

**BEFORE THE  
NEBRASKA  
PUBLIC SERVICE COMMISSION**

In the Matter of the Commission, on its own motion, seeking to investigate funding for costs for the development of certain Geographical Information Systems Data relating to the provision of Enhanced Wireless 911 Service.

Application No. 911-057 / PI-187

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**COMMENTS OF CTIA-THE WIRELESS ASSOCIATION®**

Pursuant to the January 7, 2014 Order Seeking Comment (“Order”) in this proceeding, CTIA – The Wireless Association® (“CTIA”) appreciates the opportunity to provide comments to the Commission regarding the development of and funding for Geographical Information Systems (“GIS”) data relating to the provision of Enhanced Wireless 911 service.

**I. INTRODUCTION**

CTIA, its member companies, and the wireless industry at large share the goal of ensuring that all citizens can effectively utilize wireless for emergency services, such as 9-1-1. CTIA and its member companies have been actively involved with and have supported the development and deployment of 9-1-1 services, including Next Generation 911 (“NG911”), through collaborations with the public safety community, standard-setting organizations and regulatory bodies at all levels of government. The wireless industry has demonstrated a strong commitment to public safety through a variety of collaborative and voluntary efforts, such as the voluntary commitments by AT&T, Sprint, T-Mobile and Verizon Wireless to enable text-to-911 on their networks by May 15, 2014. Many of CTIA’s member companies have also voluntarily developed and deployed

public safety programs such as the Wireless Emergency Alerts (“WEA”) to provide alerts to consumers with WEA-capable devices in the area of an emergency.

Consistent with those efforts, CTIA supports the Nebraska public safety answering points’ (“PSAPs”) continuous efforts to enhance their technology capabilities. While CTIA appreciates the Nebraska public safety community’s request for an address point layer database (the “GIS Project”), the purported expense of the GIS Project raises concerns about its economic impact on Nebraska’s wireless consumers if the project is funded from Nebraska’s Enhanced Wireless 911 Fund. CTIA believes that the Commission should carefully consider all funding options and cost-management strategies in authorizing PSAPs to acquire such technology.

CTIA also believes that the Commission should request more information regarding the GIS Project’s compatibility with the state’s vision for NG911, in order to avoid investing in a technology that may become a stranded asset upon the adoption of NG911.

## **II. THE COMMISSION SHOULD CAREFULLY CONSIDER THE IMPACT OF A LARGE DRAW FROM NEBRASKA’S ENHANCED WIRELESS 911 FUND ON THE STATE’S WIRELESS CONSUMERS**

Any draw on Nebraska’s Enhanced Wireless 911 Fund should be considered in the context of the average level of taxes, fees, and surcharges already imposed on Nebraska’s wireless consumers. On average, Nebraska’s wireless consumers face the second-highest combined local, state and federal tax, fee, and surcharge rate in the nation on wireless service. Nebraska’s average combined state and local wireless tax, fee and surcharge rate is 18.48%, which, when coupled with the 5.60% federal USF, means many Nebraskan consumers currently pay a combined 24.08% in wireless taxes, fees, and

surcharges – over three times the state sales tax rate of 7.0% on other consumer goods and services.<sup>1</sup>

The Nebraska Enhanced Wireless 911 Fund rules authorize up to a seventy-cent monthly surcharge on wireless consumers in Nebraska, or a fifty-cent monthly surcharge on residents of counties that contain a metropolitan-class city.<sup>2</sup> Currently, the surcharge is forty-five cents per month.<sup>3</sup>

The GIS Project, while potentially enhancing the PSAPs' technical capabilities, represents a significant expense for the Enhanced Wireless 911 Fund. As a GeoComm representative testified at the March 20, 2013 hearing on the matter, the GIS Project could cost \$5.5 million to implement. As of April 2013, the Enhanced Wireless 911 Fund carried a balance of approximately \$17.5 million.<sup>4</sup> Based on these estimates, approving the GIS Project would require allocating slightly more than 30% of the total Enhanced Wireless 911 Fund. That percentage could rise based on the feedback on potential costs being solicited in this proceeding.<sup>5</sup> While CTIA and its member companies support Nebraska PSAPs' continued efforts to enhance their technology capabilities, the possibility exists that a large draw from the Enhanced Wireless 911 Fund could affect the Commission's ability to manage the Enhanced Wireless 911 surcharge to minimize the impact on the state's wireless consumers.

In addition, the Commission should also determine what benefit wireless consumers, who pay into the Enhanced Wireless 911 Fund, would receive from the GIS

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<sup>1</sup> See <https://www.mywireless.org/state-issues/state-tax-rankings/> (last visited Feb. 13, 2014).

<sup>2</sup> Neb. Admin. Code, Title 291, Chapter 15, Section 002.01A (July 22, 2013).

<sup>3</sup> Order Setting Surcharge, Application No. 911-002, at 2 (October 29, 2013).

<sup>4</sup> See [http://psc.nol.org/ntips/pdf/e911/Minutes\\_04-22-13.pdf](http://psc.nol.org/ntips/pdf/e911/Minutes_04-22-13.pdf).

<sup>5</sup> At the hearing, Sue Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department, recommended that at least a six-month operating reserve be maintained in the Enhanced Wireless 911 Fund and that the current balance represents roughly a two-year operating reserve. It stands to reason that a 30% draw from the Fund would significantly reduce available operating reserves.

Project. The possibility exists that the GIS Project could generate benefits for all of Nebraska's telecommunications consumers. However, if that is the case, the Project should be financially supported by all of Nebraska's telecommunications consumers, and not solely by Nebraska's wireless consumers, who are the only contributors to the Enhanced Wireless 911 Fund. This is consistent with Nebraska statute, which provides that the Enhanced Wireless 911 Fund can pay for costs related to GIS data subject to the ratio between wireline and wireless calls established by the Commission.<sup>6</sup> By gathering more details on the benefits of the GIS Project, the Commission can ensure that wireless consumers are supporting technologies that are related to supporting wireless 9-1-1 services, and that wireline customers are doing the same for technologies that support wireline 9-1-1 services.

For these reasons, CTIA believes that the Commission should explore all potential avenues of funding and ways to manage costs for the GIS Project before authorizing a significant draw from the Enhanced Wireless 911 Fund.

### **III. THE COMMISSION SHOULD REQUEST MORE INFORMATION TO ENSURE THE GIS PROJECT IS CONSISTENT WITH NEBRASKA'S NEXT GENERATION 911 EFFORTS**

Because the GIS Project could increase the economic impact on Nebraska's wireless consumers, the Commission should take the time needed to consider all pertinent information on the subject before proceeding with funding, particularly in light of Nebraska's ongoing transition to Next Generation 911 ("NG911").

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<sup>6</sup> Neb. Admin. Code, Title 291, Chapter 15, Section 006.01A2d (July 22, 2013). The section permits Enhanced Wireless 911 Funds for "costs related to GIS data necessary for the provision of wireless enhanced 911 service subject to the wireline/wireless ratio established by the Commission or the wireline/wireless call ratio established by the PSAP, unless otherwise ordered by the Commission. Upon order of the Commission, a PSAP employing in-house personnel to maintain GIS data may be permitted to utilize funds for these personnel costs."

At present, questions remain about the technical, cost and operational impacts of Nebraska's NG911 transition. In 2012, Ms. Vanicek noted that both the timing and cost of implementing NG911 are uncertain and that, according to the FCC, implementation could be as many as five to ten years in the future.<sup>7</sup> As noted in the initial Order Seeking Comment, Ms. Vanicek also testified that sufficient information was not available to determine the cost of the GIS Project, and recommended that the Commission delay further action until more information is available.

Pursuant to LB 595, the legislature has requested a study of NG911 implementation from an independent third-party contractor. An initial NG911 report was received by the Commission on January 31, 2014, and the Commission has requested comment on the recommendations and cost estimates for statewide implementation of NG911.<sup>8</sup> While the initial NG911 report does not specifically address the GIS Project contemplated here, the initial report does make recommendations generally related to GIS databases. A final NG911 report is scheduled to be delivered to the Nebraska Legislature in April 2014. The NG911 report provides useful information on the transition to NG911, but the report is the only the legislature's first step in addressing the implementation of NG911 and many issues are still unresolved, including where the authority to implement NG911 lies, and how Nebraska will fund those services.

In addition, questions remain about the GIS Project's compatibility with the legislature's nascent NG911 plans. Specifically, the GIS Project funding request should be considered in light of whether Nebraska's NG911 plans require technology that would either duplicate or make obsolete the efforts of the GIS Project. By addressing these

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<sup>7</sup> Order Setting Surcharge, Application No. 911-002, at 2 (October 23, 2012).

<sup>8</sup> [http://psc.nol.org/ntips/ntips\\_e911\\_next\\_generation.html](http://psc.nol.org/ntips/ntips_e911_next_generation.html); and Hearing Officer Order Releasing Initial Report and Setting Deadline for Comment (February 3, 2014).

