



POLICE DEPARTMENT

555 Liberty St. SE / Room 130 • Salem, OR 97301-3503 • (503) 588-6123

DATE: May 9, 2013
TO: Senator Jackie Winters and Representative Jennifer Williamson, Co-Chairs
Joint Committee On Ways and Means Subcommittee On Public Safety
FROM: Chief Gerald Moore, Chief of Police, City of Salem, Oregon
SUBJECT: House Bill 3317A

Co-Chairs Winters and Williamson and Members of the Committee,

I am Salem's Chief of Police Jerry Moore and it is my pleasure to be able to present testimony expressing the City's support of House Bill 3317 and the need to collect the 9-1-1 tax on all users of our system, including the prepaid wireless and voice over internet users.

The 9-1-1 tax is critical to funding the 9-1-1 emergency response system. The 9-1-1 tax funds about 23 percent of the regional 9-1-1 emergency response system operated by the City of Salem. This regional 9-1-1 center serves twenty-nine police, fire and medical emergency providers serving three counties and impacting over 440,000 citizens in Oregon.

Demands on our 9-1-1 call center from wireless users have increased. Over 70 percent of our calls are from wireless users. The majority of abandoned (hang up) calls from wireless are a substantially larger amount than wireline calls. These calls take a lot of work to try to resolve. We attempt to make contact on each and every one of them to insure that there is not an emergency need for police, fire or medical emergency services. The attached Figure 1 illustrates the percentage of abandoned calls and the breakdown between wireless and wireline. Figure 2 shows the total call volume for the month of March 2013, which was a typical month.

Although we do not have data on the prepaid wireless users accessing the 9-1-1 system, we know the prepaid market is demonstrating trends of growth. According to a February 2013 Reuters article, the prepaid market is growing at a rate of 7 to 8 percent each year, and roughly 80 million U.S. consumers subscribe to prepaid services

(www.reuters.com/article/2013/02/19/net-us-tmobileusa-gosmart-idUSBRE91116220130219).

As further evidence of the growing trend of prepaid subscribers, the NDP Group reported that from the second quarter of 2011 to 2012, smartphone sales rose by 9 percent. Year-over-year, post-paid smartphone sales were flat, while pre-paid smartphone sales nearly doubled—rising 91 percent year over year (https://www.npd.com/wps/portal/npd/us/news/press-releases/pr_120808/).

House Bill 3317 will address the current inequity of a system that relies only on users of traditional landline and cellular telecommunications to pay the 9-1-1 tax. Users of non-traditional communications such as voice over internet and prepaid wireless are not subject to the fee, yet users of these services have equal access to the services provided by 9-1-1 centers.



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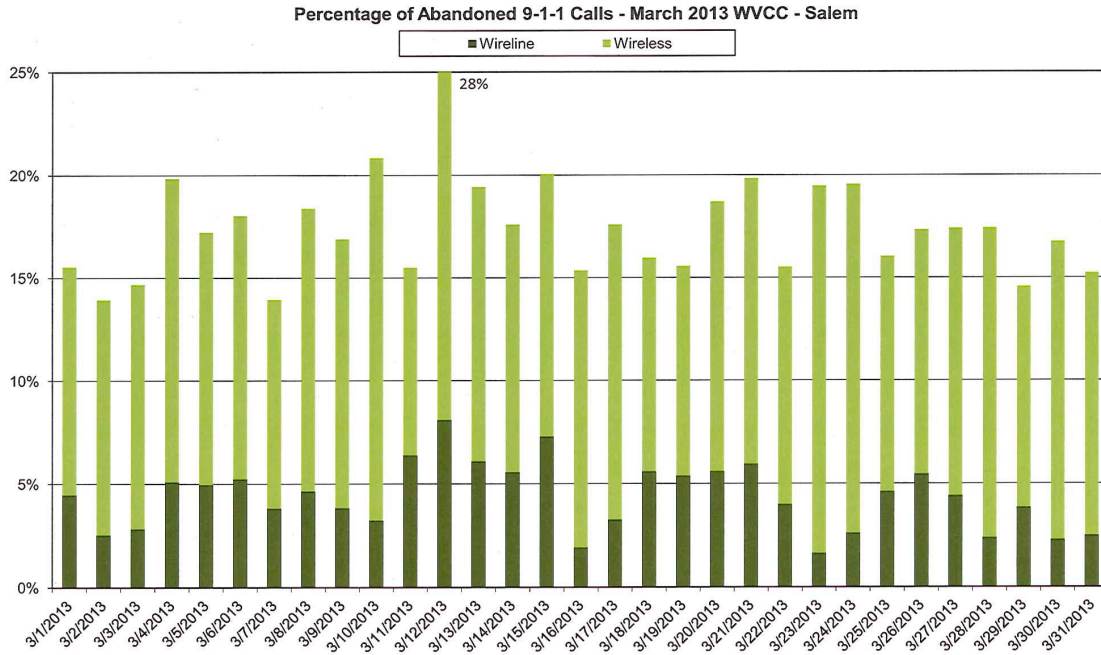
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Without the proposed legislative changes, the current 9-1-1 tax base will continue to shrink as users switch to non-traditional services, and communities will suffer the effects of the diminishing 9-1-1 tax revenues. The Willamette Valley 9-1-1 center would be forced to layoff staff, which would result in longer wait times before 9-1-1 calls are answered. At some point staffing could not be reduced to address the loss of 9-1-1 tax revenues, as some adequate level would have to be maintained to answer calls putting pressure on already strained city and county general fund budgets. Failure of the 9-1-1 tax base to include new and adaption technologies could result in a reduction to the very police and fire first responders that are needed to respond to 9-1-1 calls.

HB 3317 is an important step forward on modernizing our 9-1-1 tax base. Thank you for the opportunity to share the City of Salem's support for this bill. I am happy to answer any questions.

Sincerely,

Chief Gerald Moore
Chief of Police
City of Salem



MAR-2013 Salem.xlsx (MAR 2013 % Abandoned)

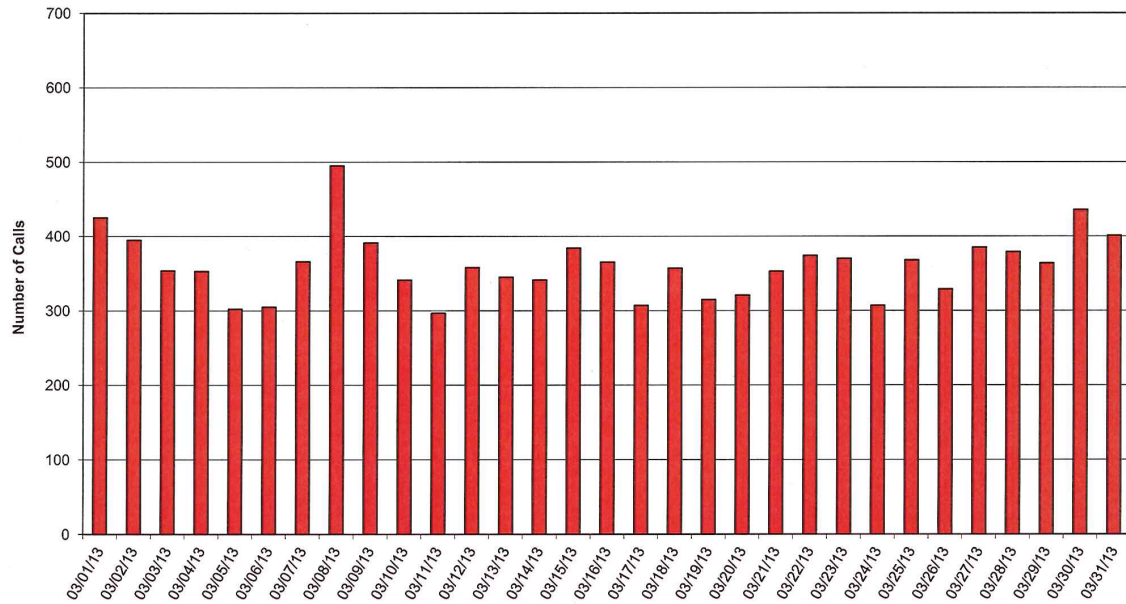
Printed: 4/9/2013

Figure 1 - Abandoned 9-1-1 Calls

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9-1-1 Call Volume - March 2013 (11,183 Calls) WVCC - Salem



MAR-2013 Salem.xlsx (MAR 2013 9-1-1 Call Volume)

Printed: 4/9/2013

Figure 2 - March 9-1-1 Call Volume