



April 17, 2019

Senator David R. Parks
Chair, Senate Government Affairs Committee
P.O. Box 71887
Las Vegas, NV 89170-1887

Re: SB 12, Provisioning for audits through 911 fees

Dear Chairman Parks:

On behalf of CTIA, the trade association for the wireless communications industry, we are writing to oppose SB 12. While auditing 911 master plan and revenue collections may be useful to a county, the funding source in the bill would require wireless consumers to pay fees on their bills to support an activity that is unrelated to the provision of 911 services.

Wireless carriers annually collect over \$2.8 billion dollars of dedicated taxes, fees, and surcharges from wireless consumers. The intent of 911 fees is specifically to support the costs to establish and maintain the emergency communications systems so that PSAPs have the ability to call back wireless 911 callers and pinpoint their location within FCC prescribed guidelines.

We believe that 911 funding must be limited to “allowable costs” and should not be a funding source for shifting additional expenses to the 911 fund. “Allowable costs” could include the nonrecurring costs of establishing a 911 system, the cost of emergency telephone and dispatch equipment, and costs for training for maintenance and operation of the 911 system. Conversely, “allowable costs” should not include the cost for leasing real estate, cosmetic remodeling of facilities, salaries or benefits, or emergency vehicles as well as the hiring of outside auditors. The State, Counties and the PSAPs should not be using the 911 fund to pay for such unrelated expenses.

In the Federal Communication Commission’s (FCC) *Tenth Annual Report to Congress on State Collection and Distribution of 911 and Enhanced 911 Fees and Charges for the Period January 1, 2017 to December 31, 2017*, the FCC identified that Nevada diverted \$1,311,432.00 (57.24% of



the fund) 911 funds to support non-911 related public safety programs.¹ SB 12, would take Nevada further down this path of 911 fee diversion. FCC Commissioner O'Reilly recently stated in a letter to the Governors of New York, New Jersey and Rhode Island, states which have become habitual diverters of 911:

Diversion of 9-1-1 fees is a serious public safety matter. The mere act undermines the willingness of consumers, feeling duped by their local and state representatives, to support current levels and future raises in program spending, even when there is a compelling need to modernize individual systems. Without assurances that the funding is being spent on 9-1-1 functions, the validity of the fee imposition and the confidence in emergency call systems is damaged. In addition, the diversions in your states call into question and reduce overall support for the entire fee structure, even in areas outside your states. In other words, your fee collections' untrustworthiness is contagious.²

We believe the use of 911 fees for purposes not specifically related to 911 programs is misleading to wireless consumers and could crowd out funding for 911 enhancements that may be necessary in the future. Therefore, we urge you not to pass SB 12.

Sincerely,

Lisa V. McCabe
Director, State Legislative Affairs

¹ <https://www.fcc.gov/files/10thannual911feereporttocongresspdf>

² <https://docs.fcc.gov/public/attachments/DOC-356926A1.pdf>