



February 22, 2017

Honorable Sylvia Luke
Chair, House Committee on Finance
Hawaii State Capitol
Room 306
Honolulu, HI 96813

Honorable Ty J.K. Cullen
Vice Chair, House Committee on Finance
Hawaii State Capitol
Room 316
Honolulu, HI 96813

RE: House Bill 206 HD2, 9-1-1 Prepaid Surcharge at Point-of-Sale

Dear Chair Luke and Vice Chair Cullen:

On behalf of CTIA, the trade association for the wireless communications industry, I am writing to express our support for House Bill 206 HD 2, related to the imposition of the 9-1-1 surcharge on prepaid wireless services. We are supportive of the bill with the amended 9-1-1 prepaid fee at 1.5% at the point-of-sale. CTIA supports a 1.5% assessment, as it is equivalent to the amount that postpaid customers currently pay. This creates equity between postpaid and prepaid wireless customers.

CTIA and the wireless industry are strong supporters of the public safety community and believe a fully-funded and efficient 9-1-1 system is in the best interest of the people of Hawaii. With the proliferation of 9-1-1 calls made from wireless devices, it is that much more imperative that those who benefit from access to the 9-1-1 system are also contributors. As such, CTIA supports the public policy that prepaid wireless consumers should be paying a 9-1-1 surcharge.

Due to the unique business model of prepaid wireless services, the only way to accurately capture the 9-1-1 surcharge is to collect the surcharge at the point-of-sale at the time of the retail transaction. The wireless industry believes that model legislation endorsed by the National Conference of State Legislatures (NCSL) in 2009 is the appropriate method in which to accurately capture this surcharge. This legislation has been adopted in 38 states and the District of Columbia.

In closing, CTIA supports equity amongst prepaid and postpaid wireless consumers and, as such, are supportive of House Bill 206 HD 2.

Thank you for the opportunity to submit comments.

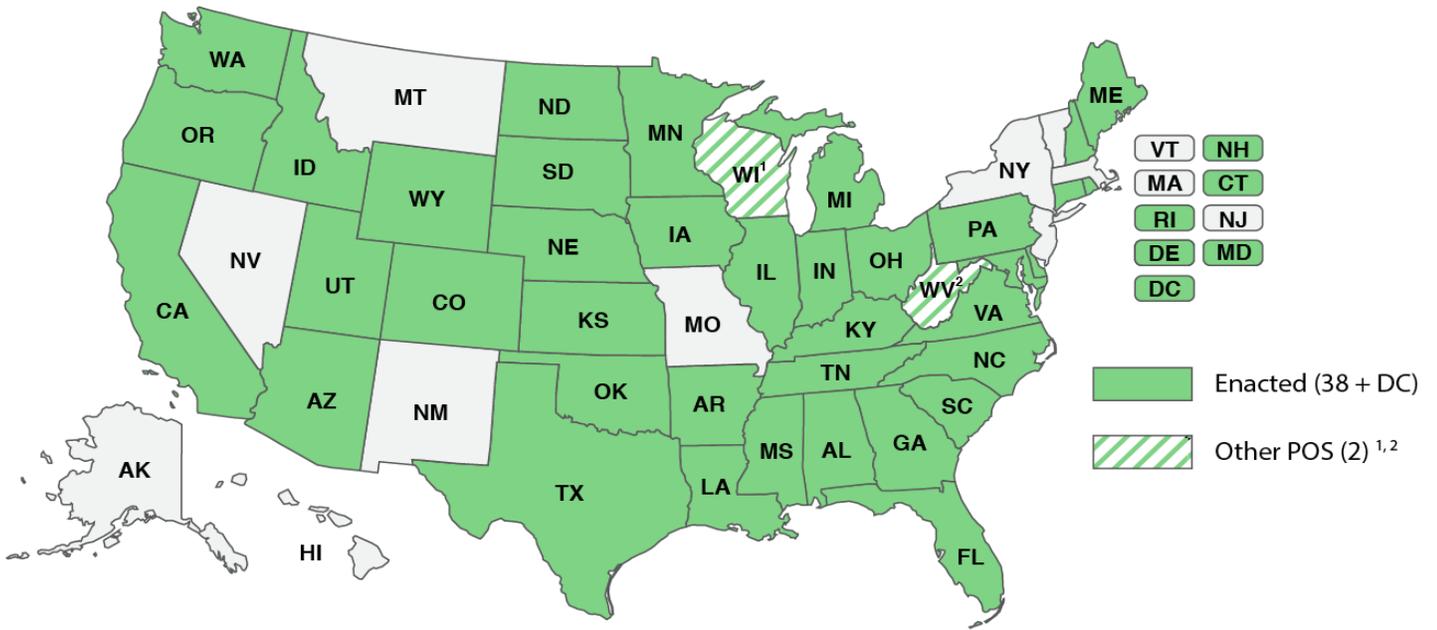
Sincerely,

A handwritten signature in black ink that reads "Bethanne Cooley". The signature is written in a cursive, flowing style.

Bethanne Cooley
Director, State Legislative Affairs
CTIA

States Trending Toward Point-of-Sale Collection of E911 Taxes and Fees on Prepaid

Prepaid Point of Sale Status



¹ Wisconsin: Police and fire protection fee at POS

² West Virginia: Sales tax in lieu of 911 fee