



To: Government Oversight Committee  
From: Jennifer Acton  
Date: January 28, 2013  
Re: E911 Wireless Surcharge Fourth Calendar Quarter Report  
(October – December 2012)

The Legislative Services Agency has received the fourth calendar quarter report for 2012 from the Homeland Security and Emergency Management Division as required in [Iowa Code section 34A.7A\(3\)\(b\)](#).

The Division received \$4.4 million in revenue from the E911 wireless surcharge (\$0.65 per phone, per month). This is an increase of \$4,100 compared to the previous quarter. The Fund earned \$12,100 in interest. [Iowa Code chapter 34A.7A](#) specifies the priority order for the collected surcharge funds to be expended. The total expended this quarter was \$3.8 million.

Listed below, by priority order, are the amounts expended:

- \$62,500 for administration. This includes 2.0 FTE positions, an annual audit, and program operating costs. Intent language in [HF 2335](#) (FY 2013 Justice System Appropriations Act) specifies that up to \$250,000 of the wireless surcharge money may be used for these expenses each fiscal year.
- \$290,000 for wire-line transport costs for local carriers. This is a decrease of \$2,700 compared to the previous quarter. This amount is a reimbursement to telephone companies for the actual costs of transporting the wireless E911 call from the selective router to the Public Safety Answering Points (PSAPs).
- \$1.5 million for automated location information costs for local carriers. This is an increase of \$7,600 compared to the previous quarter. This amount is a reimbursement to companies that provide Automatic Location Information (ALI) database services and selective routing.
- \$2.0 million for the PSAPs. This is an increase of \$4,100 compared to the previous quarter. The increase is due to the elimination of wireless carrier cost recovery for costs associated with providing wireless E911 Phase 1 (tower address and call back number). There are currently 117 PSAPs providing 55,996 square miles of coverage. In this quarter, the PSAPs received 218,960 wireless calls, a decrease of 47,230 calls compared to the previous quarter. During the migration from the legacy network to the NG911 network, there were test calls being made by all the wireless carriers and that work is now complete. The funding the PSAPs receive is 46.0% of the surcharge generated and is distributed to the PSAPs based on the following formula: 65.0% based on the square mileage of the local

911 service area and 35.0% based on the volume of wireless E911 calls received by the PSAPs.

- The total carryover funds available from the third quarter is \$513,000. The total carryover available in the Wireless Surcharge Carryover Fund is \$8.6 million. Of the total available in the Fund, \$3.0 million is obligated for network capacity increases.
- The Iowa Homeland Security and Emergency Management Division is upgrading the wireless E911 system to support the use of the Next Generation 911 (NG911) emergency services IP-based system. The upgrade will allow texting, video, and picture messaging to access emergency care via E911. The balance in the Fund is being used for the NG911 network for the following costs:
  - TCS Contract Costs - \$372,000 for recurring costs associated with the hardware and software for the new network.
  - Iowa Communications Network (ICN) Costs - \$237,000, including \$213,000 in recurring costs and \$24,000 for non-recurring costs associated with the hardware and software for the new network.
  - The two networks ran in tandem through December and the legacy network was disconnected on December 29, 2012.

As of November 2, 2012, all 117 PSAPs have been migrated to the new network. Wireless service providers will continue to move the wireless call traffic to the new network and this process will be completed by the end of December 2012, at which time the legacy network will be disconnected. The next phase of the project will be to migrate the network connectivity from Windstream circuits to the ICN as the ICN completes their Broadband Technologies Opportunity Program (BTOP) project. This phase of the project is scheduled to be completed by June 30, 2013. There may be some costs with the next phase including some termination fees for ending the 12-month contract early and the cost for a technician to go to each PSAP to physically move the connection from Windstream to the ICN.