



TONY KURTZ

STATE REPRESENTATIVE • 50th ASSEMBLY DISTRICT

Testimony before the Assembly Committee on State Affairs

Rep. Tony Kurtz

Assembly Bill 356

Good morning, Chairman Swearingen and committee members. Thank you for holding this hearing today on Assembly Bill 356.

911 is a critically important service for every resident in Wisconsin. Over the last several years, the legislature has supported several initiatives and grant programs to help local units of government with the transition to Next Generation 911 (NG-911). Next Generation 911 provides better technology and access to emergency communication. In addition to 911 voice capabilities, NG-911 allows the public to send texts, images, video and data to a 911 center.

As you can likely imagine, the cost of upgrading this technology isn't cheap and that includes the costs that telecommunication companies will see as they upgrade the infrastructure to help NG-911 become a reality. Provider cost recovery for facilitating 911 in Wisconsin has existed for decades, but the statutes do not specifically allow cost recovery to continue after the transition to the digital NG-911 Emergency Services Internet Protocol Network (ESInet).

AB-356 will continue the current practice to allow providers to recover their costs associated with facilitating NG-911 by creating a grant program at DMA for incumbent local exchange carriers to receive reimbursement for some of their costs. These costs may include IP-based transport of NG-911; purchasing, installing, and maintaining NG-911 equipment; and NG-911 database management.

The funding provided in AB-356 is SEG funding from the 911 Fund. The 911 Fund, previously known as the Police and Fire Protection Fund, was originally created to fund the modernization of 911 but had primarily been used to backfill shared revenue. Recent legislative changes made changes to ensure the fees that are collected are finally going to be dedicated to their purpose.

AB-356 helps ensure the transition to NG-911 continues without putting unnecessary burden on our telecommunication companies and the fees collected from every phone bill is going to what it's intended for the first time.

Thank you again for your time today. I'm happy to answer any questions at this time.



PATRICK TESTIN

STATE SENATOR

DATE: December 20, 2023

RE: **Testimony on Assembly Bill 356**

TO: The Assembly Committee on State Affairs

FROM: Senator Patrick Testin

Thank you Chairman Swearingen and members of the committee for holding a hearing on Assembly Bill 356.

NextGen 911 is revolutionizing the public safety landscape as we know it. With emergency callers being more mobile now than ever before, dispatchers equipped with outdated 911 systems are unable to meet the demands of today's digital society. As the first line of communication during an emergency, switching to updated infrastructures with Next Generation 911 technology has proven essential for dispatchers to provide quick and effective response services to every community.

NG911 is a digital, internet protocol (IP)-based system that will replace the analog 911 infrastructure that's been in place for decades. NG911 systems enhance the capabilities of today's 911 networks, allowing compatibility with more types of communication, providing greater situational awareness to dispatchers and emergency responders, and establishing a level of resiliency not previously possible. NG911 will allow 911 centers to accept and process a range of information from responders and the public, including text, images, video, and voice calls.

The ability of 911 callers to communicate silently through text message increase the caller's safety; for example, during a home invasion, a caller could request a police response without alerting the intruder to their presence. Next Generation 911 can also facilitate continuity of operations in the event of a natural disaster by allowing affected PSAPs to re-route calls to other answering centers.

Once NG911 is implemented, the system's network will be operated on the state-level, while local units of government will retain fiscal and administrative responsibility for PSAP operations. Local entities may also need to upgrade answering equipment to ensure that 911 calls can be processed under the new system. Much of the decision-making related to public safety

has been delegated to the local level in Wisconsin. According to DMA, the NG911 program will be administered on a state-guided, local control basis, allowing participation to be voluntary.

Current law does not specifically include cost recovery for providers facilitating NG 911 service after the transition to the digital NG911 ESIInet. Provider cost recovery for facilitating 911 in Wisconsin has existed for decades, but the statutes do not specifically allow cost recovery to continue after the transition to the digital ESIInet.

AB 356 will continue the current practice to allow providers to recover their costs associated with facilitating NG-911 by creating a grant program at DMA for incumbent local exchange carriers to receive reimbursement for some of their costs. These costs may include IP-based transport of NG-911; purchasing, installing, and maintaining NG-911 equipment; and NG-911 database management. The existing Police and Fire Protection Fund surcharge was originally created to fund the modernization of 911 but has primarily been used to backfill shared revenue. Recent legislative changes will be renaming the Police and Fire Protection Fund to the 911 Fund and ensuring the fees that are collected are finally going to be dedicated to their purpose.



**Bill Esbeck, Executive Director
Wisconsin State Telecommunications Association
Testimony in Support of Assembly Bill 356
Assembly Committee on State Affairs
December 20, 2023**

Introduction

Chair Swearingen and members of the committee, thank you for the opportunity to testify in support of Assembly Bill 356.

My name is Bill Esbeck, and I am the executive director of the Wisconsin State Telecommunications Association.

I want to thank and commend Representative Kurtz and Senator Testin for their leadership on this critical public safety issue and their willingness to author this important legislation.

I also want to thank and recognize Chair Swearingen, and committee members Representatives Summerfield, Schraa, Spiros, Moses, and Callahan for their co-sponsorship of AB 356.

In my testimony, I am going to share background on the issue and discuss how AB 356 will continue current practice and create provider cost recovery after the transition to the Next Generation 911 (NG911) Emergency Services Internet Protocol Network (ESInet).

Background

Since the widespread adoption of 911 service in Wisconsin in the 1980s, telecommunications providers have been reimbursed for their costs associated with facilitating 911. A landline-only 911 surcharge pays for the current 911 system, including costs incurred by providers. The existing statutes allow providers to recover costs for trunking, equipment, and database expenses related to the current 911 system.

In 2009, there was a significant effort to modernize Wisconsin's 911 system that almost succeeded. In April 2009, the Joint Committee on Finance adopted a comprehensive budget motion with policy to modernize Wisconsin's 911 system and create a new, 75-

cent 911 surcharge assessed on landlines and cell phones to fund the modernization. The budget motion included a continuation of 911 cost recovery for providers. The April 2009 motion was supported by a broad coalition of law enforcement, local government, and providers.

However, in May 2009, the Joint Committee on Finance adopted a motion to rename the new 75-cent 911 Fee as the Police and Fire Protection Fee (PFPF) and eliminated the policy to modernize Wisconsin's 911 system. The PFPF was diverted to the general fund and backfilled cuts in shared revenue.

Progress was made in the 2017-2019 Biennial Budget, which included a provision to create the statewide, digital ESInet. The ESInet will be the digital backbone for Wisconsin's modernized NG911 solution. In more recent sessions, new grant programs were created for NG911 upgrades to Public Safety Answering Points (PSAPs) and Geographic Information Systems (GIS). A portion of the 75-cent surcharge is used as the funding source for the ESInet, PSAP grant program, and GIS grant program.

Most recently, the 2023-2025 Biennial Budget renamed the 75-cent Police and Fire Protection Fee as a 911 Fee. Now that the Police and Fire Protection Fee has been renamed as a specific 911 Fee, 47 United States Code Section 615 prohibits the corresponding revenue from being used for anything unrelated to 911 expenses.

Issue

Current law does not specifically include cost recovery for providers facilitating NG911 service after the transition to the digital ESInet. As mentioned, provider cost recovery for facilitating 911 in Wisconsin has existed for decades, but the statutes do not specifically allow cost recovery to continue after the transition to the digital ESInet.

Solution

Assembly Bill 356 will continue decades of precedent and specifically allow providers to recover their costs associated with facilitating NG911. As outlined in the legislation, these costs may only include IP-based transport of NG911; purchasing, installing, and maintaining NG911 equipment; and NG911 database management.

The 75-cent surcharge is appropriately used to pay for NG911 provider cost recovery in AB 356. Again, this 75-cent surcharge was renamed as a 911 Fee in the budget and can only be used for 911 related expenses.

We respectfully request your support for Assembly Bill 356 as we continue our work toward the comprehensive modernization of Wisconsin's NG911 system.

Please contact Bill Esbeck at bill.esbeck@wsta.info with any questions.



Jamie Jones, Network Consultant
TDS Telecom
Testimony in Support of Assembly Bill 356
Assembly Committee on State Affairs
December 20, 2023

Chair Swearingen and members of the committee, thank you for the opportunity to testify in support of Assembly Bill 356.

My name is Jamie Jones, and I am a network consultant at TDS Telecommunications. I have over 30 years of experience in the telecommunications industry, working on various projects related to network design, installation, maintenance, and security. I have also been involved in the planning and implementation of 911 services for TDS and its customers.

TDS Telecom is a Wisconsin-based company and is a leading provider of fiber internet, TV, and phone services in our state. TDS has fiber to 70% of its Wisconsin locations and serves customers in more than 100 communities across our state. TDS is also expanding its fiber networks in over 40 Wisconsin communities, investing nearly one billion dollars to bring fast and reliable fiber internet to more residents and businesses.

TDS employs roughly 3,600 people, many of whom work and live in Wisconsin.

We are committed to delivering reliable, innovative, and affordable solutions to our customers, while also supporting the communities we serve. TDS donates to many local and national nonprofits, sponsors community events, and encourages our employees to volunteer. Another important way we give back is by providing 911 service, which is a vital public safety function that protects property and saves lives.

Companies like TDS must do all we can to keep 911 services connected and reliable today and in the future. We do that by continuing to upgrade and maintain the 911 network equipment.

This legislation allows providers like us to recover 911 costs, a reimbursement that we have been eligible to receive for over 40 years. These costs include:

- **IP-based transport of NG911:** This technology lets us send voice, data, and multimedia information from the caller to the 911 center over the internet. IP-based transport is essential for NG911, as it allows for faster, more accurate, and more resilient 911 communications.
- **Purchasing, installing, and maintaining NG911 equipment:** This includes the hardware and software components that we need to connect to the ESInet and provide NG911 functionality. These components range from routers, switches, and firewalls, to call processing servers, databases, and applications. NG911 equipment is more complex and sophisticated than the legacy 911 equipment and requires regular updates and maintenance to ensure optimal performance and security.



- **NG911 database management:** This involves creating, validating, and updating the information that we use to route and process 911 calls, such as location data, call routing rules, and emergency service boundaries. NG911 database management is crucial for ensuring that 911 calls are delivered to the right 911 center and that the correct information is shown to the 911 operator.

These costs are directly related to providing 911 service and have been recognized as such by the state and federal authorities for decades. However, current law does not specifically include cost recovery for providers facilitating NG911 service after the transition to the digital NG911 ESI²net. This creates uncertainty and inconsistency for providers like TDS, who are expected to invest in modern 911 technology and infrastructure, while also maintaining the existing 911 system until the full transition is complete.

TDS is a reliable and consistent provider of 911 service in our state, overcoming whatever obstacles and challenges we may face. However, I want to share two examples of the kind of challenges faced by companies that provide 911 service under the current and future scenarios:

The existing 911 equipment used by companies like ours to provision 911 is dangerously obsolete. The legacy 911 system relies on analog and copper-based technology that is outdated, unreliable, and prone to failure. For instance, the 911 trunks that connect TDS to the 911 centers are often damaged by weather, rodents, or vandalism, resulting in service outages and delays. Moreover, the legacy 911 equipment is no longer supported by the manufacturers, so spare parts are scarce and expensive, and repairs are difficult and time-consuming. Operators have been struggling to keep the legacy 911 system operational, while also facing the risk of losing reimbursement for these costs under current law.

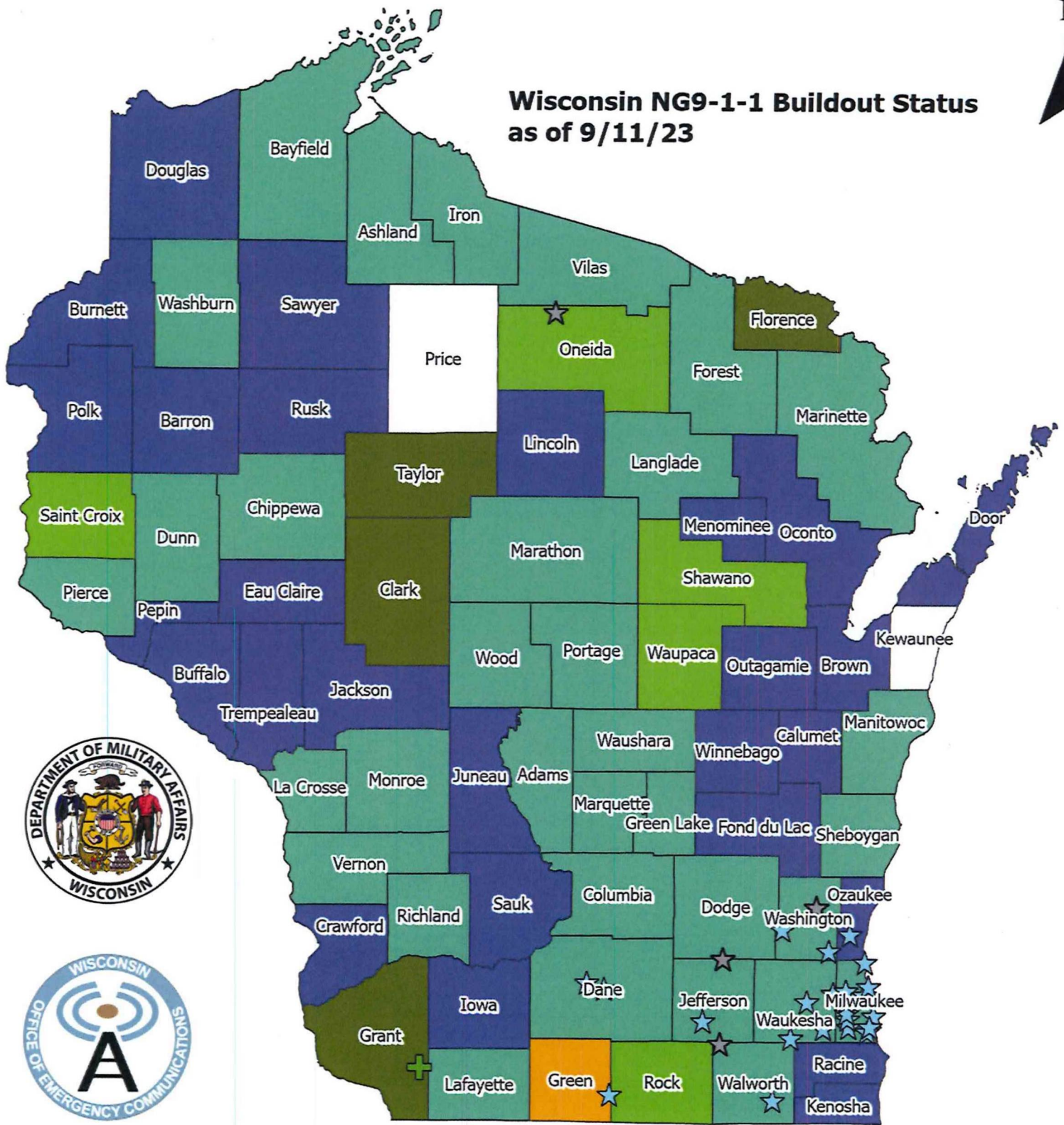
All of the 911 equipment used by companies like ours to provision current 911 systems will need to be replaced after the NG911 transition to the ESI²net. The NG911 system is based on a different technology and architecture than the legacy 911 system and requires a complete overhaul of the 911 network equipment. TDS will have to replace all of the existing 911 trunks, equipment, and databases with new IP-based ones, and connect to the ESI²net via secure and redundant links. This is a major undertaking that involves significant capital and operational expenditures, as well as coordination and testing with the state and the 911 centers. Operators like TDS are ready and willing to make this transition, but we need assurance that we will be able to recover these costs under the new law.

TDS is privileged to provide 911 service, and the state counts on TDS to maintain its networks and keep it reliable and current. TDS is also required to keep 911 always connected. We carry the responsibility and expense of providing this service. TDS has already put in resiliency measures and provides this crucial service regardless of the costs. This bill is a fair and reasonable way to ensure that TDS and other NG911 providers can continue to fulfill our role in the public safety system and continue to recover the costs that are directly related to providing 911 service.

Thank you for your attention and your support for this important legislation. I would be happy to answer any questions you may have.



Wisconsin NG9-1-1 Buildout Status as of 9/11/23



Map Legend

- ★ Signed AT&T Participation Agreement
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- ★ Active AT&T ESInet Project
- ☆ Active AT&T ESInet Project
- ★ Live on AT&T ESInet Project
- ☆ Live on AT&T ESInet Project
- + Agencies live on other Provider
- Signed AT&T Participation Agreement
- Active AT&T ESInet Project
- County Live on AT&T ESInet
- Signed with Other ESInet Provider
- County Live on Other ESInet Provider
- County without ESInet Contract