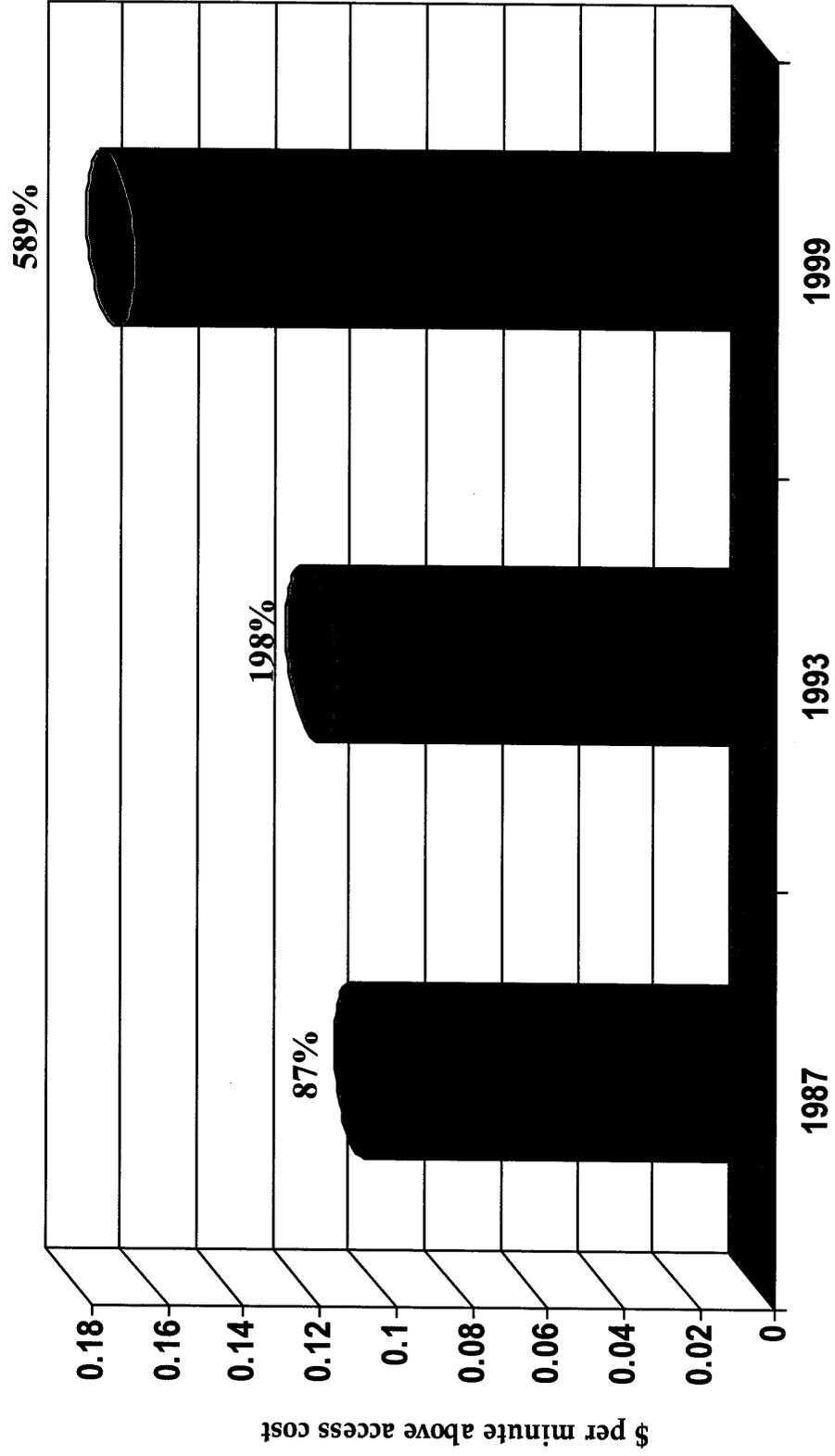
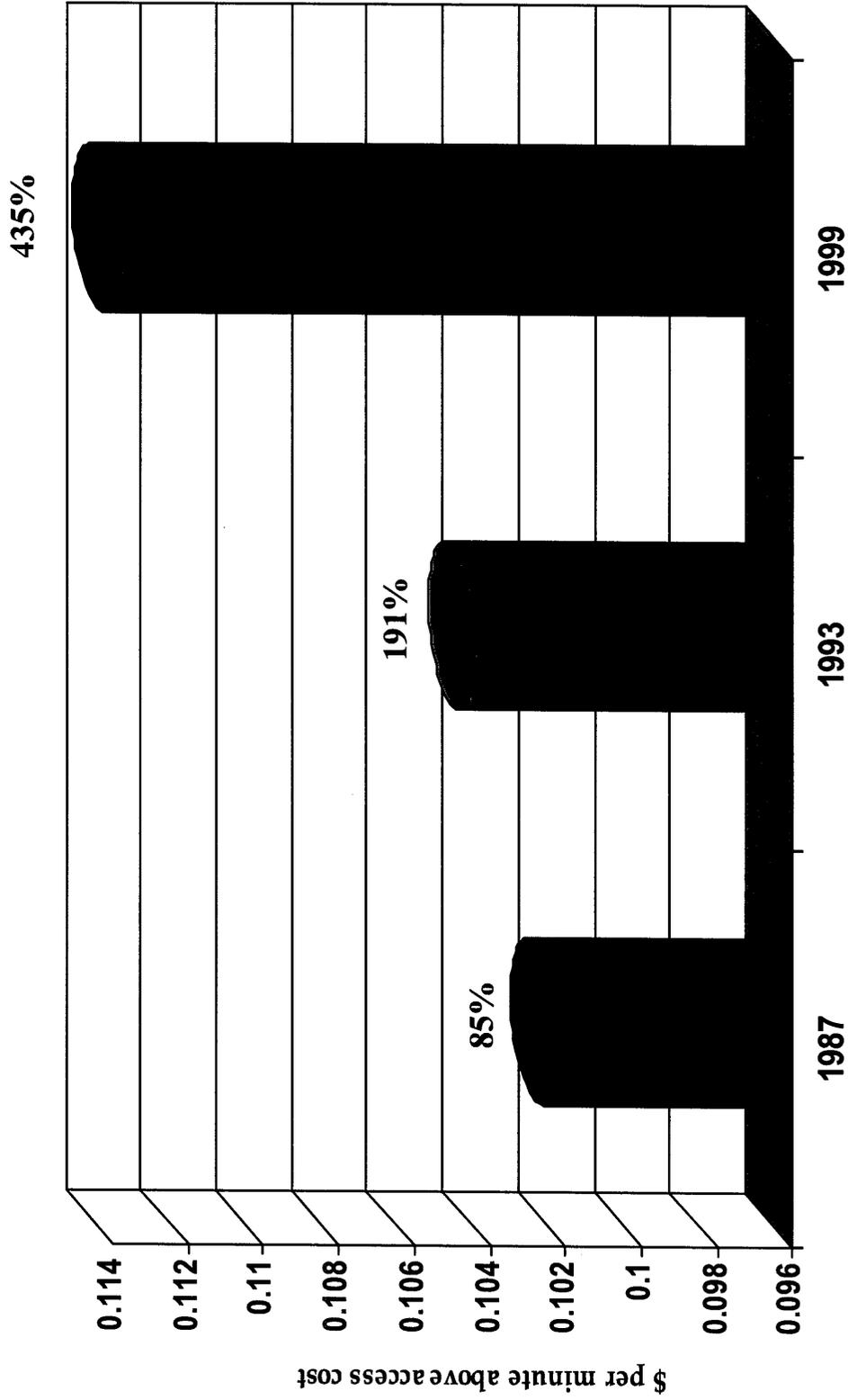


AT&T Profit After Access Costs for Basic Rate Schedule

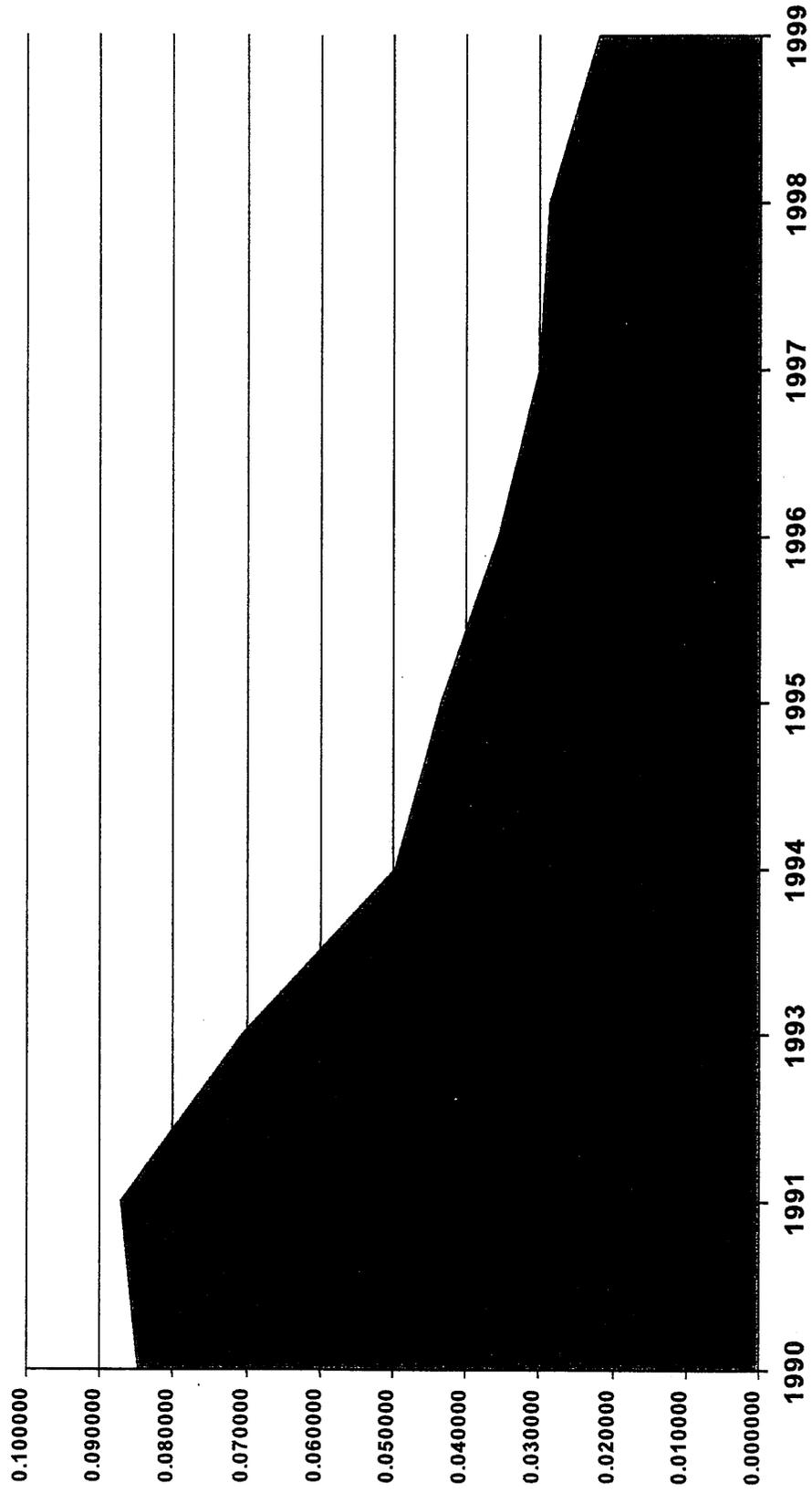


AT&T Profit After Access Costs (Weighted for Discount Plans)



Ameritech Intrastate Access Rates*

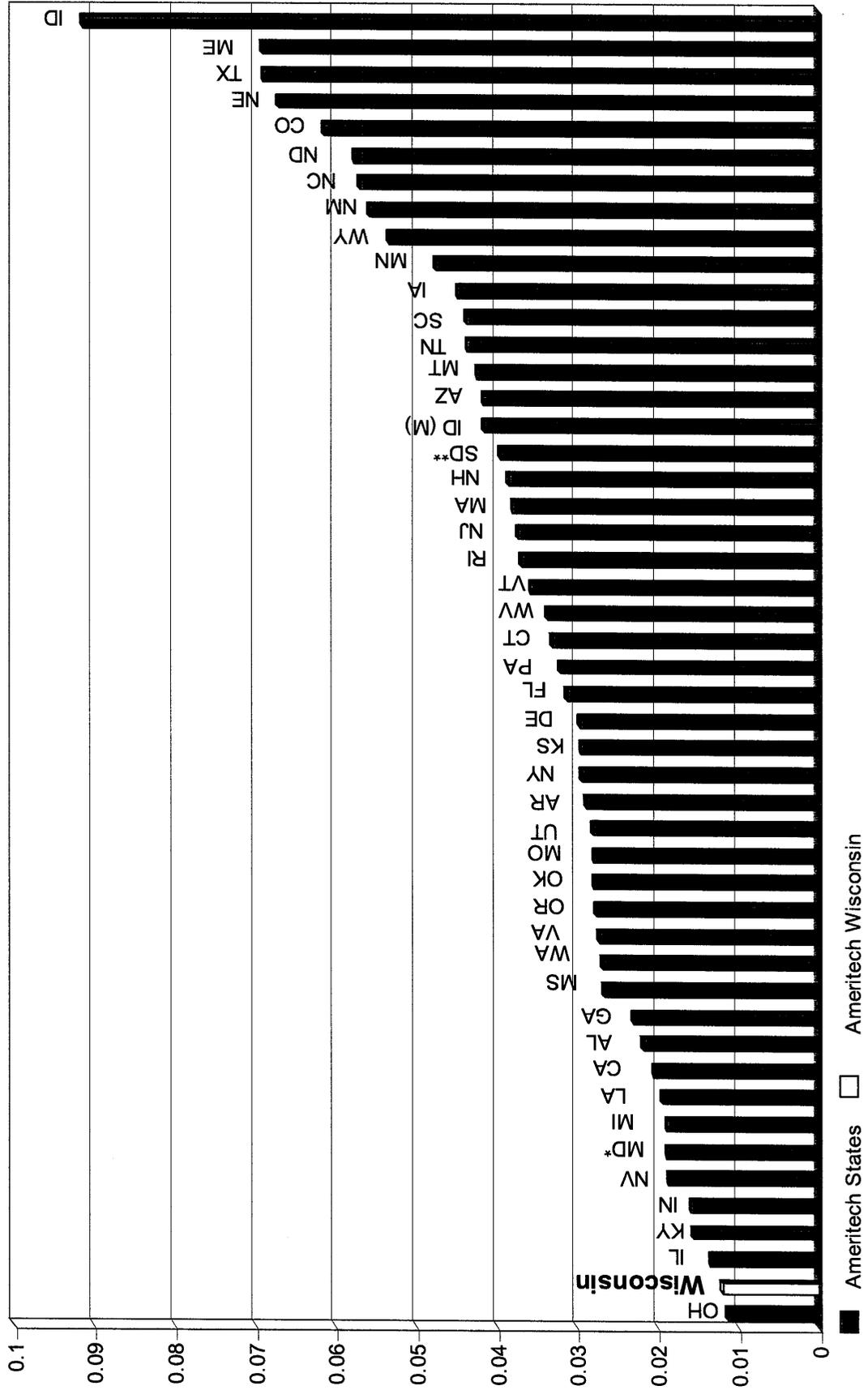
Wisconsin



\$

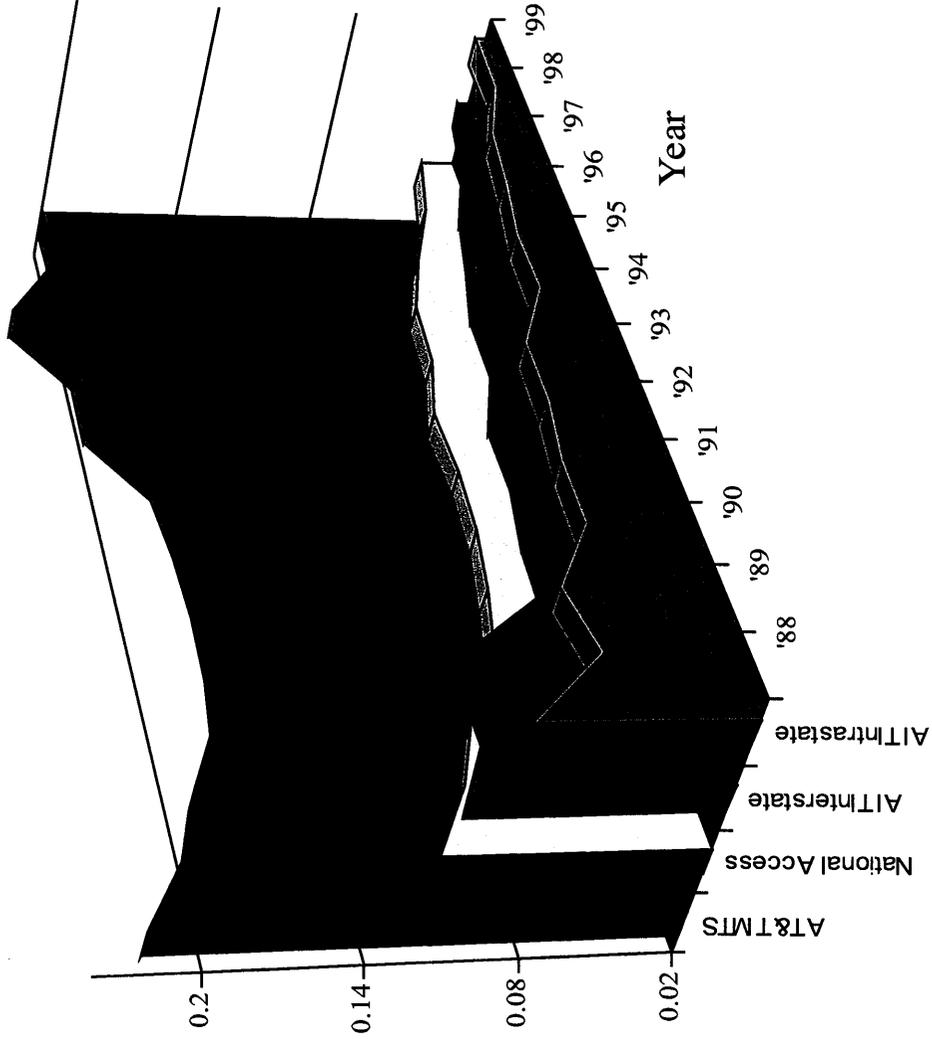
* Originating + Terminating Minute of Use rates including CCL, LS, RC, PICC and Transport; data as of 7/99

Regional Bell Company Intrastate Access Charges



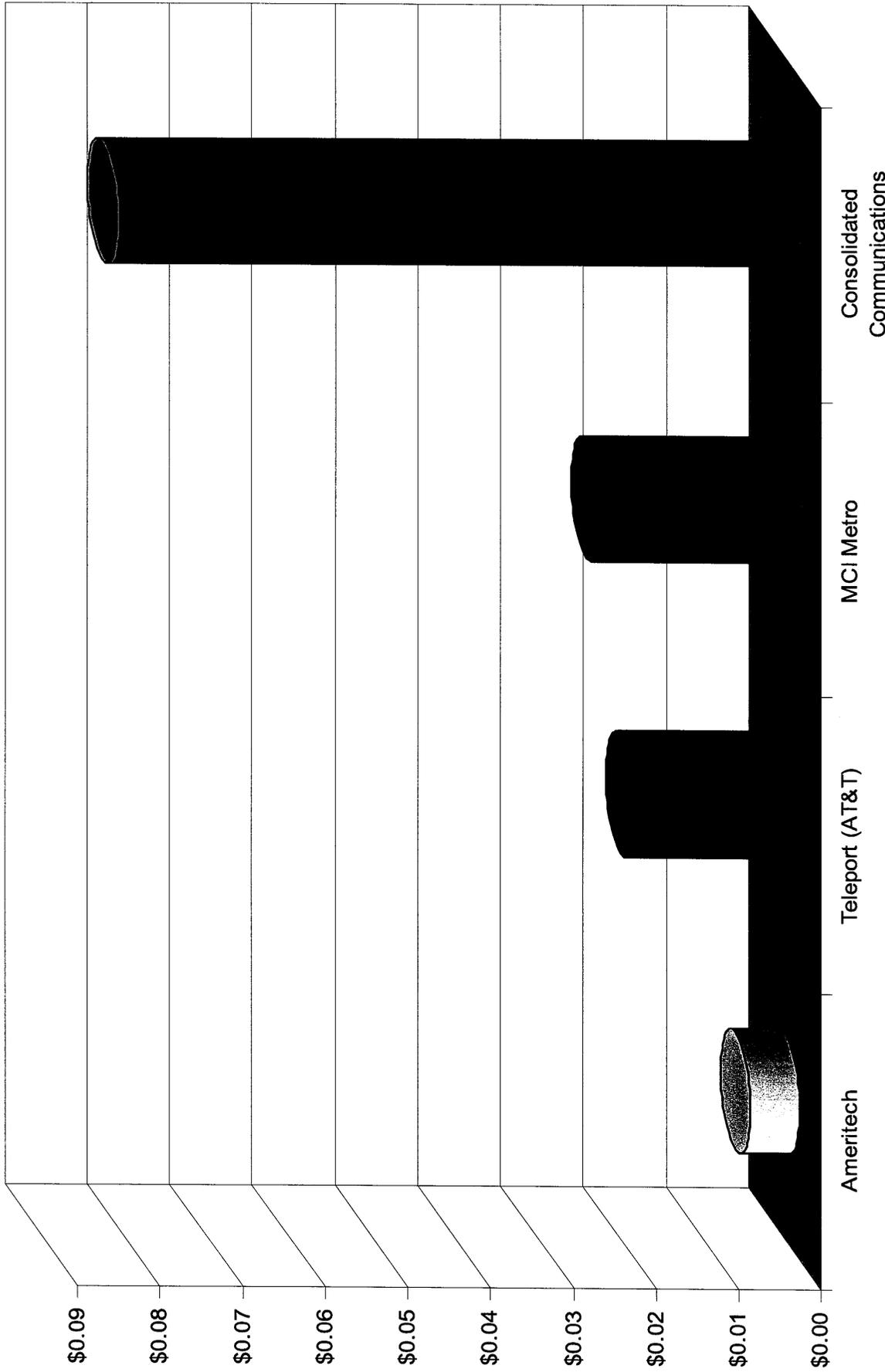
Attachment 5

AT&T Long Distance Rates vs. Ameritech Access Charges



As Ameritech has continued to reduce access charges while AT&T and other long distance carriers continue to raise the rates they charge the almost 50% of consumers that pay the basic rate schedule.

Wisconsin Intrastate Access Rates





Wisconsin State Fire Chief's Association, Inc.

Together We Can Make A Difference

- Education
- Prevention
- Safety
- Suppression
- EMS

DATE: March 22, 2000

TO: Joint Information Policy Committee

FROM: Wisconsin State Fire Chiefs Association
David Bloom, Legislative Liaison

RE: Support AB 879

The Wisconsin State Fire Chiefs Association representing over 850 fire departments across the State of Wisconsin ask you to support AB 879. The Fire Departments across the State are the users of the 911 communications equipment and technology in the field. The 911 Centers are the communications link between the public and the Fire Departments who respond to those calls for help through the 911 system. We must have a communications system which utilizes the latest technology and equipment to provide that vital link between the public and our emergency services.

AB 879 will help every 911 Center in the State of Wisconsin. Many 911 Centers are in need of major upgrades of the equipment and technology. There are a few areas which still need to develop and implement a 911 communications system. The funding mechanism designed by AB 879 will provide badly needed funds the first year for the 911 communications systems and in subsequent years reduce costs to our taxpayers on their phone charges. The funding provided to the 911 communications systems across the State of Wisconsin by AB 879 will also ease, not eliminate, the local tax burden as each one of these 911 Centers tackles the upgrades of their systems.

Please help the Fire Service of Wisconsin provide the best possible communications link with our customers (taxpayers) in the future and support AB 879. If you have any questions please do not hesitate to call David Bloom at 608-210-7218.

P.O. Box 44743, Madison, WI 53744-4743
Phone: 1-800-375-5886 Fax: 608-274-8262 (press *12)

Testimony by
MAYOR KEVIN CRAWFORD
City of Manitowoc
to the
Joint Committee on Information Policy
on
AB 879, one-time funding of 9-1-1 capital improvements
Wednesday, March 22, 2000

Good morning. Thank you for giving me the opportunity to testify. Thank you also for scheduling a hearing on this important piece of legislation — one that truly has the potential to save lives by providing Wisconsin families with much-needed improvements to our emergency communications and dispatch systems.

The 9-1-1 systems that operate across almost the entire state receive more than 1.5 million calls each year, and serve our families well in times of crisis. But they are getting old. Many have been in operation for 10 years or more, 24 hours and day, seven days a week.

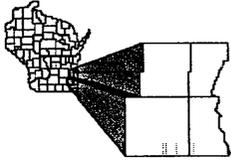
A unique coalition of law-enforcement, local-government, business, emergency medical and telecommunications groups has formed around AB 879 as a vehicle to provide a one-time shot in the arm for 9-1-1 system improvements. AB 879 will ensure that needed improvements are made — and that the cost is not added onto the already high property taxes that our families pay.

This bill addresses a huge infrastructure problem. Local government simply doesn't have \$40 million to spend on 9-1-1 systems. Whether we're served by a city 9-1-1 system or a county system, we all represent the same taxpayers, and we've heard the message they're sending us. Given the additional costs built into the next biennium at the state level, I doubt that the Legislature could foot the bill either.

Competition will prevent local telephone companies from passing all their additional costs on to the public, so the consumer is truly the winner here. And our communities will be able to offer the best emergency services that technology and our highly trained emergency personnel can offer.

Thank you for this opportunity to testify. If you have any questions, I'll certainly attempt to answer them.

□



SOUTHEASTERN MUNICIPAL EXECUTIVES

CHIEF ELECTED OFFICIALS

MILWAUKEE-OZAUKEE-WASHINGTON-WAUKESHA COUNTIES

W156 N8480 Pilgrim Road Menomonee Falls, WI 53051

RESOLUTION

WHEREAS, The **Southeastern Municipal Executives (SEME)** supports the Intergovernmental Cooperation Council of Milwaukee County position of support for AB 879 which imposes restrictions on the rates large telecommunications utilities charge for providing access services to pay telephone service providers and unaffiliated telecommunications providers; and

WHEREAS, AB 879 would require the Public Service Commission to assess against each large telecommunications utility an amount equal to the difference between the access rates charged on the date of enactment and the access rates charged one year following the effective date of the act; and

WHEREAS, these funds would be deposited with the Department of Revenue in the 911 Assistance Fund and distributed to local units of government that operate or intend to operate a public safety answering point (PSAP) and that has a large telecommunications utility operating within its borders; and

WHEREAS, the distribution of funds to each local PSAP will be based on the following: (1) for each county that includes a local unit of government that operates a PSAP multiply the fund balance by the fraction whose numerator is equal to the number of access lines owned by large telecommunications utilities in the county and whose denominator is equal to the number of access lines in the state owned by such utilities; and (2) multiply the resultant by a fraction whose numerator is equal to the number of county residents served by the local PSAP and whose denominator is equal to the total number of county residents; and

WHEREAS, the 911 Assistance Fund can only be used to finance costs directly related to purchasing or leasing equipment for establishing or improving a basic system or a sophisticated system, including costs for telephone, radio communications, computer-aided dispatch, records management, voice recording and mobile data network systems, and costs for training personnel to use the equipment but not for personnel costs at the PSAP or for personnel and equipment costs incurred by an emergency service provider to respond directly to an emergency call; and

WHEREAS, the grant monies shall be deposited in a separate account and the grant recipient must submit a report to the Department of Revenue within one year after receiving the grant detailing the uses of such monies; now, therefore, be it

RESOLVED, That on this day of March 17, 2000, the **Southeastern Municipal Executives** composed of 57 Mayors and Village Presidents of Milwaukee, Waukesha, Washington and Ozaukee Counties supports AB 879, which would provide one-time funding to all local PSAPs to upgrade their basic or sophisticated 911 systems.

MILWAUKEE COUNTY

**DON VOITH, MAYOR GLENDALE
JOHN NORQUIST, MAYOR MILWAUKEE
JIM RYAN, PRESIDENT HALES CORNERS**

WAUKESHA COUNTY

JOE GRECO, PRESIDENT MENOMONEE FALLS

WASHINGTON COUNTY

MICHAEL MILLER, MAYOR WEST BEND

OZAUKEE COUNTY

MARK GOTTLIEB, MAYOR PORT WASHINGTON

EDITORIAL

Bill for 911 upgrades should be disconnected

It's not often you can take two worthy issues, combine them, and come up with an idea you just can't support. But the Campaign for Fair Phone Charges has done just that.

The organization, which is made up of municipal groups, the Citizens Utility Board and AT&T Corp., is behind legislation that would limit long-distance access charges and would support improvements to the emergency 911 telephone system.

The bill would force the three largest local telephone service providers in the state — Ameritech Wisconsin, GTE Corp. and CenturyTel Inc. — to pay \$40 million to subsidize improvements to 911 emergency telephone systems throughout Wisconsin.

The money would come from one year's worth of access fees, which local phone companies charge long-distance carriers to connect to their systems. After the \$40 million is collected in the first year, local phone companies would have to slash access fees closer to the actual cost of providing the connections.

The bill's sponsors say it should fly because the only other choice would be to force taxpayers to pay for the 911 upgrades.

Well, hold the phone.

The bill is really an attempt by AT&T and other long-distance carriers to force local phone companies to lower their access fees. While we support that objective, the notion of piggybacking 911 system improvements on the access fees issue is disingenuous, if not deceptive.

If Ameritech is forced to bear the cost of 911 upgrades and loses access fee revenue, you can bet one or all of the following will ensue:

- Ameritech will raise charges for custom calling features, like call waiting;
- Ameritech will jack up rates for in-



state long-distance calls;

- Ameritech will increase its fees for businesses with four or more lines.

Ameritech, which holds a near monopoly in local telephone service throughout much of Wisconsin, doesn't need approval from the Public Service Commission to raise any of the above charges. And if Ameritech and its parent, San Antonio-based SBC Communications Corp., are forced to slash access fees, the costs surely will be passed along to consumers.

In short, businesses and residents would foot the bill anyway.

Yes, 911 systems throughout the state are outdated. Most went online when the emergency service began about a decade ago. Since then, systems have been upgraded individually in piecemeal fashion. The result is that one county's or municipi-

ality's system often can't connect with another's. The advent of cellular phones, which generate many of the 911 calls, has created additional complications.

Public safety groups estimate \$60 million is needed to fix the 911 systems in Wisconsin, including \$9.4 million in Milwaukee County.

But the 911 problem is a statewide public safety issue. As such, the state should handle it. If there is one service government is meant to provide, it is public safety.

While we appreciate the need to find revenue sources other than taxes to pay for services, and we support lower access fees, we're not convinced the two issues should be wed to one another. Let AT&T lobby for lower access fees and let the Legislature decide the most equitable method of paying for a uniform 911 system.

**AT&T TESTIMONY
ON AB 879**

Thank you for accepting testimony on AB 879. There are over 200 long distance companies vigorously competing with each other in this state. Your local telephone company is still a virtual monopoly. They are overcharging us for access precisely because they are monopolies. Please let me briefly review why we believe this legislation should be considered during this session.

1. Since the federal Telecom Act (1996), the FCC has encouraged states to move access rates closer to cost. Since the Public Service Commission in Wisconsin does not have that authority, we are seeking legislative action.
2. Access charges in Wisconsin still range between 10 and 60 times cost, a significant fact because there are so few options in any particular location for procuring access.
3. We are committed to passing access savings to consumers. The whole initiative to support 911 systems is intended to demonstrate that we do not intend to "line our pockets" with the proceeds from access reductions. There is a requirement at page 8, line 14 of the bill mandating that these savings be passed through to the consumer.

On March 1, 2000 AT&T, following up on its promise to flow through reductions in access to consumers, reduced its per minute rate from 10¢ per minute to 7¢ per minute on all instate calls in Texas, home state of SBC.

4. There is a nationwide recognition that access reform is absolutely necessary. Action on access reduction is not unique to Wisconsin. Currently there is activity in 30+ states either in the legislative or regulatory body.
5. From the beginning, we told the local telephone companies with less than 150,000 access lines that there was no intention to include them in this legislation. They are excluded from this bill.

6. We even agreed to an amendment to SB 91 that raised the bar to 200,000 access lines, to exempt the TDS companies. Clear and specific language that leaves out companies with less than 200,000 access lines is provided in this legislation.
7. Southwestern Bell Corporation (SBC—the new parent company of Ameritech), GTE, Sprint and AT&T are part of a national organization called CALLS (Coalition for Affordable Local and Long Distance Services) that has agreed to simple universal service fund charges and cut interstate switched access in half. Let's focus on this at the state level.
8. There has been discussion regarding the reality of the \$40M annual savings that will result from passage of this legislation. We pay the bills for access. \$40M is available if access is taken down to the interconnection rate.
9. There is a hearing examiner proposal before the Illinois Commerce Commission that would reduce Ameritech and GTE access rates to "cost plus". Here is another state where there is not much comfort in Ameritech's statements that their rates are among the lowest in the nation.

This is not a battle between the larger telecom companies. It is a step toward purging monopoly practices from companies that are already in Internet access, cellular/wireless service and long distance.

TESTIMONY
of
STEPHEN HINIKER
EXECUTIVE DIRECTOR OF THE CITIZENS' UTILITY BOARD

before the
JOINT INFORMATION POLICY COMMITTEE

MARCH 22, 2000

Good morning, my name is Stephen Hiniker and I am the Executive Director of the Citizens' Utility Board.

CUB has a long standing interest in lower local access fees that local telephone companies charge long distance telephone companies for access into the local telephone system. These fees are ultimately paid by the ratepayer in the form of higher long distance telephone bills.

CUB supports AB 879 which would simply direct local telephone companies to charge long distance telephone companies the same rate for access into their telephone systems as they charge neighboring local telephone companies. This legislation simply introduces the notion of non-discriminatory behavior to local telephone companies for charges related to access to their systems.

The effect of this legislation is huge. It affects only the largest three telephone companies in the state yet it will save customers more than \$40 million annually. The lower fees called for in this legislation *must* be passed on to the consumer.

In addition, this legislation sets up a novel program that will benefit all telephone ratepayers and local units of government. The first year of savings from reduced access charges will be set aside in a segregated fund that will give grants to local units of government to upgrade emergency 911 programs.

The \$40 million in projected savings will avoid that amount in increased property tax revenues that would otherwise be needed for emergency 911 services. It is also a program that will help to guarantee that the \$40 million will be passed on to consumers in subsequent years.

AB 879 is a pro-consumer, pro-safety bill. It deserves your vote to ensure lower phone bills and greater safety for all Wisconsin residents.

Thank you.

WISCONSIN STATE TELECOMMUNICATIONS ASSOCIATION
Ray J. Riordan, Executive Vice President
Testimony on AB 879

I. Introduction

- WSTA represents the 83 incumbent local telephone companies in Wisconsin.
- Assembly Bill 879
 - Will cause higher local rates
 - Will cause extended area calling (EAS) to convert from flat rate to a per minute billing like long distance calling.
 - Will not reduce long distance rates.
 - Toll Access and Local Interconnection are not the same.
 - This is Not an Appropriate Way to Fund 911

II. Higher Local Rates

- AB 879 does not reduce the cost of operating a telephone company in any way. It only shifts the recovery of those costs from long distance companies to local residents and businesses.
- Large long distance companies want \$40 million from local telephone companies. The local telephone companies must recover the \$40 million loss in revenue. Since local revenue and access revenue combined account for 80% to 90% of total revenues, increases in local rates are the only source.
- AB 879 gives AT&T, MCI, and Sprint a free ride on our local network. This free ride is not fair to our local customers that must pay it.

III. AB 879 will cause extended area service (EAS) to be billed on a per minute basis like long distance calls. Under present EAS contracts, non-competing incumbent telephone companies do not charge each other for the use of the other company's facilities and networks. This method is called reciprocity. This allows telephone companies to include EAS calls in their basic rate to charge flat rate for EAS service.

- The bill will promote elimination of EAS flat rate charging for both large and small telephone companies. (Attachment 1)
- The bill requires a telephone company to charge other telecommunications carriers the lowest rate it charges any telecommunications carrier for any function or element. That includes charges for the elements of EAS. EAS gives rural or suburban customers the ability to call the central city without a long distance charge. For example Poplar can call Superior with no long distance charge.

- Every incumbent telephone company in the state has an agreement with other, non-competing, incumbent telephone companies to not charge the other for EAS calls. The reason is that each company experiences similar costs. Some of those costs include.
 - Transporting the call to the central office;
 - Switching the call in the central office; and
 - Transporting the call to the called party's home or business.
- Not charging non-competing telephone companies for EAS saves both telephone companies money. There is no need to record, bill, resolve disputes or collect for these calls.
- This bill requires telephone companies to give these long distance carriers the lowest rate for the same or similar service that they give any telecommunications providers. This includes EAS. The services listed above are similar to services provided to long distance carriers.
- The three telephone companies directly affected by this bill will need to convert from the reciprocity arrangement to a per minute billing. If they do not, AT&T and the other long distance carriers will be able to demand those telephone companies not charge for the services listed above.
- The small companies will need to recover that per minute cost. They will need to charge EAS on a per minute basis.
 - This will be particularly detrimental to the rural and suburban customers because more calls are made from those areas to the metropolitan areas than from the metropolitan area to the rural and suburban areas.
 - The cost to the rural and suburban customers will grow with the expansion of the Internet. Telephone holding times, the time a person spends on an average call, is significantly longer for Internet traffic than voice traffic.
 - When Ameritech, GTE, and Century begin charging 1¢ or 2¢ a minute for an EAS call, the small telephone company must recover that cost, plus the cost of recording, billing, dispute resolution, collection, and other related costs from its customers.
 - This creates a "have and have-not" situation between rural and suburban customers.

IV. Access Reductions Will Not be Used to Reduce Long Distance Rates

- AB 879 does not assure reductions in access will be passed through to customers.
 - It only gives the PSC power to "review the method of passing on the saving to customers." It does not give any enforcement authority.
 - It provides that the long distance carriers shall pass on their savings, "in the aggregate." As experience has shown, those saving will be passed on the their largest customers. The very large corporations where the potential profit is the highest. Most of those corporations already avoid much of the cost of access because the long distance companies connect them directly to their long distance networks rather than using the local telephone company.

- The access rates charged by Wisconsin telephone companies are among the five lowest in the nation. Yet Wisconsin customers pay the same long distance rates as these companies charge on interstate calls. It is unlikely the large long distance companies will reduce the intrastate calls below the level of their interstate calls.
- Since 1991 access rates have decreased 47% according to the FCC, yet long distance rates have increased 12% according to the consumer price index.
- FCC Chairman Kennard charged that there is a, “...growing body of evidence that suggests that the nation’s largest long-distance companies are raising rates...even though recent actions of the commission [FCC] have in fact reduced the long-distance companies’ costs.”
- History shows AT&T, MCI & Sprint do not pass through reductions
 - Since 1994 Wisconsin local telcos have reduced access by almost \$50 million a year but residential and small business have not seen those reductions in lower long distance rates.
 - The Wisconsin legislature eliminated the Gross Revenue Tax for long distance companies on January 1st of last year.
 - AT&T charged a 6.65% “Wisconsin Tax Adjustment” surcharge on its bills to pay for the Gross Revenue Tax. It promised to remove the charge when the GRT tax ended.
 - AT&T continued to charge the 6.65% until it began to lobby legislators on this access legislation. For AT&T this is an overcharge of \$10 to \$15 million.
 - AT&T still has a .78% “Wisconsin Tax Adjustment” surcharge.
 - Last year the FCC reduced access rates by over \$2 billion. Consumers Union and Consumer Federation of America have criticized long distance companies for not passing on the \$2 billion in long distance rates.
 - In January of this year, AT&T began charging a \$3.00 minimum for all its customers. This means that 10,000,000 customers, most all residential saw their long distance bill increase, even when they don’t use the service. The minimum charge for small businesses is increasing to \$7.50.
 - In January of 1998 the FCC restructured access charges. It reduced the per minute rate, but added a per line rate that long distance carriers were to pay of \$0.53 for single line residents. This \$0.53 charge was on residential lines of large local companies, Ameritech and GTE, not on smaller telcos such as Century, Nelson Coop., Manawa, or Mid-Plains. **The change was revenue neutral.** There should have been no increase in charges by long distance companies to residential customers. However, each of the three long distance companies began charging residential customers a per line rate that far exceeds the \$0.53. The Consumers Union revealed that AT&T charges \$0.85 for each residential line, MCI - \$1.07, and Sprint - \$0.80. This is a mark-up of 60% for AT&T, 1.02% for MCI, and 51% for Sprint.
- More important to customers of small telcos, AT&T is billing customers of the 81 independent telephone companies the same \$0.85, but the

independent telephone companies are not billing AT&T the \$0.53 per line charge. The \$0.85 is pure profit.

- Prior to January of last year an elderly person with AT&T as her long distance company paid nothing for long distance service during months she made no toll calls. Now AT&T bills her \$5.18 for not placing any long distance calls. There's something wrong here. This is not a company that is attempting to provide service to the rural, poor, elderly and others in need in our society.
- Recently the FCC ordered long distance companies to pay \$.24 to payphone owners for each call that did not require a coin be inserted (i.e. credit card, calling card, collect, etc). AT&T began charging the customers placing such calls \$.30 plus the cost of the call. This provides an additional profit of \$.06 a call or 25%.

V. Toll Access and Local Interconnection are Not the Same

- Representatives of the long distance companies have claimed access and interconnection are the same. This is like comparing two apples to one orange.
- First, toll access is **both** the origination and termination of a toll call. Local interconnection provides **either** the origination or termination of a call, but **not both**.
- Second, the services and facilitates provided are different.
 - AT&T, MCI and Sprint want the local telco to give them a free ride on our local network. Generally we have reciprocity between a local competitor and us. We don't charge them and they don't charge us for the use of each other's local lines. However, long distance companies don't have local lines to trade but they still want to use ours free.
 - For toll access local telephone companies must bring the call to the location of the long distance carrier. This is often many miles away, particularly in the rural areas of Wisconsin. A competing local telephone company usually brings its facilities into the office of the other telco.
 - Access rates contain an information surcharge element for carrying calls for long distance carriers for directory assistance. Local telcos provide directory assistance for their customers without using the interconnection so there is no charge.
- Third, the FCC and PSC want to provide an incentive to kick-start local competition. Therefore, they approved artificially low interconnection rates. There is no need to give large long distance companies this incentive.
- WSTA fears the PSC, which sets the access rates for small telcos, may say the legislature adopted this philosophy and reduce small companies access rates. I'm certain AT&T will argue that in small companies' cases.
 - Small company access rates are generally between 3.5¢ and 4.5¢. It is my understanding AT&T is attempting to reduce access rates to .2¢, .5¢, or .6¢ for each end depending on which AT&T spokesman is speaking.

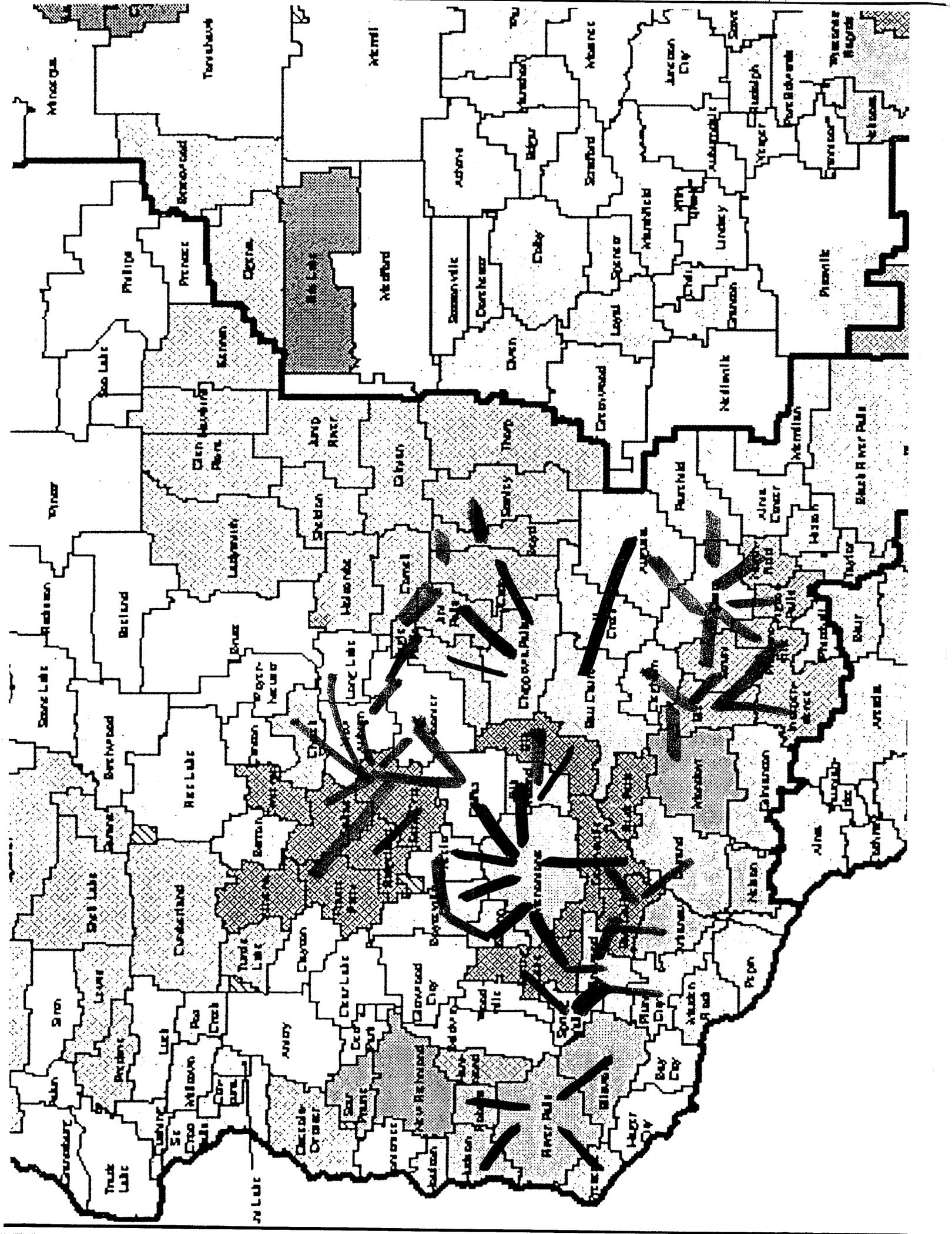
- When the long distance companies began promoting this legislation last summer, it included small telcos. They only removed the small telcos during the past month. If this passes this session, I'm certain AT&T headquarters in New York City will want to expand it to small telco next session.

VI. This Is Not An Appropriate Way To Fund 911.

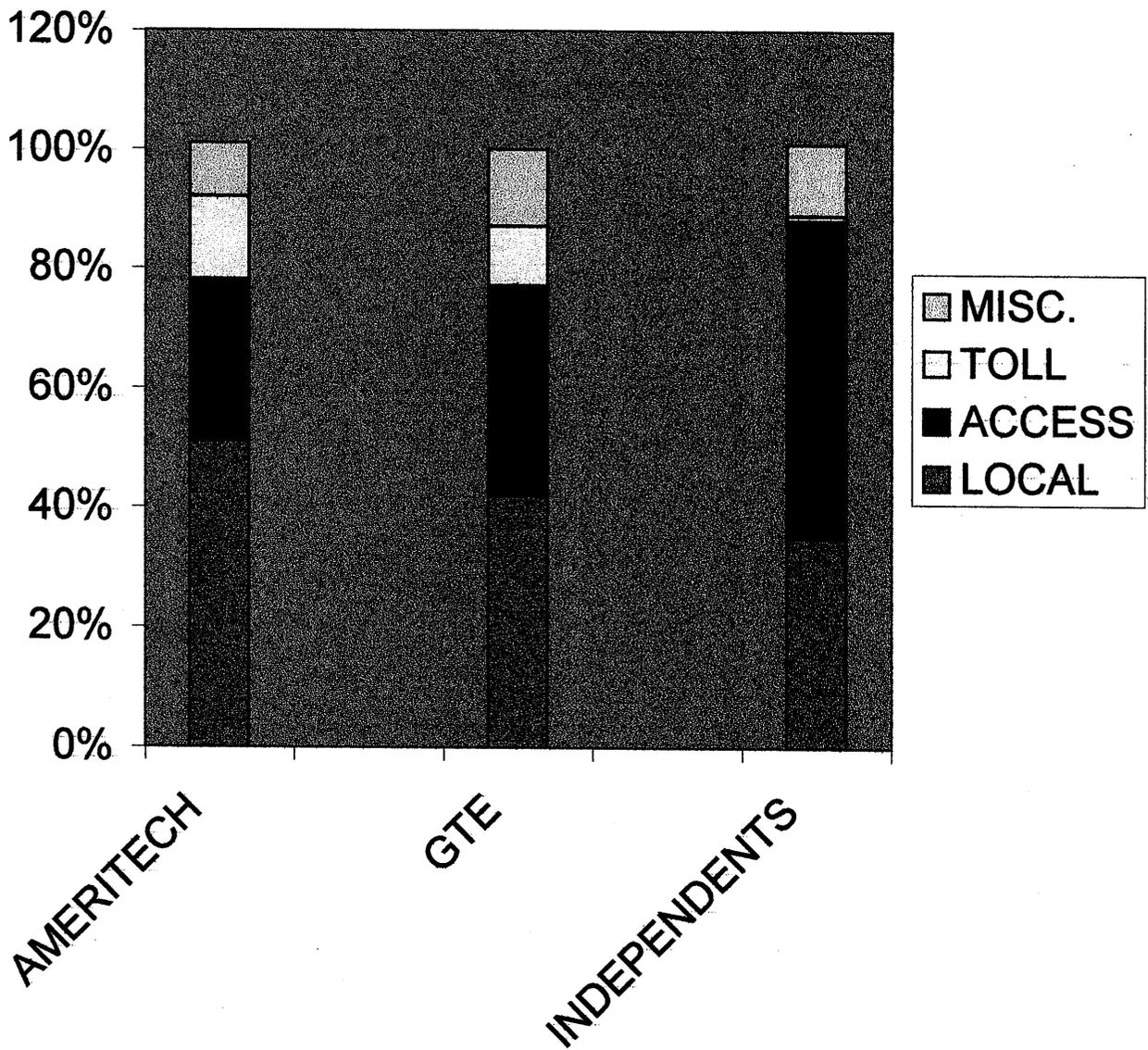
- This bill requires the local telephone companies and their customers to pay \$40 million for a one-shot funding of 911. It requires those same resident and business customers to pay \$40 million each year thereafter in higher local phone rates. This does not make economic sense.
- 911 is a societal program that should be funded as are other such programs.
- Unlike the present 911 funding, the government body that imposes the tax burden is not the one responsible for spending the money. This reduces the motivation to be economical.
- It is not equitable, particularly for rural areas. It places more cost burden on those customers and fewer benefits.

VII. Conclusion

- This morning's Wisconsin State Journal stated the reason for excluding the small telephone companies is politics. I think there is a different reason.
 - AT&T's local telephone company subsidiary in Wisconsin, Teleport, competes with Ameritech in the Milwaukee area. It charges triple what Ameritech charges for access.
 - MCI Metro, the local telephone company subsidiary of MCI Worldcom, has access rates almost four times that of Ameritech.
 - Telephone companies with fewer than 200,000 access lines in Wisconsin are exempt from this legislation. Both of these subsidiaries have substantially less than 200,000 access lines. Since they target the large margin business customers, it will be a number of years before they become subject to this legislation.
- You'll need to decide whether increasing profits for AT&T, MCI and Sprint are more important than reasonable local rates for Wisconsin customers.
- I do not think Wisconsin residents will look favorably on long distance type charges on EAS. That was the reason the industry and PSC adopted EAS flat rate pricing decades ago.
- Wisconsin's access rates are among the five lowest in the nation. There is no need for this drastic and arbitrary cutting of access rates.
- The FCC and PSC have authority over access rates. Those agencies have substantially reduced access rates over time without causing substantial increases in local rates. They have the expertise and ability to monitor access and local rates and balance those rates to avoid the rate shock this legislation will cause. They have reduced access rates by 47% in the past 8 years.

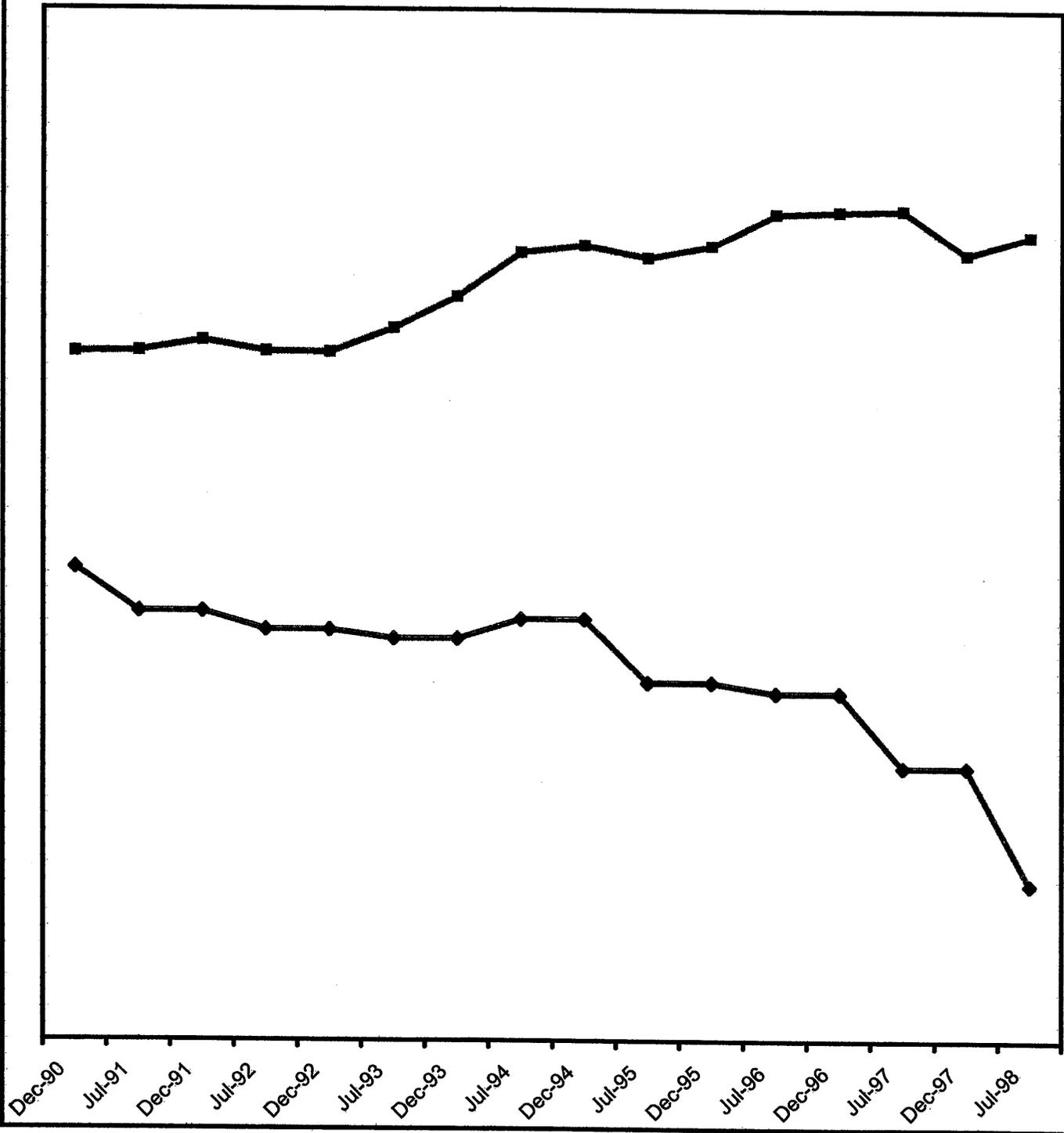


REVENUE SOURCES FOR WISCONSIN ILECS

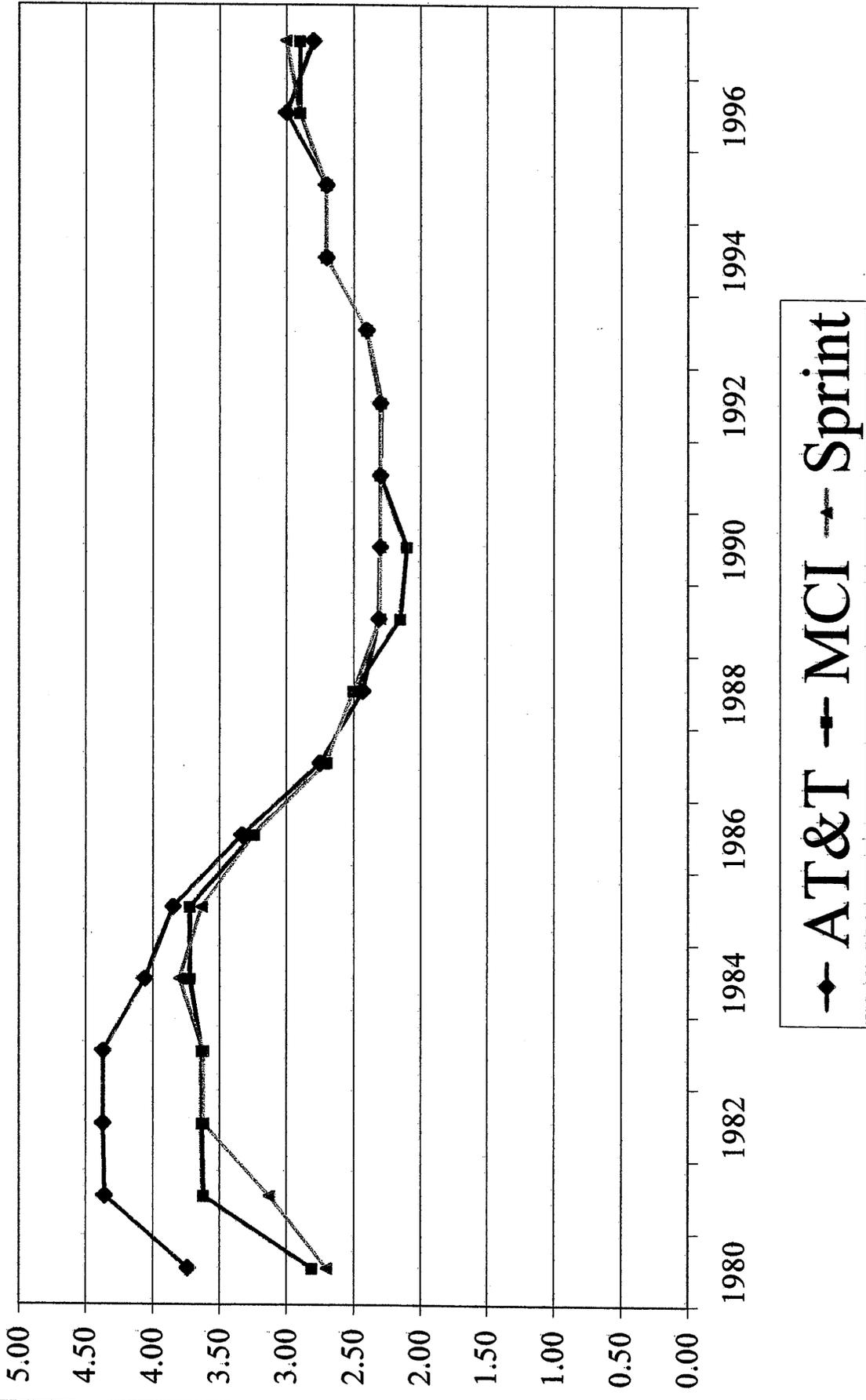


TOLL VS. ACCESS 1990 - 1998

◆ Access ■ Toll

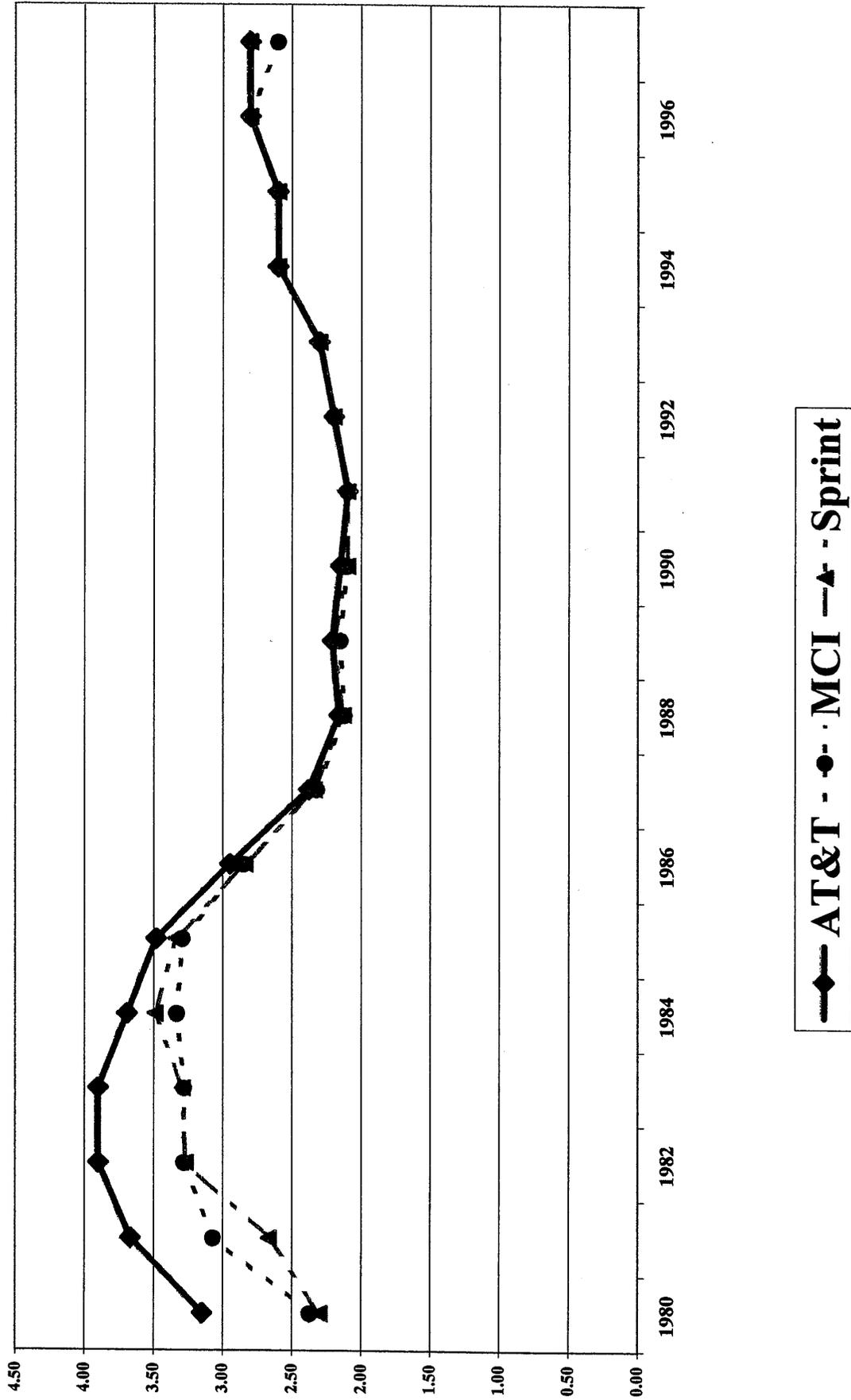


Residential Rate for 10-minute, 334-mile Call



Source: FCC Reference Book of Rates Price Indices and Expenditures for Telephone Service -- July 1998

Residential Rate for 10-minute, 90-mile Call

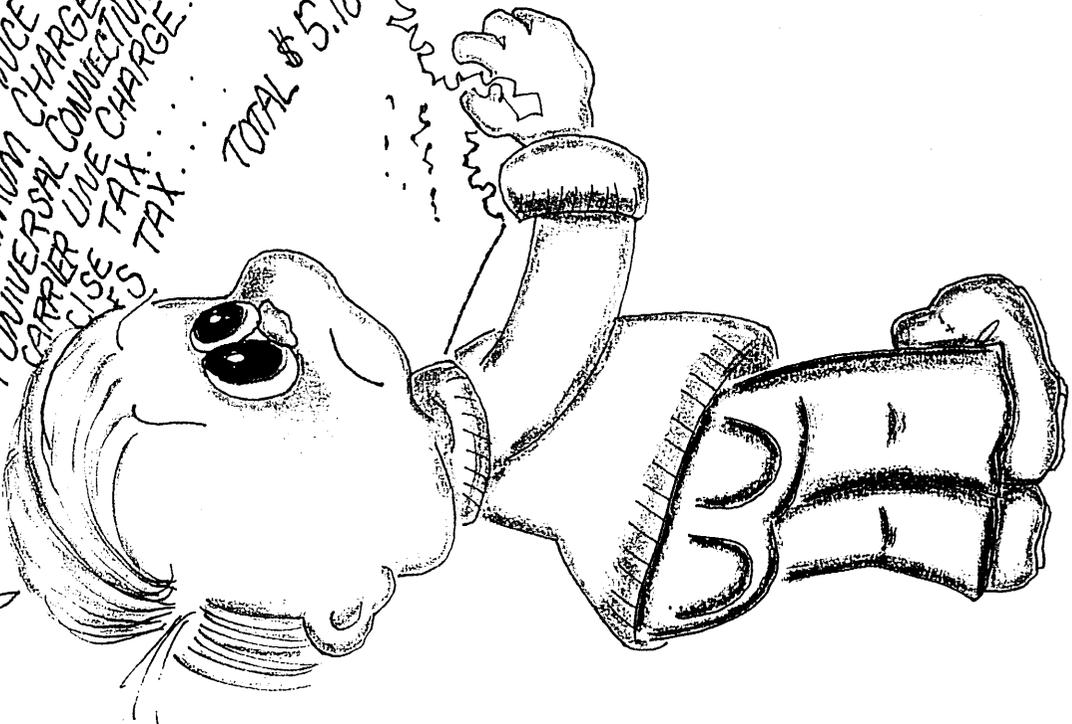


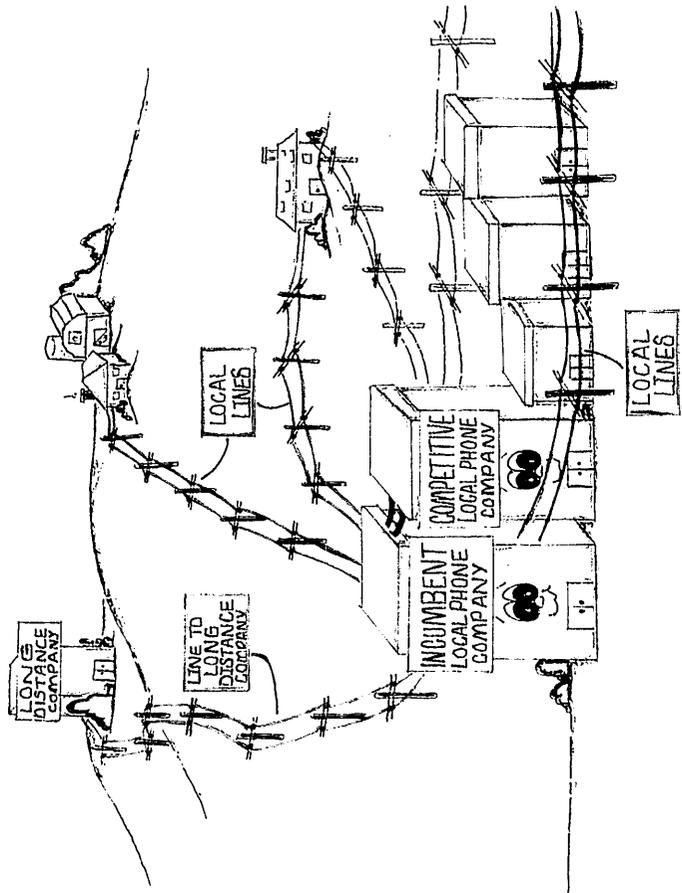
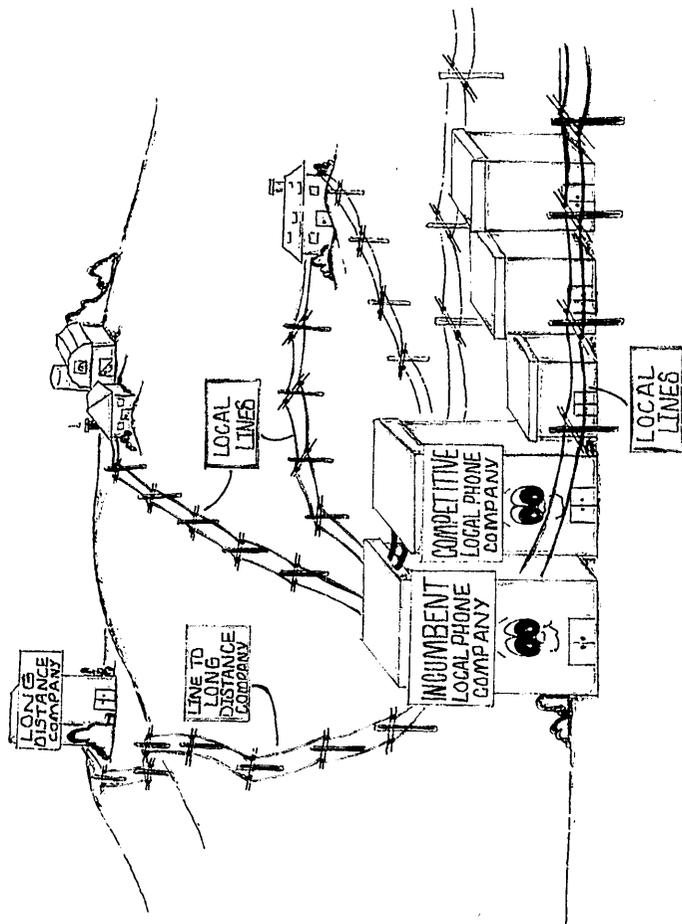
Source: FCC Reference Book of Rates Price Indices and Expenditures for Telephone Service -- July 1998

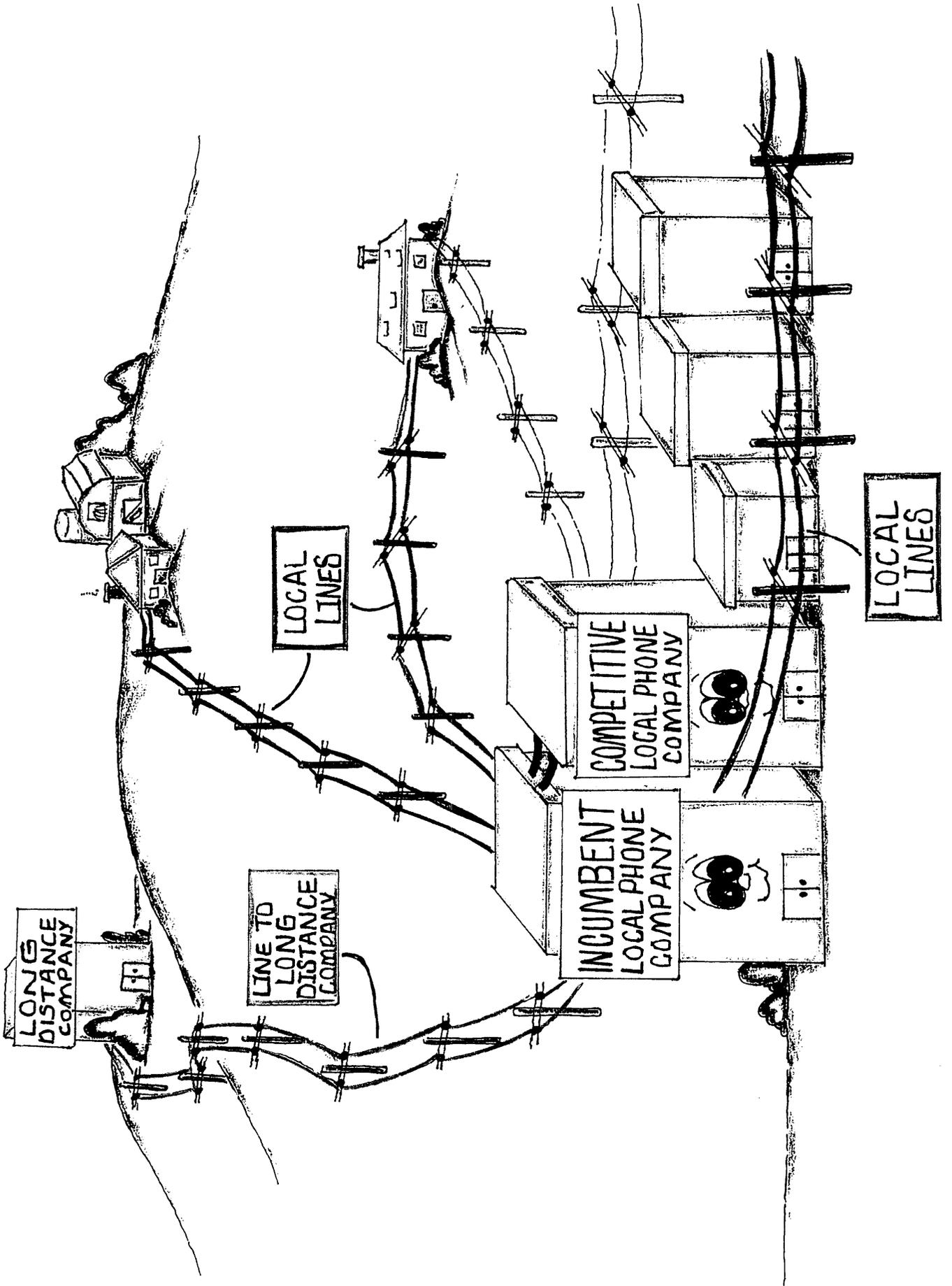
"\$5.18??... BUT I DIDN'T MAKE ANY LONG DISTANCE CALLS!!"

*** * AT * T BILL * ***
LONG DISTANCE CALLS.....
MINIMUM CHARGE.....
UNIVERSAL CONNECTIVITY CHARGE...
CARRIER LINE CHARGE.....
CLOSURE TAX.....
STATE TAX.....
TOTAL \$ 5.18

NONE
\$ 3.00
0.00
.14
.05
.09
.26









County of Milwaukee

Office of the Sheriff

Leverett F. Baldwin
Sheriff

March 21, 2000

Honorable Members of the Joint Information Policy Committee:

RE: 1999 ASSEMBLY BILL 879

Dear Committee Members:

I am writing you concerning a matter of significant importance. The Wisconsin legislature is considering 1999 Assembly Bill 879, which would allow counties and municipalities the ability to access up to \$40,000,000 for 9-1-1 system upgrades. The amount of funding available in each county will be distributed to individual public safety answering points (PSAP's) based on the population each PSAP serves. If passed, this legislation would make available, on a "one time only" basis, funding resulting from reduced access fees that local telephone companies charge long distance telephone companies. The passage of this legislation provides law enforcement agencies, fire departments, and emergency medical services a golden opportunity to upgrade their 9-1-1 systems without direct expense to the taxpayers they serve.

I am asking you to support this extremely important public safety legislation. If just one 9-1-1 system statewide is upgraded because of this legislation and, as a result, one life is saved, your support of this legislation will have been well worth the effort.

Please feel free to contact me if you require additional information.

Very truly yours,

Leverett F. Baldwin, Sheriff
Milwaukee County, Wisconsin

00879

Service to the Community Since 1835

821 West State Street • Milwaukee, Wisconsin 53233-1488
414-278-4766 • <http://www.mksheriff.org>

March 21, 2000

Senator Robert Jauch
Representative David Hutchinson
Members of the Joint Committee on Information Policy

Dear Committee Members-

I am writing to voice my objection to Bill AB 879, the proposed substitute amendment which would allow access charges currently paid by the long distance carriers to be used to improve 911 services. Whereas I fully support providing the best 911 service available, I do not believe this proposal is the way to fund it.

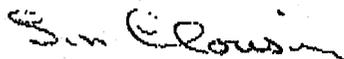
Responsibility for updating 911 service belongs to local governments, not the telephone companies. As tempting as it may be to dip into someone else's pocket it is not right. Granted, the money being offered would greatly improve 911 service, but what happens after that first year? Will the long distance companies continue to support it? The responsibility will again fall on the local companies and their customers.

Long distance companies seem to want a free ride at the cost of those customers who only want the basic phone service. They are asking local companies to take on more of the financial responsibility. I would be more impressed with their proposal if it was being offered from their profits.

As a business woman with an office in my home, I use long distance a great deal. I expect to pay for that service. I would love to see the rates lower, but not at the cost to my local service. If I have a problem with my phone, I do not call the long distance carrier. I expect my local company to handle the problem even if it effects my long distance calling ability. Long distance access fees help make it possible for them to keep me connected.

Please look beyond the short term advantages and look at the long term effect this would have on the basic service millions of people need.

Sincerely,



Lin Clousing

DEPARTMENT OF PUBLIC SAFETY COMMUNICATIONS

Brown County



307 SOUTH ADAMS STREET
ROOM 225
GREEN BAY, WISCONSIN 54301-4582

Emergency Communication Services
9-1-1 Center Operations
Emergency Management

PHONE (920) 448-7611
FAX (920) 448-7614

Brendan W. Bruss
Director

22 March, 2000

Statement before the Joint Committee on Information Policy re: SB91, SSA1 / AB879

My name is Brendan Bruss, Director of Public Safety Communications for Brown County. I am in the position of creating and implementing a countywide 9-1-1 center for Brown County that will combine the current 9-1-1 answering points and dispatch activities for the City of Green Bay, De Pere and Brown County. Prior to this past year, I was the Administrative Manager for the City of Chicago's 9-1-1 Center, an organization that fields 4 million 9-1-1 calls per year and is comprised of over 900 personnel with an annual operating budget of \$60 million. I tell you this because it is the leading communications center in the country where the citizens of Chicago enjoy a system that answers 98% of all 9-1-1 calls in less than 2 seconds. The latest software and equipment to locate callers and dispatch emergency police/fire/ems services is provided in that center. Based on my experience in this state it is clear that we are not adequately prepared to deliver the same quality of 9-1-1 services. And I know that we can not say to the citizens of Wisconsin that they deserve any less than the citizens of Chicago when it comes to the most basic and critical of all public services, 9-1-1.

Especially true in Brown County as of late, the desire to protect the taxpayer and provide essential government services is often impacted by many external pressures. But, we have an opportunity in front of us to improve the delivery of a service that protects lives and property while reducing some of that burden from the property tax. Understand that we have personnel who stand ready 24 hours a day, 7 days a week to take emergency calls for service in the most critical of all situations. When you or someone you know has to place that call, we take action. We know our job and do our job, or the safety of citizens and the dedicated field personnel that respond to emergency situations is sacrificed.

In Brown County and in most of the 9-1-1 centers across this state, we are faced with many upgrade requirements to meet the current and future needs of 9-1-1 call taking and dispatching emergency service providers. In Brown County, we are not able to have a countywide dispatch center without upgrading our telephone, radio, and data equipment. Many of the emergency communications systems were implemented in the 1980's and statewide investment for 9-1-1 centers is in the range of \$60 million in order to provide our dispatch centers with current technology. In approximately 8 of the 10 largest PSAPs in the state, the equipment in the communications center is not capable of handling the future requirements of processing a cellular (wireless) 9-1-1 call for service.

There are two ways to deliver 9-1-1 services to dispatch centers. The first, is with a "Basic 9-1-1" system where a citizen dials 9-1-1 and the call goes to the proper center, but the dispatcher does not receive any information on the caller. The second, is with an "Enhanced 9-1-1" system where

the dispatcher will receive a display of the callers name and location. The delivery of the phone lines and the database information to the 9-1-1 Center is funded through the current surcharge on the phone bill for citizens with an Enhanced 9-1-1 service. This money is paid directly to the local phone carrier by the citizen and not to local government for any costs associated with operating a 9-1-1 center. We currently are in the position of funding all of our equipment and operational requirements off of the property tax levy. Now, if one has ever risen to the "defense of the taxpayer" and taken a "strong stance" on public safety issues, it would be difficult to justify not supporting what is in front of you today.

It is extremely important to understand that a 9-1-1 center integrates many systems with the telecommunications network into the emergency dispatching process. We operate Computer Aided Dispatch (CAD) software to manage multiple incidents, receive hazardous information alerts and to send the appropriate public safety responders to the calls. We have critical radio communications systems and consoles in order to communicate to the field personnel. We integrate mobile computer systems into our dispatch centers in order for police, fire and ems personnel to receive dispatch information and data over a wireless data network. These are not nice to have tools, they are our necessary tools to do the job of saving lives and protecting officer safety. In our business we could have the ability to automatically map the location of a caller and the location of the nearest police, fire or rescue vehicle; we could have sophisticated telephone consoles to provide medical alerts, prior call history, and call answering statistics; we could be in the position of locating a wireless caller by plotting the signal from a wireless telephone. We couldbut we don't.

Our most critical challenge in the future is having the necessary equipment in our centers to effectively process a wireless 9-1-1 call for service. On a phone that is "connected to a wall" or a landline phone, we receive the name and location of that phone. On a wireless phone, we do not receive any information. In a day and age where people purchase cellular telephones for safety purposes, we can not provide the same level of service to those callers. In a near future where someone's wireless phone will also be their permanent phone, we will not know where that person is or what their number is to call back. In almost every center in this state, we need to get telephone and CAD software that can take an XY coordinate and plot it onto a map in order to achieve this service. Most all of us do not even have an automated map. Most of us do not have the necessary telephone equipment to display a ten-digit phone number, which is essential.

We are in the process of coordinating a regional sharing of public safety data between four counties in the Fox Valley region through a concept called FoxComm. We are pursuing common CAD software that will eventually allow our dispatch personnel and public safety field officers to access critical data associated with incidents, names or addresses. This effort is underway, but can not be accomplished across the counties of Brown, Calumet, Outagamie and Winnebago without upfront capital funding. This project is extremely beneficial to our 9-1-1 centers and public safety officers across our region. But, our citizens and officers will not reap this safety benefit without the investment in this network.

Our citizens of this state must be given the most effective emergency response system available. All citizens desire reducing some of that burden from the property tax. The Bill will help us to achieve both of these results. This Bill will produce positive results for citizens and officers in life and death situations. Thank you.



Brendan W. Bruss
Director



COUNTY OF DANE

Public Safety Communications

210 Martin Luther King, Jr. Boulevard, Room 109
Madison, Wisconsin 53709
PH: 608/267-3911 • FAX: 608/266-9861

JIMMY D. PATTY
Director
608/267-1911

KATHLEEN M. FALK
County Executive

RICHARD "DUKE" ELLINGSON
Operations Manager
608/267-3912

To: Members of the Joint Committee on Information Policy
Representative Hutchison and Senator Jauch, Chairs

From:  Duke Ellingson, Operations Manager
Dane County 911

Re: AB879/SB91

Date: March 22, 2000

Thank you members of the committee for the opportunity to testify on AB879 and SB91 today. I am here today on behalf of Dane County Executive Kathleen Falk and Dane County Board Chair Kevin Kesterson to express their support for the provisions contained in the bills and to respectfully ask for your support for these bills.

The legislation will provide the much-needed support to Dane County to upgrade its 911 system. It does so by reducing access charges the state's three largest local telephone companies can charge to long-distance carriers and passing along those savings in the first year to local 911 systems and, after that, to long-distance consumers like you and me.

If passed, the change would provide an estimated \$3.9 million for Dane County to use to defray the cost of essential upgrades to our 911 system over the next four years. Without this additional assistance, Dane County will be forced to bill the property taxpayers in the county to pay for upgrades that we estimate will cost \$6.9 million between this year and 2004.

These are not optional upgrades. Changes in federal regulatory requirements, the age of some of our systems and the continuing growth of 911 calls are all factors dictating the need to upgrade 911 systems in the state. These changes include upgrading critical 911 telephone equipment, radio and microwave systems and computer aided dispatch equipment.

The Dane County system processed nearly 175,000 911 calls in 1999, an increase of 25,000 calls in just the past three years. These technology upgrades will allow us to more quickly and efficiently respond to the emergency needs of our citizens and to maintain the highest level of safety for the responding emergency personnel.

As the critical first point of contact in any public safety system, the quality and dependability of 911 systems in Wisconsin needs to be a high priority. That's why this bill makes good sense, both from a taxpayer's and consumer's point of view. That is why our County Executive and County Board Chair are supporting it and ask you to vote for its passage.

Thank you.



March 21, 2000

To: Members of Joint Information Policy Committee

Reference: AB 879

A hearing has been scheduled for AB 879 and there has been a lot of discussion recently about telephone companies and the reduction of "access charges" to pay for improving our communities' 911 service.

I have found this discussion to be somewhat complicated and misguided on the facts that are being put forth by the long distance carriers and groups such as the AT&T financed Coalition for Fair Phone Charges in their misleading radio ads.

First of all what are access charges? Anyone using long distance pays them but few know exactly what they are or how they work. Simply put, access charges are the fees paid by long distance telephone companies to local telephone companies to complete calls using the local companies network. Furthermore, government regulators already set these charges and in Wisconsin the Federal Communications Commission (FCC) determines the amount of access charges for GTE and Ameritech.

The argument that access charges should be reduced to pay for upgrading 911 systems is being used by the long distances carriers to get broad based appeal by the citizens of Wisconsin. However, there are some facts that they are conveniently leaving out.

Wisconsin already has some of the lowest access charges in the entire USA. Since 1986, GTE has reduced its access charges in Wisconsin from 9.68 cents to 1.54 cents per minute and the long distance companies have not passed those savings on to the Wisconsin consumer, they have pocketed them. Why should we believe that they would now begin to pass on the savings when they are not even regulated by the Wisconsin Public Service Commission and, AB 879 does not give the PSC the authority to regulate the long distance company rates, it only provides that "the commission may review the method of passing on savings to customers...".

AB 879, we believe violates Section 254(f) of the federal Telecommunications Act of 1996 which states that any contributions to intrastate support mechanisms, such as 911, are required to be paid for equally, by **all** telecommunications providers on a nondiscriminatory basis. The bill, if passed, certainly will be challenged in court.

There also is a good chance that if access charges are reduced indiscriminately, some local companies will be forced to raise their rates, and that will result in higher phone bills for everyone. These rate increases have already happened in Texas where access charges were reduced from 8 cents to 6 cents per minute. Despite what the proponent's claim, the large companies can increase some rates today.

Finally, the idea of helping to support 911 systems is a noble one. The problem with the current proposal by the long distance companies is that they are using it as a guise to make more money for themselves. After the first year the money recovered from the reduced access charges will go directly into the pockets of those long distance carriers who are not regulated by the PSC, and not to the 911 systems and not the communities that they serve. This bill will **not** reduce access charges in Wisconsin by \$40 million as claimed. GTE has determined that the most our charges would be reduced would be \$3.9 million. At this level there is no way that the 911 centers will receive anything close to the \$40 million claims being made by proponents of AB 879.

I would also like to point out that GTE alone has spent \$386.3 million in capital investments in Wisconsin since 1995. This exceeds the commitment that we made to the PSC by \$96.3 million. The proponents of AB 879 have mainly taken their revenue out of Wisconsin and greatly reduced their Wisconsin employee base.

I think its time to have a fair and open debate about the reduction of access charges. The long distance carriers need to quit politicizing and manipulating the process just to line their pockets. We need a plan that is fair to all the citizens in the state of Wisconsin. Lets discuss that issue and not try to solve it with welfare for billion dollar out-of-state companies. Doesn't it make you wonder why AT&T would spent almost one-half million dollars (as reported to the Ethics Board) lobbying this issue alone in Wisconsin during 1999? It certainly would seem that they expect to see a monetary return on such a large investment.

I respectfully ask that you vote against passage of AB 879.

Sincerely,



Richard A. Bohling

March 21, 2000

PLEASE DISTRIBUTE TO ALL COMMITTEE MEMBERS

Representative David Hutchison,

On behalf of the executive board of the Wisconsin Chapter of the National Emergency Number Association we believe that 1999 Assembly Bill 879 needs additional information on the following items:

2. How the funding for the county PSAPs (Public Safety Answering Points) with a small number of access lines can provide for any upgrading of 911 equipment (ie. Green County)
3. How non-county 911 PSAPs that do not have a "large telecommunications utility" will receive any funds (ie. Middleton PSAP who has Mid-Plains telecommunications utility which is within Dane County)
4. How a state Centrex system PSAP would receive any funds for 911 upgrades (ie. University of Wisconsin Madison Police Dept which is within Dane County).

The Wisconsin National Emergency Number Association agrees that funding is needed to upgrade systems and insure that all 911 centers in Wisconsin can receive a 10-digit number. We also believe if the funding is to be based on access lines, it should be **ALL** access lines.

At this time the executive board of the Wisconsin National Emergency Number Association cannot support Assembly Bill 879 as is.

Any questions, please contact me at 608-635-2302.

Sincerely,

James E. Foley
President, Wisconsin National Emergency Number Association

Play - - 2 1/2 hrs -
Access Fees - 3/22/01 -

Jim Leach - 60 mins cost -

- ① included in pricing cost to consumer.
- ② hot battle between large + small -
- ③ remnant that needs to be fixed.

fix all to
Access fee

Steve Hinkley -

40 million Samp -
1st year - Sig. Fund

911 is real -
- will be addressed -

Doug Johnson - steps in dim.

Bruce 911 coordinator -
weekly calls -

Unappropriate &
inequitable rate decrease

Rep Ott - Job of work to be

Ray Ronda - atrocious -
- cause higher local rates -
80-90%

~~price~~ Says will not be passed on to residents.
- passed on aggregate

Suspicious that consumers will see any benefits -
anti-trust / anti-competition
(but a lot to do -)

Think designed
~~play~~ play

but have
significant
input

and
price
rates.



**DEWITT
ROSS & STEVENS**
LAW FIRM

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Madison, WI 53717-1914
Fax 608-831-2106
Tel 608-831-2100

Please respond to: Capitol Square Office
Direct Line: 608-252-9338

MEMORANDUM

TO: Senator Jauch
FROM: Jim Leonhart
DATE: March 21, 2000
RE: AB 879 Testimony

Order of desired presentation:

1. Representative Ott.
2. An overview panel consisting of:
 - Steve Hiniker - Citizens' Utility Board
 - Doug Johnson - Wisconsin Merchants Federation
 - Jim Leonhart - AT&T
 - Brendan Bruss - Fox Valley 911 Coordinator
3. Duke Ellingson, 911 Coordinator for Dane County plus _____, 911 Coordinator for Milwaukee County.
4. Julie Cipra, 911 Coordinator, Crawford County (with Bill Ostrander, Sheriff).

Then other brief appearances:

1. Joe Greco, Village President, Menomonee Falls.
2. Dan Thompson, Executive Director, League of WI Municipalities.
3. Mayor Miller, West Bend.
4. Mayor Crawford, Manitowoc.
5. Sonya _____, Gold Cross Ambulance, Fox Valley.
6. Peter Desantis, Lobbyist, Marathon County.

Claudia Kotecki
Manager - Regulatory Policy & Planning
GTE North, Inc.
600 Hidden Ridge, HQE01G77
Irving, Texas 75015

March 22, 2000

Testimony in Opposition to Assembly Bill 879

My name is Claudia Kotecki, and I am submitting testimony, on behalf of GTE, in opposition to Assembly Bill 879.

GTE opposes AB 879 for many of the same reasons that others will articulate before your Committee today. This legislation is an inappropriate and inequitable rate decrease on one set of telecommunications carriers {the large incumbent local exchange carriers ("ILECs") in Wisconsin} and the legislation establishes a bad precedent for telecommunications public policy in the state. In my testimony I would like to discuss two specific points: 1) the unilateral access reductions called for in the bill, and 2) the inappropriate linkage of access reductions and the state's 9-1-1 system.

GTE has already made substantial reductions to its switched access rates since the industry and the FCC converted from the old division of revenues/ separations and settlements process to an access charge system to accommodate long distance competition. Attached to my testimony is a graph that indicates the gradual lowering of intrastate access charges in the state of Wisconsin. GTE's composite intrastate access charges have declined from almost \$.10/minute in 1986 to approximately a penny and a half per minute today. These access reductions have not occurred in a policy vacuum. They have been designed to move implicit subsidies for universal service out of access and to move toward a more economically rational approach wherein telecommunications prices are more closely related to their underlying costs.

As these numbers indicate, Wisconsin is a long way down the road to getting implicit subsidies out of its intrastate access rates. The legislature needs to be aware that true and efficient competition can only exist in a rationally priced telecommunications environment. Simply reducing the intrastate access rates of the largest ILECs in the state

will do nothing to rationalize pricing to promote competition. It will simply serve to lower the expenses of interexchange carriers ("IXCs") in the state.

In looking at the access reduction provisions of AB 879, several questions beg for answers. In determining the access rates to use to comply with the bill (section 10), what access rates may not exceed the lowest compensation rate or combination of rates for the same or similar service used for the termination and transport of local calls? For example, the Marketing Expense Recovery Charge ("MERC") and the Primary Interexchange Carrier Charge ("PICC") are not part of the rate structure of compensation for termination and transport of local exchange calls but are existing intrastate access rate elements. The interstate and intrastate access charge system may be in need for reform, but this simplistic reduction of intrastate switched access charges serves little public policy purpose.

GTE also questions the underlying philosophy that would equate interconnection charges with intrastate switched access charges. The FCC has recognized that transport and termination of local traffic are different services than access service for long distance telecommunications. The Telecommunications Act of 1996 preserves the distinctions between charges for transport and termination of local traffic and interstate and intrastate charges for terminating long-distance traffic. There is no public policy rationale for simply calling for a one-sided reduction in charges to a level equal to charges for other services. Moving telecommunications prices from the older sole source model to a competitive model needs to be done with some precision and fairness.

In addition to the problems associated with the access reduction language in the bill, GTE submits that the 9-1-1 funding provisions are confusing, unlikely to accomplish the needed public safety goals, and are inappropriate from a public policy point of view.

The assessment methodology in section 12 of AB 879 is unclear and confusing. The purpose of the legislation is to establish a "9-1-1 Assistance Fund" through assessments to the large ILECs. However, there is little guidance as to how the assessment process would actually work. How is the difference between access rates on the effective date of the Act and on the first day of the 14th month following the effective date of the Act calculated? Rate element by rate element? Overall composite rate

determined by each individual company's methodology? An actual effective rate? What rate elements are included?

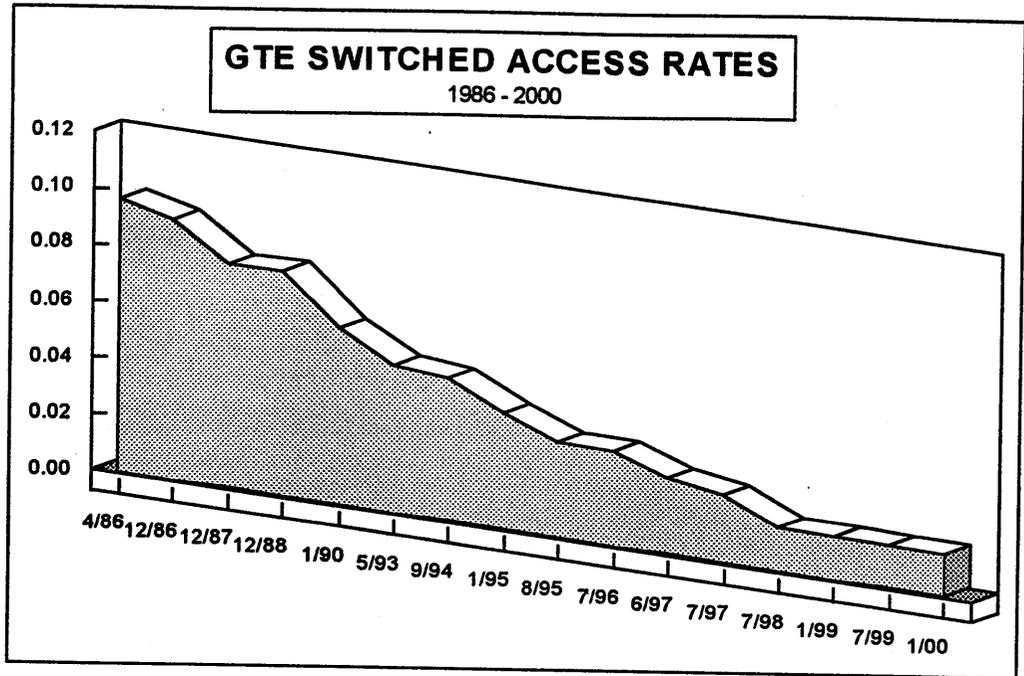
Is the assessment a one-time assessment? If it is a one-time assessment, GTE is perplexed as to how serious the drafters of this legislation are to creating meaningful public safety improvements for the citizens of Wisconsin. Because GTE's current intrastate access rates are lower than those found in other states, the amount to be assessed to GTE would likely be insubstantial. How does this effectively help fund 9-1-1 systems across the state of Wisconsin?

If the legislature is vitally concerned about the effectiveness of the state's 9-1-1 system, it should investigate the needs of the emergency services system and establish a reasonable system for funding both capital and operating expenses of the system. In this proposed legislation, there is no logical relationship between the cost of 9-1-1 service and the funding mechanism proposed. The current system uses an assessment based on an equitable fixed percentage on telecommunications customers' bills. If this is inadequate, the legislature needs to address that issue forthrightly.

GTE believes that linking assessments on large ILECs to funding for county and municipal 9-1-1 systems is unfair, shortsighted, and inappropriate public policy. Why should only large ILECs be responsible for the funding of improvements to the state emergency services system? Indeed, an argument can be made that such a program violates section 254(f) of the 1996 federal Telecommunications Act because it purports to fund an intrastate support mechanism through an assessment that is unequally and discriminatorily applied. The legislation, as drafted, fails to comprehensively deal with the perceived inadequacies of emergency services in the state and simply affixes a confusing and inequitable assessment system and hopes that this will fix the problem. Even if the amount of adequate funds to implement new capital projects and updated emergency equipment for county and municipal emergency systems were created in this legislation, there is no assessment provided for increased operating funds that these capital expenses would necessitate. The people of Wisconsin deserve better public policy than this.

In summary, GTE submits that AB 879 merely attempts to marry two political interests --- the IXC desire for lower access charges, and local public officials' need for more sophisticated emergency service equipment --- into one bill that purports to be effective public policy. Instead, the practical effect of this legislation is to take two issues that have serious implications for the people of Wisconsin --- telecommunications pricing and emergency services needs in the state --- and to make the problems associated with these issues worse! If the legislature wants to address the issues of appropriate telecommunications pricing and the need for better more efficient emergency services in the state, GTE stands ready to deal with these issues intelligently and comprehensively. Unfortunately, AB 879 (as well as its Senate companion SB 91) fails miserably to deal effectively with these issues. GTE strongly opposes AB 879.

ATTACHMENT



04/07/86	4/86	0.0968528
12/01/86	12/86	0.0924528
12/08/87	12/87	0.0794643
12/16/88	12/88	0.0799643
01/01/90	1/90	0.0631151
05/01/93	5/93	0.0532195
09/01/94	9/94	0.0506498
01/01/95	1/95	0.0414543
08/01/95	8/95	0.0345004
07/01/96	7/96	0.0345516
06/03/97	6/97	0.0273192
07/01/97	7/97	0.0247930
07/01/98	7/98	0.0157692
01/01/99	1/99	0.0157016
07/01/99	7/99	0.0155510
01/01/00	1/00	0.0154005

Sheridan Triangle Neighborhood Association

Ted Voth, Jr.
President
1402 Hooker Avenue
Madison 53704
242-9603

To: Joint Committee on Information Policy
From: Margaret McEntire
Date: March 22, 2000
Re: Assembly companion to Senate Bill 91

Kay Cowing
Vice President
1517 Porter Avenue
Madison 53704
241-0919

Marian Celesnik
Treasurer
1734 Sheridan Drive
Madison 53704
241-3742

Margaret McEntire
Secretary
1721 Porter Avenue
Madison 53704
249-0062

I write on behalf of my neighborhood association to urge Committee Members to oppose the Assembly's substitute amendment to Senate Bill 91.

Using the Internet has been a great boon to our neighborhood association. Our board members, including me, are busy on any number of fronts on any given day. Being able to supplement our monthly board meetings by conducting "online" meetings via email, keeping abreast of city government by regularly checking Madison's website, and quickly exchanging information *as a group* with our Alderwoman, have all been invaluable in helping us carry forward our neighborhood association's business. All four of us on our Board of Directors are very aware of the numbers of times we connect to the Internet: it shows up as another call on our phone bills, but it is worth it!

Long distance telephone companies are trying to make a deal with the Legislature, asking to allow access charges to be used to pay for operating expenses for the 911 system. This is not right; access charges paid by long distance telephone companies to local phone companies for the use of their lines helps to contain our local phone bills, while the 911 system, which is a critical part of our phone service, is a separate matter entirely. Long distance companies cite the promise of passing savings on to their customers, who presumably would then not have to pay to upgrade the 911 service, through taxes or other means.

My first "real" job as an adult was as an intern for the Legal Affairs Desk of Consumers Union in Mt. Vernon, N.Y. Since then I have keenly followed Consumers Union's opinions on various public policy issues and proposed legislation, particularly the tangled thicket of telecommunications legislation and regulations. In 1998, Gene Kimmelman, Co-Director of the Washington, D.C. office of Consumers Union, said that "Federal regulators gave long distance companies a great price break in charges they pay to use local phone equipment, but we can't find any evidence that those savings are being passed on in an even handed way to all residential customers...Carrier line charges and universal service charges now showing up on the bottom of phone bills need to be stamped out. To offset current overcharges, payments already made should be returned to consumers' pockets."

Long distance companies failed in 1998 and 1999 to absorb the cost of carrier line charges and universal service charges, instead continuing the practice of passing them on to their customers. What makes you think that long distance companies will now pass along any savings to their customers?

My observation -- and Mr. Kimmelman's experience seems to bear it out -- is that it won't happen this time, either. Please vote no to this substitute amendment.



KATHLEEN M. FALK
County Executive

COUNTY OF DANE Public Safety Communications

210 Martin Luther King, Jr. Boulevard, Room 109
Madison, Wisconsin 53709
PH: 608/267-3911 • FAX: 608/266-9861

JIMMY D. PATTY
Director
608/267-1911

RICHARD "DUKE" ELLINGSON
Operations Manager
608/267-3912

To: Members of the Joint Committee on Information Policy
Representative Hutchison and Senator Jauch, Chairs

From:  Duke Ellingson, Operations Manager
Dane County 911

Re: AB879/SB91

Date: March 22, 2000

Thank you members of the committee for the opportunity to testify on AB879 and SB91 today. I am here today on behalf of Dane County Executive Kathleen Falk and Dane County Board Chair Kevin Kesterson to express their support for the provisions contained in the bills and to respectfully ask for your support for these bills.

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If passed, the change would provide an estimated \$3.9 million for Dane County to use to defray the cost of essential upgrades to our 911 system over the next four years. Without this additional assistance, Dane County will be forced to bill the property taxpayers in the county to pay for upgrades that we estimate will cost \$6.9 million between this year and 2004.

These are not optional upgrades. Changes in federal regulatory requirements, the age of some of our systems and the continuing growth of 911 calls are all factors dictating the need to upgrade 911 systems in the state. These changes include upgrading critical 911 telephone equipment, radio and microwave systems and computer aided dispatch equipment.

The Dane County system processed nearly 175,000 911 calls in 1999, an increase of 25,000 calls in just the past three years. These technology upgrades will allow us to more quickly and efficiently respond to the emergency needs of our citizens and to maintain the highest level of safety for the responding emergency personnel.

As the critical first point of contact in any public safety system, the quality and dependability of 911 systems in Wisconsin needs to be a high priority. That's why this bill makes good sense, both from a taxpayer's and consumer's point of view. That is why our County Executive and County Board Chair are supporting it and ask you to vote for its passage.

Thank you.