

Submitted by: The Chair of the Assembly at
the Request of the Mayor

Prepared by: Dept. of Law

For reading: October 18, 2016

Municipal Clerk's Office

Approved

Date: 11/01/2016

ANCHORAGE, ALASKA

AO No. 2016-128

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE SECTION 26.65.050 TO INCREASE THE 911**
3 **SURCHARGE AS AUTHORIZED BY ALASKA STATUTE 29.35.131.**
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5
6 **WHEREAS**, to support the provision of enhanced 911 system (e-911) services at
7 public safety answering points, Alaska Statute 29.35.131 authorizes a municipality to
8 impose an "enhanced 911 surcharge" in an amount not to exceed \$2.00 per month
9 on wireline and wireless telephone numbers; and

10
11 **WHEREAS**, state law requires a municipality to notify telephone customers subject to
12 the surcharge, in writing, when the surcharge amount is changed, and provide an
13 explanation of the use of the surcharge; and

14
15 **WHEREAS**, the Municipality of Anchorage last adjusted its e-911 surcharge 11 years
16 ago, in 2005;

17
18 **WHEREAS**, Municipality of Anchorage has determined an increase in the e-911
19 surcharge, from \$1.50 to \$2.00 is needed to meet anticipated needs and the basic
20 cost of operating and maintaining the enhanced 911 program; now, therefore,

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22 **THE ANCHORAGE ASSEMBLY ORDAINS:**
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24 **Section 1.** Anchorage Municipal Code section 26.65.050 is hereby amended to
25 read as follows (*the remainder of the section is not affected and therefore not set*
26 *out*):
27

28 **26.65.050 Customer surcharge.**
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30 A. A surcharge of \$2.00[1.50] per month per local access line and for
31 each wireless telephone number that is billed or sold to customer with
32 an address within the municipality shall be collected to fund the
33 enhanced 911 system.

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

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39 2. A customer with more than 100 local exchange access lines
40 from a wireline telephone company in the municipality is liable
41 for the surcharge only on 100 local exchange access lines.
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43 B. The telephone companies shall bill and collect the surcharge from its

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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

ATTEST:


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

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	FY16	FY17	FY18	FY19	FY20
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:	\$ -	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100

CAPITAL:

POSITIONS: FT/PT and Temp

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



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM - 2016

Meeting Date: _____

1 **From:** MAYOR
2

3 **Subject:** AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
4 AMENDING ANCHORAGE MUNICIPAL CODE SECTION 26.65.050
5 TO INCREASE THE 911 SURCHARGE AS AUTHORIZED BY
6 ALASKA STATUTE 29.35.131.
7

8 Alaska Statute 29.35.131 authorizes a municipality to impose an enhanced 911
9 surcharge (e-911) in an amount not to exceed \$2.00 per month on wireline and
10 wireless telephone numbers. Today, the Municipality expends significantly more on
11 its e-911 system than is generated by the surcharge.
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13 The Municipality of Anchorage last adjusted its e-911 surcharge 11 years ago, in
14 2005, when it adopted a surcharge of \$1.50. Adjusted solely for inflation, the \$1.50
15 surcharge adopted in 2005 would equate to roughly \$1.87 today.
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17 Even at the \$2.00 level, the Municipality expects that its e-911 system will require
18 expenditures in excess of what will be generated by the surcharge.
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21 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

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