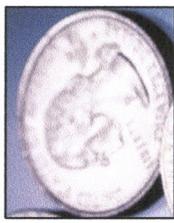
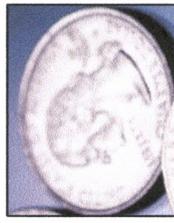
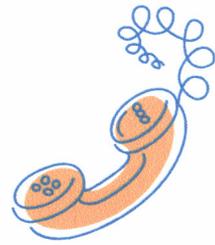


EXHIBIT NO. 5
DATE 3.6.13
BILL NO. HB 540

MT 911 Telephone Fund

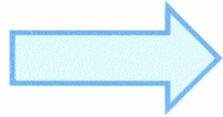
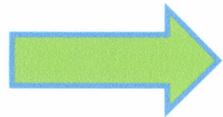


Basic
911

E911

Wireless
E911

Wireless
E911



Public Safety
Answering
Point
(PSAP)

Public Safety
Answering
Point
(PSAP)

Public Safety
Answering
Point
(PSAP)

Wireless
Provider
(Provider)

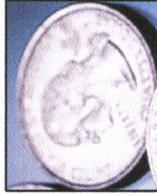




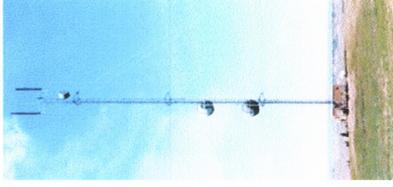
Public Safety
Answering
Points (57)
(PSAP)

911 Office
distributes entire
account funds to
PSAPS quarterly.

Wireless
E911 Funds

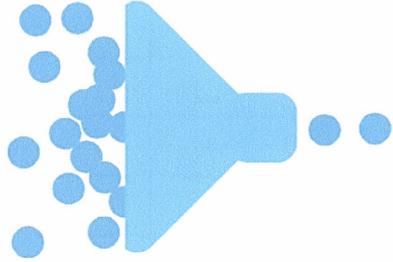


Wireless
Providers



911 Office allocates
Wireless Provider
funds to 57 Distinct
Sub-Accounts.

- #1
- #2
- #3
- #4
- #5...
- ...
- ...#57



- Current statute bottlenecks Wireless Provider Funds
- Limits disbursement from the State Account



STATE OF MONTANA
PUBLIC SAFETY SERVICES BUREAU

**COST RECOVERY GUIDELINES FOR MONTANA
WIRELESS E9-1-1 SERVICE PROVIDERS**

(Effective Date: July 1, 2007)

The following criteria has been established for Montana wireless service providers seeking cost recovery for network element upgrades and services exclusively associated with location-based, Phase I and II, wireless E9-1-1. These guidelines were meant to assist Montana wireless service providers with invoicing for cost recoverable network elements and services as described in 10-4-(101-313) MCA, and ARM 2.13.(201-207). To receive cost recovery reimbursement:

- Eligible wireless service providers must submit an invoice to the department on a quarterly basis. The department address is: State of Montana, 9-1-1 Office, DOA/PSSB, Attn: Rhonda Sullivan, PO Box 200113, Helena, MT 59620-0113.
- Invoices must be received by the department within 30 calendar days following the end of each quarter.
- Invoices should indicate the fiscal quarter for which they are applying; not the calendar quarter.
- Invoicing is on a per 9-1-1-jurisdictions basis, and these jurisdictions do not always match up with county boundaries. See the 9-1-1 jurisdiction list at the end of this document.
- All allowable costs must be clearly identified in single line-item charges.
- **The wireless service provider must include copies of receipts for each line item charge, including the date of purchase.**
- The wireless service provider may submit a single invoice for multiple 9-1-1 jurisdictions, as long as the itemized costs for each jurisdiction are listed separately.
- Wireless service providers must include the **date when Phase I or Phase II was turned up with the 9-1-1 jurisdiction.**
- Service providers must include the total number of **wireless subscribers within each 9-1-1 jurisdiction for which they are seeking cost recovery. Subscribers within a jurisdiction are based on the primary place of use.**
- The invoice must display the total amount due to the service provider, including address to remit funds, as well as any unpaid balances from previous quarters.

The following location-based network elements are eligible for cost recovery:

1. Mobile Switching Center (MSC): This item relates to MSC enhancements necessary for the delivery of location information to the appropriate E9-1-1 selective router, and may include costs associated with:
 - MSC hardware upgrades
 - MSC hardware purchases
 - MSC hardware installation

- MSC hardware testing
- MSC software upgrades
- MSC software purchases
- MSC software installation
- MSC software testing
- MSC software programming
- MSC right-to-use licensing
- Recurring MSC operations
- Recurring MSC administration
- Recurring MSC maintenance

2. This item relates to transport services necessary to deliver E9-1-1 calls from the MSC to the selective routers, and may include costs associated with:

- Transport system hardware upgrades
- Transport system hardware purchases
- Transport system hardware installation
- Transport system hardware testing
- Transport system software upgrades
- Transport system software purchases
- Transport system software installation
- Transport system software testing
- Recurring carrier transport services from the MSC to the E9-1-1 selective routers

NOTE: Allowable costs for transport services will be limited to a maximum of 2 trunks to each selective router. Additional trunks will be considered for cost recovery with a qualified traffic study provided by the wireless service provider.

3. This item relates to selective router services necessary for the routing and delivery of E9-1-1 calls to the appropriate PSAP and may include costs associated with:

- Nonrecurring selective router connection charges
- Recurring selective router charges
- Recurring port charges
- Nonrecurring T1 DACS charges
- Recurring T1 DACS charges

4. This item relates to network and Signaling System 7 (SS7) services necessary for E9-1-1 signaling and location-based services, and may include costs associated with:

- Recurring SS7 port charges
- Recurring SS7 link charges

5. This item relates to Mobile Positioning Center (MPC) and Location Monitoring Unit Controller (LMUC) functionality, and may include costs associated with:

- MPC/LMUC hardware upgrades
- MPC/LMUC hardware purchases
- MPC/LMUC hardware installation
- MPC/LMUC hardware testing
- MPC/LMUC software upgrades
- MPC/LMUC software purchases
- MPC/LMUC software installation
- MPC/LMUC software testing
- MPC/LMUC software programming

- Recurring MPC/LMUC Maintenance
- Recurring MPC/LMUC 3rd-Party Services

6. This item relates to 3rd-party location based data services and systems administration for antenna sites, and may include costs associated with:
- Database Administration Services
 - Position Determining Services
 - Location Monitoring Services

NOTE: Wireless service providers seeking cost recovery for antenna site administration must provide to the department the antenna site location. Regarding the format for antenna location information, please contact the department.

7. This item relates to Position Determining Equipment (PDE) and Location Monitoring Unit (LMU) functionality per antenna site and may include costs associated with:

- PDE/LMU hardware upgrades
- PDE/LMU hardware purchases
- PDE/LMU hardware installation
- PDE/LMU hardware testing
- PDE/LMU software upgrades
- PDE/LMU software purchases
- PDE/LMU software installation
- PDE/LMU software testing
- PDE/LMU software programming
- Recurring PDE/LMU administration
- Recurring PDE/LMU maintenance

NOTE: Wireless service providers seeking cost recovery for antenna hardware and software upgrades must provide to the department the antenna site location. Regarding the format for antenna location information, please contact the department.

8. This item relates to Operational charges exclusive to location based emergency 9-1-1 services and may include testing and operational support elements.

For questions about cost recovery or these Guidelines contact:

Rhonda Sullivan
Assistant 9-1-1 Program Manager - Wireless
State of Montana, Public Safety Services Bureau
(406) 444-2420
RSullivan@mt.gov

(Last Updated: 11/17/10)

HB540

HB540 identifies a problem within a current statute and identifies a solution to that problem.

Public Safety Answering Points anticipate experiencing increased costs for E911, Next Gen 911 [text messaging, photo exchange, mobile communication devices other than phones, etc.], and public safety operability. Counties have limited funding for increases in 911 costs.

HB540 identifies a supplemental funding source for E911 cost recovery: transfer of funds on a quarterly basis from the E911 Wireless Provider Account to the Wireless E911 Public Safety Jurisdiction Account.

HB540 adds one sentence to existing statute under 10-4-313, Distribution of wireless enhanced 911 by department. This section of law is applicable to the wireless enhanced provider account. It establishes the process the Department of Administration uses for distribution of the provider account.

The department shall make quarterly distribution of the portion of the wireless enhanced 911 account for allowable costs described in 10-4-301(1)(c)(ii) incurred by each wireless provider in each 911 jurisdiction...

The one sentence added by HB540 is as follows:

If in any quarter a remaining balance exists after the department has reimbursed each wireless provider in accordance with subsection (1)(e), the department shall in the subsequent quarter transfer the remaining balance to the account provided for in 10-4-301(1)(c)(i) for distribution in accordance with subsection (2).

The effect of HB540 is to drain, on a quarterly basis, the E911 wireless provider accounts associated with each public safety answering point jurisdiction. Accounts would not be able to accumulate or carry forward funds in anticipation of ongoing expenditures considered allowable for E911 wireless cost recovery. Some providers with large unreimbursed balances may never be fully paid for approved expenditures.