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Cheryl Subler, Executive Director

Ohio Senate Financial Institutions and Technology Committee Senate Bill 50 – Proponent Testimony

Glenn Miller - CCAO Board President

Chairman Wilson, Vice Chair Hackett, Ranking Member Smith, and members of the Senate Financial Institutions and Technology Committee, my name is Glenn Miller, and I am a County Commissioner from Henry County. I also have the pleasure of serving as the Board President of CCAO, and I appreciate the opportunity to submit proponent testimony on Senate Bill 50.

Senate Bill 50 would establish a process for providing the necessary funding to migrate Ohio's current 9-1-1 system that relies on the legacy carriers' wireline systems to an IP based Next Generation 9-1-1 (NG 9-1-1) system that supports digital communications which will be operated across Ohio's OARNet system. This transition is necessary in order to utilize current and emerging technological advances in 9-1-1 system operations to better serve those in need of emergency response.

To fund this transition, the Statewide Emergency Services Internet Protocol Network Steering Committee (ESINet Committee) has recommended that a Universal Service Fee (USF) be established. A USF is a permanent, statewide, uniform monthly charge applied to all numbers/addresses capable of accessing 9-1-1 dedicated to funding Ohio's 9-1-1 system. The USF will apply to landlines, wireless devices, and voice over internet protocol (VoIP) systems and the user fee will be increased from 25 cents to 70 cents. At the end of my testimony, I have included two separate tables that compare Ohio's current fee to existing fees in other states for reference.

The revenue from the USF is anticipated to both fully fund the State NG 9-1-1 system and provide an additional \$70 million for distribution to county 9-1-1 systems. The additional funding will allow local governments to adequately operate this new system and also assist with the costs of the diverse network connections and equipment upgrades needed for migration to State NG 9-1-1 core services.

I along with Senator Wilson and Senator Smith serve on the ESINet Committee and SB 50 culminates nearly a decade of work by the committee. Passage of SB 50 will transition Ohio's 9-1-1 system into a system capable of responding to emergencies in a modern manner in which the public expects. For example, a NG 9-1-1 system will improve access to services through the ability to text 9-1-1. The system will also allow







for first responders to receive additional information, such as a live video feed, before responding to an incident and provide improved GPS coordinates, which will improve response time and accuracy.

CCAO requests this committee's favorable passage of SB 50 and I would be happy to answer any questions the committee has at this time.

9-11 user fees by state

Source: <u>NENA Report</u>

| State | Wireline | Wireless | VoIP |
|--------------|---|---|---|
| Ohio | \$0.50 (Max) (Legally limited to a few Counties, no general surcharge. | \$0.25 0.5% Point of Sale - Prepaid | none |
| Kentucky | \$0.32 - \$4.00 | \$0.70 \$0.93 Point of Sale - Prepaid | \$0.32 - \$4.00 |
| Pennsylvania | \$1.65 | \$1.65 \$1.65 Point of Sale - Prepaid | \$1.65 |
| Michigan | \$0.25 State Fee \$0.00 - \$3.00 by County | \$0.25 State Fee \$0.00 - \$3.00 by County 5% Point of Sale - Prepaid | \$0.25 State Fee \$0.00 - \$3.00 by County |
| Indiana | \$1.00 | 1.00 \$1.00 Point of Sale - Prepaid | \$1.00 |
| Texas | \$0.50 State Program Fees Vary – District | \$0.50 State Program 2% of Sales - Prepaid | \$0.50 State Program Fees Vary - District |
| Florida | \$0.40 - \$0.44 (Max) | \$0.40 \$0.40 Prepaid | \$0.40 |

Ranking of state/federal fees by state

Source: <u>Tax Foundation Cell Phone Taxes 2021</u> Taxes, Fees, and Government Charges on Wireless Service, July 2021, State Rankings

| Rank | State | Wireless State |
|------|--------------|----------------|
| | | Rate |
| 43 | Ohio | 8.57% |
| 28 | Kentucky | 11.29% |
| 7 | Pennsylvania | 16.67% |
| 33 | Michigan | 10.45% |
| 24 | Indiana | 12.28% |
| 27 | Texas | 11.91% |
| 12 | Florida | 15.03% |