

STAND. COM. REP. NO.

346

Honolulu, Hawaii

FEB 16 2017

RE: S.B. No. 887

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 887 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to ensure adequate funding for enhanced 911 services through a surcharge at the point of sale on each prepaid wireless telecommunications service purchased by Voice over Internet Protocol and wireless mobile phone users.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services; Hawai'i Police Department; Honolulu Police Department; Maui Police Department; Enhanced 911 Board; CTIA; Verizon; and four individuals. Your Committees received testimony in opposition to this measure from the Hawaii Association for Justice and Retail Merchants of Hawaii.

Your Committees find that enhanced 911 services provide great benefit to the health, safety, and welfare of the public. The Enhanced 911 Fund helps ensure adequate funding for enhanced 911 services as well as helps to develop future, related services and technologies. Currently, a monthly enhanced 911 surcharge of 66 cents per month is imposed upon each communications service connection for Voice over Internet Protocol and wireless phones except wireless prepaid mobile phone users, despite the fact that

2017-1412 SSCR SMA.doc



wireless prepaid mobile phone users receive all of the benefits of enhanced 911 services. Requiring wireless prepaid mobile phone users, referred to this measure as prepaid wireless telecommunications service, to pay a surcharge for enhanced 911 services would create greater equity in the funding of enhanced 911 services and would provide a significant source of funds to help sustain enhanced 911 services. Accordingly, this measure:

- (1) Establishes a prepaid wireless E911 surcharge of 2.64 percent of prepaid wireless service purchased at the point of sale;
- (2) Allows sellers to deduct and retain three percent of the surcharge for administrative purposes and remit the balance to the Enhanced 911 Board; and
- (3) Requires the amounts collected by the Enhanced 911 Board to be placed in the Enhanced 911 Fund.

Your Committees have amended this measure by:

- (1) Changing the rate of the prepaid wireless E911 surcharge from 2.64 percent to 1.5 percent; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 887, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 887, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on  
behalf of the members of the  
Committees on Public Safety,  
Intergovernmental, and Military  
Affairs and Commerce, Consumer  
Protection, and Health,

*Rosalyn H Baker*

---

ROSALYN H. BAKER, Chair

*Clarence K Nishihara*

---

CLARENCE K. NISHIHARA, Chair





