

# HOUSE BILL REPORT

## SSB 6111

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### As Reported By House Committee On:

Finance

**Title:** An act relating to the implementation of the enhanced 911 excise tax study recommendations regarding 911 emergency communications system funding.

**Brief Description:** Providing for 911 emergency communications funding.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Sutherland, Hochstatter, Hargrove, Morton, Finkbeiner, Prince, Fraser, Swecker and Oke).

**Brief History:**

**Committee Activity:**

Finance: 2/26/96 [DPA].

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### HOUSE COMMITTEE ON FINANCE

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives B. Thomas, Chairman; Boldt, Vice Chairman; Dickerson, Assistant Ranking Minority Member; Hymes; Mason; Mulliken; Schoesler and Sheldon, Assistant Ranking Minority Member.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Carrell, Vice Chairman; Pennington and Van Luven.

**Staff:** Cheri Keller (786-7093).

**Background:** Emergency 911 telephone services allows a caller to reach agencies or entities that can dispatch the appropriate type of response. "Enhanced 911," known as "E 911," allows the person answering the emergency call to identify the location of the calling party, even if the calling party cannot speak or is uncertain of the location. These E 911 systems require significantly higher investment and expenditures because of the additional information needed and the way this data base is used in the system.

In Washington, 911 systems are primarily administered by counties, and in some cases cities. Counties may impose up to 50 cents per month on each wired telephone line, referred to as "switched access lines," to help fund 911 systems. Counties may

also impose up to 25 cents per month on each cellular telephone line, known as "radio access lines," to help fund 911 systems.

In 1991, the voters of Washington adopted Referendum 42, a measure that imposed a 20 cent maximum per-month tax on each wired telephone line to pay for E 911 throughout the state. Statewide E 911 was to be implemented through a statewide E 911 office by 1999. Referendum 42 included a clause that would lower this 20 cent rate to a maximum of 10 cents beginning in 1999.

Over the last several years, competition has begun to emerge for basic "dial tone" local exchange telephone service through alternative providers and a variety of wireless services. With the current 911 funding system tied primarily to traditional local exchange service, concern has been raised over the eventual ability of 911 systems to continue providing service and be adequately funded as the telecommunications network becomes more diverse. The 1994 Legislature responded to this concern by directing the Department of Revenue to study long-term funding for E 911.

**Summary of Amended Bill:** The up to 20 cent per-month state E 911 excise tax is extended to cellular telephone lines. Until a system of automatic location identification is available for cellular telephones in all counties, the revenue raised from placing this tax on cellular telephone lines must be used to fund planning and implementation of E 911 for cellular telephone lines. A county may not receive any state E 911 excise tax funds unless the county imposes the maximum county E 911 taxes.

Statutory language that lowers the tax to a maximum of 10 cents beginning in 1999 is stricken.

The act will be submitted to the people for their adoption and ratification, or rejection, at the next general election.

**Amended Bill Compared to Substitute Bill:** A referendum clause was added.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill takes effect January 1, 1997, if approved by the voters.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** None.