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HB HB 540

Office of Emergency Management
200 W. BROADWAY
MISSOULA, MONTANA 59802
PHONE: (406) 258-4469
FAX: (406) 258-3989

Testimony of Chris Lounsbury in Support of HB540

Good afternoon, Mr. Chairman and members of the committee. My name is Chris Lounsbury and I am the Director of the Office of Emergency Management for Missoula County. In that role I oversee the 9-1-1 system in Missoula County; I have also been active in participating as a member of the public at the State 9-1-1 Advisory Board for a number of years. I must admit I struggled putting my testimony together because there is so much I want to share with you about this important bill and I will try not to ramble on too long. I want to give you a little bit of history on how we arrived here today with a proposal to amend the legislation that was created by HB27.

HB27 created two new accounts to help offset the costs of both 9-1-1 Centers and wireless carriers, we are here today to talk about the portion of HB27 that created the wireless cost recovery fund. This fund is used by wireless carriers to help cover some of the costs they incur in order to provide location information on 9-1-1 callers. HB27 was written as a response to an FCC order that required both 9-1-1 Centers and wireless carriers to begin receiving and sending location information for wireless carriers (often called Phase II), up until the FCC order if you called 9-1-1 from a wireless phone and did not know your location, you got to play 20 questions with the dispatcher as they attempted to ascertain it. The portion of HB27 that created the wireless cost recovery account also helps to set out what costs wireless carriers are allowed to recover as related to 9-1-1 call location. This was not a bill without controversy at the time it was passed, there were many discussions at the State 9-1-1 Advisory Board and in the Legislature to make sure that the funds collected would address the needs of both providers and 9-1-1 Centers. There was also debate centered on what costs wireless carriers could submit for cost recovery, it wasn't an easy decision, no one wanted to be too restrictive or lenient. In fact, Montana Independent Telecommunications Systems (MITS) was a supporter of HB27 which includes the language used to determine wireless carriers eligible costs. The wireless cost recovery fund breaks the state down into 9-1-1 jurisdiction areas and based on where a wireless carrier provides service determines where they can recover costs from.

The good news is this bill worked, 98% of the State of Montana where wireless service is available if you call 9-1-1 the dispatcher will get a latitude and longitude that can be plotted on the map, so they will be able to find you. 98% is an amazing accomplishment. Wireless carriers have been installing the equipment needed to provide locations to 9-1-1 Centers and they have been recovering their costs through this fund.

So why are we here? We are here because two of the largest providers of wireless service in Montana have chosen not to apply for these cost recovery funds. This has created the

unintended consequence of allowing almost 9 million dollars in 9-1-1 fees to become stranded in this account. HB540 proposes a simple one sentence change to the law that would allow these funds to be redistributed to the 9-1-1 Centers around the state.

HB540 is the best solution to these stranded funds, HB540 insures that funds collected for wireless cost recovery are first and foremost used to reimburse wireless carriers for their allowable costs in the areas they service and only once the carriers have been paid would the funds that had not been distributed be moved over to the account that distributes funds to 9-1-1 Centers. This is critically important not just to Missoula or Yellowstone where many of the stranded funds would come from but also from places like Fergus County and Mussellshell, where their costs for equipment and 9-1-1 service continue to rise. When HB540 was drafted we wanted to insure that wireless carriers would still be first in line for their allowable costs, so we met with the State Public Safety Services Bureau which oversees these accounts and manages the distributions to wireless carriers and 9-1-1 Centers, their review of HB540 found that HB540 does not have any impact on wireless carriers; they are still first in line in any area they serve.

HB540 says that once the carriers received their payments for cost recovery, would take remaining funds left in account and move them over to the account used to distribute funds to 9-1-1 Centers. These funds would then be distributed out to the 9-1-1 Centers around the state using the same formula currently used. So under HB540 it would not matter if your county contributed 10 dollars, 1 dollar or not a dime, your 9-1-1 Center would still receive funding if there were money left over after the wireless carriers are paid. We asked the State of Montana PSSB to review HB540 to make sure that this would be the case and their review also determined that this legislation would do just that and that in fact this language is similar to the mechanisms in other sections of the 9-1-1 fee laws that allows them to distribute remaining or stranded funds.

So why do 9-1-1 Centers need this funding? The fact is that providing 9-1-1 service at the local level is not inexpensive. Missoula County pays more than 11,000 dollars a month just to have 9-1-1 lines in our Center and those aren't our only costs. When I reached out to dispatch centers around the state I heard about their many needs, from places like Mineral County which needs to replace the console radio system used in their dispatch center to notify responders of calls and communicate with officers in the field, they are looking at a cost of up to $100,000 and at this time don't have a source of funding to Anaconda-Deerlodge and other centers which have seen their phone bills for 9-1-1 lines double this year as equipment in their centers becomes more expensive to maintain. The State has guidelines around how 9-1-1 money can be spent at the local level, so there are checks in place on how these funds are used. In the end though, these 9-1-1 fees are collected from citizens all around the state, people pay the fee thinking that the money goes to 9-1-1 Centers in their areas to provide them service, so when we talk about these stranded 9-1-1 funds in my opinion it just makes sense that they should come back to the 9-1-1 Centers, rather than continue to build in this fund.

I have a packet for each member of the committee I would like to distribute that contains some of the information I talked about today, the legislative history of the bill, a diagram showing how the money is distributed, a list of the supporting counties, sheriffs and 9-1-1 Centers and letters of support from some of those agencies with the chairs permission I would like to hand those out, I also have a copy of my testimony for the record and I will be available should any member have questions.

For more information please contact
Chris Lounsbury
406-258-4469
clounsbury@co.missoula.mt.us