



STATE OF WASHINGTON  
MILITARY DEPARTMENT  
EMERGENCY MANAGEMENT DIVISION

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August 22, 2003

Ms. Carole Washburn, Secretary  
Washington State Utilities and Transportation Commission  
Chandler Plaza Building  
Post Office Box 47250  
Olympia, Washington 98504-7250

Dear Ms. Washburn:

The Enhanced 911 (E911) Program Office recommends the state E911 wireline excise tax be continued at the current rate of 20 cents in 2004. Some Washington counties continue to project lower wireline E911 revenues for fiscal year (FY) 2003-04, as wireless phones displace traditional wireline services. The state E911 excise tax was extended to wireless subscribers beginning January 1, 2003, at a fixed rate of 20 cents per month per subscriber. This additional tax resource is needed to implement and operate new location technologies for wireless E911. The total tax collections for both the wireline and wireless services are anticipated to be approximately \$15.5 million in concert with the Legislative appropriation for FY 2003-04. The wireline revenue is anticipated to be \$8.5 million of the total revenue.

Enclosed is a chart that supports the recommendation to retain the wireline tax at 20 cents. The chart shows in state fiscal year 2003 that wireline expenditures exceeded wireline revenue by approximately \$1.5 million. Additionally Verizon is in the process of proposing upgrades to its selective routers to bring them into compliance with current E911 network standards. This upgrade will allow their network to support intertandem transfer to compliment the work recently accomplished by Qwest and will increase the wireline costs within the state.

For FY 2003-04 the Program Office will continue to use a priority system for county assistance based on revisions to statutory authority. A new requirement for FY 2003-04 is the separation of support into wireline and wireless components. County requests for assistance exceed the available funds by approximately \$550,000 for wireless support while wireline items appear to be fully supported until the new Verizon tariff has been filed.

During the past year the Program Office, in conjunction with the E911 Advisory Committee, wrote new rules for disbursing the E911 excise taxes. These rules account for the requirement to keep wireless and wireline funds separate, except for common portions of the E911 network that are supported by both wireless and wireline customers.



The first priority for use of the new wireless tax is the implementation of location capability for the users of cellular phones. The second priority is the operation of the wireless E911 service statewide, followed by carrier cost recovery. The program continues to be responsible for supporting, maintaining and upgrading the operations for wireline E911 services statewide.

The E911 Office is currently seeking ways to make the E911 network more efficient. As the telecommunications industry is opened to more competition, the growth in the number of switches (including private branch exchanges) requires that more entities have direct access to E911 network services. It makes sense to consolidate the E911 network components into more manageable configurations. Not only should the smaller counties be encouraged to consolidate, but also a single vendor for selective routing and the database management system can bring more efficiencies of scale to the E911 network. Such a network will also be more user friendly than the current multiple router multiple carrier provided system.

The E911 Office continues to be actively involved in establishing technical standards for the operation of 911 networks including both wireline and wireless systems. Each wireless company has its own format for sending information to the 911 centers. As number porting becomes available between wireline and wireless carriers, another dimension of complexity is added to the call takers responsibilities. Wireless companies today permit international roaming that requires the delivery of up to 15 digits for a 911 caller's phone number when all the systems were designed for 10 digits. We are directly involved with national standards bodies in establishing rules for data transmission and data display configurations with a goal to make the jobs of those who answer 911 calls as straightforward as possible.

A positive note has been the consideration the Utilities and Transportation Commission (UTC) has given to support for emergency services and E911 in its development of operational rules for telecommunications companies. In discussions with other states and the Federal Communications Commission this progressive step by the UTC has been viewed favorably.

Thank you for the continuing support that the UTC provides to the State E911 Program. If you have any questions, please do not hesitate to contact this office at (253) 512-7011.

Sincerely,



Robert G. Oenning  
Washington State E911 Administrator

RGO:lldh

Enclosure

cc: Rebecca Beaton, Washington Utilities and Transportation Commission  
Bob Williamson, Washington Utilities and Transportation Commission

FY03 Total Revenue Collected: \$7,900,000.00

<u>CATEGORY OF EXPENSES</u>	<u>TOTAL EXPENSE:</u>
Direct E-911 County Funds	\$8,394,910.00
Indirect E-911 County Funds	\$329,047.00
State E-911 Office	\$419,760.00
E-911 Statewide Services	\$204,270.00
Indirect to Department	\$71,189.00
<u>E-911 Advisory Committee</u>	<u>\$54,948.00</u>
<b>TOTAL:</b>	<b>\$9,474,124.00</b>

