

FINAL REPORT

**ENHANCED 911 SERVICE
STUDY COMMITTEE**

**Presented to the Legislative Council
and the Iowa General Assembly
January 1993**

Prepared by the Legislative Service Bureau

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AUTHORIZATION AND APPOINTMENT

The Enhanced 911 Service Study Committee was established by the Legislative Council and charged to "[R]eview the current laws pertaining to implementation and financing of enhanced 911 service in Iowa and make recommendations to insure that all Iowa counties will be able to establish this emergency service."

Members serving on the Study Committee included:

Senator Gene Fraise, Co-chairperson
Representative Mark Shearer, Co-chairperson
Senator Leonard Boswell
Senator Richard Drake
Senator John Jensen
Senator Larry Murphy
Representative Linda Beatty
Representative Delores Mertz
Representative Bob Renken
Representative Greg Spenner

BACKGROUND INFORMATION

The Study Committee was granted two meeting days to conduct its study, but was able to complete its work in one meeting which was held on November 30, 1992, in Senate Committee Room 22 of the Statehouse. Presentations were made by interested persons concerning 911 and enhanced 911 (E911) emergency telephone service in Iowa.

A basic 911 system established pursuant to chapter 34 (formerly chapter 477A) is to be capable of transmitting requests for emergency assistance including, at a minimum, law enforcement, fire fighting, and emergency medical and ambulance services, to a public safety answering point resulting in the dispatch of the appropriate emergency service to the place of origin of the call. The primary

additional features of an enhanced 911 system (statutory provisions are in Chapter 34A, formerly Chapter 477B) include the routing of an incoming 911 call to the appropriate public safety answering point from among the public safety answering points operating in a 911 service area; the automatic display of the name, address, and telephone number of an incoming 911 call; and the public safety agency servicing the address on a monitor at the public safety answering point.

At this time, 93 counties have submitted plans for the installation of E911 systems and 71 of those plans have been approved by the state administrator. Additionally, 72 counties have passed a referendum approving an access line surcharge and 69 counties have been issued surcharge orders by the state administrator and are currently collecting the surcharge. The duration of the surcharge is limited to 24 months unless the E911 service is implemented or the state administrator approves an extension. Of those counties which have been issued surcharge orders, 12 counties have had their plan suspended. The 12 counties are currently collecting the surcharge without having state-approved plans. The 12 counties must have their plans approved by the state administrator within 18 months of the date of the surcharge order or the surcharge is to be suspended. Currently in Iowa, 21 counties have implemented an E911 system. This represents more than 50 percent of Iowa's population.

COMMITTEE PROCEEDINGS - NOVEMBER 30 MEETING

Mr. David Miller, State E911 Program Manager, discussed the history of the 911 and E911 program in Iowa and current status of county implementation. He also reviewed the status of county surcharges ordered collected, and those passed in referendums in 1992. Mr. Miller stated his support for a statewide system and outlined the issues affecting E911 which he believes need to be addressed, including funding for equipment and personnel, border conflicts involving selective routing and surcharge collection, systems integrity, and management and coordination of implementation.

Mr. Steve Patterson, Guthrie County 911 Coordinator, testified concerning a seven-county region which has entered into Chapter 28E agreements permitting the development of a regional E911 service area.

Mr. David Montgomery, Director of the Mahaska County E911 Center, testified concerning the structure and management of the center in Mahaska County and the problems faced in establishing E911 service in the county, such as conflicts involving control of the center, a conflict between GTE and the 911 Service Board, and funding problems. He also provided statistics for Mahaska County concerning the number of emergency calls on 911 lines and non-911 lines as well as the percentage of emergency calls received as a percentage of all 911 calls received.

Mr. Joe Armbrecht, President of the Iowa Emergency Number Association, testified concerning the implementation of E911 service in Marshall County, where he serves as a member-at-large on the three-member county commission overseeing that county's E911 system. He stated his belief that the county surcharge mechanism is a costly and cumbersome method of funding E911 throughout the state and suggested that a statewide surcharge should be considered.

COMMITTEE DISCUSSION

The Committee reviewed a draft proposal prepared for consideration by Co-chairperson Senator Fraise which would establish a statewide E911 emergency telephone system. The proposal would require that the system be in place by March 1, 1994. The Division of Emergency Management in the Department of Public Defense is given responsibility to set a statewide surcharge of no greater than one dollar per month, per access line on each access line subscriber. The surcharge would be collected by local exchange providers and deposited in an E911 service fund established as a separate account in the state treasury. The fund would be under the control of the Division and funds remaining at the end of a fiscal year would not revert to the general fund of the state or to any political subdivision but would remain available for nonrecurring and recurring costs of the E911 service plan as approved by the division and the administrator.

COMMITTEE RECOMMENDATION

The Committee recommended that the draft proposal be redrafted in appropriate form for submission to the appropriate committees in the Senate and House of Representatives for consideration during the 1993 Legislative Session. A copy of the redrafted proposal is attached to this report.

SENATE/HOUSE FILE _____
BY (PROPOSED ENHANCED 911 STUDY
COMMITTEE BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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

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