

Honolulu, Hawaii

February 7, 2017

RE: H.B. No. 206
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Intrastate Commerce, to which was referred
H.B. No. 206 entitled:

"A BILL FOR AN ACT RELATING TO ENHANCED 911 SERVICES,"

begs leave to report as follows:

The purpose of this measure is to apply a surcharge for advanced 911 services on prepaid wireless telecommunications service in a manner equivalent to the enhanced 911 surcharge applicable to other cellular and telephone services.

The Department of Accounting and General Services, Enhanced 911 Board, Office of Enterprise Technology Services, Honolulu Police Department, Hawaii State Fire Council, Kauai Fire Department, County of Hawaii Police Department, Honolulu Fire Department, Maui Police Department, CTIA, Verizon, and a concerned individual supported this measure. The Tax Foundation of Hawaii offered comments.

Your Committee has amended this measure by:

- (1) Reducing the prepaid wireless E911 surcharge to 1.5 percent;
- (2) Changing its effective date to January 1, 2019 to encourage further discussion; and



- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should the Committee on Consumer Protection and Commerce further deliberate on this measure, your Committee respectfully requests that it consider whether an enforcement measure is warranted for the surcharge collection and administrative cost reimbursement process and whether placing administrative responsibilities for the surcharge under the jurisdiction of the Department of Taxation would result in effective enforcement.

As affirmed by the record of votes of the members of your Committee on Intrastate Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 206, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 206, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Intrastate
Commerce,



TAKASHI OHNO, Chair



