a \$2.50 surcharge per telephone access line, per month for a two-year period. In the third year of implementation the surcharge will be reduced to \$1.00 as required in this legislation.
3. There are 64,102 telephone access lines in the 12 counties mentioned above.
4. The estimated recurring costs for E911 operations is \$47,500 per year, per county.
5. The one-time start up costs per county is estimated at \$264,000.
6. The Emergency Management Division of the DPD may be responsible for the preparation of about 4 E911 service plans, which can be completed with

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existing staff.

Fiscal Effect

1. If the 12 counties enact a \$2.50 surcharge, this would generate a total of \$3.8 million over a two-year period. The start-up cost to implement E911 service in these 12 counties is estimated at \$3.2 million (\$264,000 per county).
2. During the third year of implementation the 12 counties would continue to collect \$769,000 with a \$1.00 surcharge in place. These funds would be used to help cover the recurring cost in these counties which is estimated at \$570,000 per year (\$47,500 per county).
3. However, under the provisions of this bill, some counties may not have the ability to generate sufficient revenues individually to cover costs associated with implementing E911 service.
4. It is uncertain how many counties who currently have E911 service in place will cover the cost of personnel with surcharge funds.

Source: Department of Public Defense, Emergency Management Division

(LSB 1245ss.2, DLR)

FILED APRIL 15, 1993

BY DENNIS PROUTY, FISCAL DIRECTOR