AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE SECTION 26.65.050 TO INCREASE THE 911 SURCHARGE AS AUTHORIZED BY ALASKA STATUTE 29.35.131.

WHEREAS, to support the provision of enhanced 911 system (e-911) services at public safety answering points, Alaska Statute 29.35.131 authorizes a municipality to impose an “enhanced 911 surcharge” in an amount not to exceed $2.00 per month on wireline and wireless telephone numbers; and

WHEREAS, state law requires a municipality to notify telephone customers subject to the surcharge, in writing, when the surcharge amount is changed, and provide an explanation of the use of the surcharge; and

WHEREAS, the Municipality of Anchorage last adjusted its e-911 surcharge 11 years ago, in 2005;

WHEREAS, Municipality of Anchorage has determined an increase in the e-911 surcharge, from $1.50 to $2.00 is needed to meet anticipated needs and the basic cost of operating and maintaining the enhanced 911 program; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 26.65.050 is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

26.65.050 Customer surcharge.

A. A surcharge of $2.00[1.50] per month per local access line and for each wireless telephone number that is billed or sold to customer with an address within the municipality shall be collected to fund the enhanced 911 system.

1. A wireline telephone or wireless telephone customer shall not be subject to more than one surcharge per local access line or wireless telephone number.

2. A customer with more than 100 local exchange access lines from a wireline telephone company in the municipality is liable for the surcharge only on 100 local exchange access lines.

B. The telephone companies shall bill and collect the surcharge from its
wireline and wireless telephone customers who are subject to the
surcharge. The surcharge shall be stated as a separate line item on the
billing statement or similar document.

C. A wireless or wireline telephone customer is liable for payment of the
surcharge in the amounts billed by the telephone company until the
amounts have been paid to the telephone company.

(AO No. 93-109, § 1, 7-20-93; AO 2001-176, § 8, 12-1-01; AO No. 2005-103,
§ 1, 9-22-05; AO No. 2009-79, § 3, 7-1-09)

State Law reference—Surcharge authorized, AS 29.35.131.

Section 2. The Municipality shall notify telephone customers subject to the
surcharge in writing, and provide an explanation of the use of the increased
surcharge amount.

Section 3. This ordinance shall be effective 30 days after passage and approval by
the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 1st day of November,
2016.

Chair

Municipal Clerk
MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2016-128
Title: An Ordinance of the Anchorage Municipal Assembly Amending Anchorage Municipal Code Section 26.65.050 to Increase the 911 Surcharge as Authorized by Alaska Statute 29.35.131.

Sponsor: MAYOR
Preparing Agency: OMB
Others Impacted: Anchorage Police Department & Anchorage Fire Department

<table>
<thead>
<tr>
<th>CHANGES IN EXPENDITURES AND REVENUES: (In Thousands of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
</tr>
<tr>
<td>Operating Expenditures</td>
</tr>
<tr>
<td>1000 Personal Services</td>
</tr>
<tr>
<td>2000 Non-Labor</td>
</tr>
<tr>
<td>3900 Contributions</td>
</tr>
<tr>
<td>4000 Debt Service</td>
</tr>
<tr>
<td>TOTAL DIRECT COSTS: $ - $ - $ - $ - $ -</td>
</tr>
<tr>
<td>Add: 6000 Charges from Others</td>
</tr>
<tr>
<td>Less: 7000 Charges to Others</td>
</tr>
<tr>
<td>FUNCTION COST: $ - $ - $ - $ - $ - $ -</td>
</tr>
<tr>
<td>REVENUES: $ - $ 2,100 $ 2,100 $ 2,100 $ 2,100 $ 2,100</td>
</tr>
</tbody>
</table>

PUBLIC SECTOR ECONOMIC EFFECTS:

The Anchorage Police Department & Anchorage Fire Department operate and maintain the Emergency 911 system. These costs are currently supported by a combination of surcharge revenues and property taxes. It is estimated an additional $2.1 million will be generated annually by increasing the E911 surcharge from $1.50 per line per month to $2.00 per line per month. Total annual surcharge revenues are estimated to increase from the current level of $6.475 million to $8.575 million.

PRIVATE SECTOR ECONOMIC EFFECTS:

All individuals and businesses with telephones within the Municipality of Anchorage will pay an additional $0.50 per line per month (wireline and wireless numbers) to support the emergency 911 system.

The $2.1 million additional revenue collected from the surcharge will offset $2 million in property tax contribution to support the E911 system.

Prepared by: OMB
Telephone: 343-4496
From: MAYOR

Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
AMENDING ANCHORAGE MUNICIPAL CODE SECTION 26.65.050
TO INCREASE THE 911 SURCHARGE AS AUTHORIZED BY
ALASKA STATUTE 29.35.131.

Alaska Statute 29.35.131 authorizes a municipality to impose an enhanced 911 surcharge (e-911) in an amount not to exceed $2.00 per month on wireline and wireless telephone numbers. Today, the Municipality expends significantly more on its e-911 system than is generated by the surcharge.

The Municipality of Anchorage last adjusted its e-911 surcharge 11 years ago, in 2005, when it adopted a surcharge of $1.50. Adjusted solely for inflation, the $1.50 surcharge adopted in 2005 would equate to roughly $1.87 today.

Even at the $2.00 level, the Municipality expects that its e-911 system will require expenditures in excess of what will be generated by the surcharge.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared and Approved by: William D. Falsey, Municipal Attorney
Concur: Lance Wilber, Director
Office of Management and Budget
Concur: Robert E. Harris, CFO
Concur: William D. Falsey, Municipal Attorney
Concur: Michael K. Abbott, Municipal Manager
Respectfully submitted: Ethan A. Berkowitz, Mayor