

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *911 Fee Diversion*, PS Docket No. 20-291; *New and Emerging Technologies 911 Improvement Act of 2008*, PS Docket No. 09-14.

In 2020, we have been reminded many times of the life-saving work performed by our nation's first responders. While there are still three months left in the year, it seems we've already had enough disasters to last a lifetime, from the COVID-19 pandemic to raging wildfires in the West, and from Hurricanes Laura and Sally to the Iowa Derecho. But whenever disaster has struck, our first responders have answered the call and put their lives on the line to serve the American people. And more times than not, that call has come through our nation's 911 system.

That's why it is so important that our 911 system receives the funding it needs. And that's why it is outrageous that some money earmarked for 911 is being diverted for other purposes. Indeed, our latest annual report to Congress on states' collection and use of 911 fees found that between 2012 and 2018, states diverted over \$1.275 billion in fees collected for 911 services to non-911 purposes. I'll be blunt: 911 fee diversion is fraud. The government takes money from consumers with the promise it'll be spent on improving our 911 system and spends it on something else. And this fraudulent practice has real-life consequences. 911 fee diversion makes it harder for legacy 911 systems to transition to next-generation IP-enabled emergency networks. It makes it harder for 911 dispatchers to do their jobs. And it jeopardizes the safety of the American people.

The diversion of 911 fees must stop, and today's Notice of Inquiry is an important step toward achieving that goal. We seek comment on the effects of 911 fee diversion and explore additional steps the Commission and or others could take to discourage states from diverting 911 fees. We're examining all options, such as placing restrictions on grant funding, conditioning state eligibility for FCC licenses, and leveraging our truth-in-billing authority to address the description of 911 fees on consumer bills when diversion occurs.

Of course, the problem of 911 fee diversion is not new. And thanks to the leadership of FCC Commissioner Mike O'Rielly, this problem in recent years has been getting the scrutiny it deserves. Indeed, just last week the U.S. House of Representatives overwhelmingly approved legislation¹ by a 410-5 vote that would, among other things, help prevent 911 fee diversion by states and other taxing jurisdictions by requiring the Commission to establish rules specifying acceptable purposes and functions for which 911 fees may be used.

With today's Notice of Inquiry, we are continuing to do our part to address the problem of 911 fee diversion. And if we can find a way to end this practice once and for all, we will improve our 911 system, keep Americans safe, and do right by our nation's first responders.

For their hard work, I would like to thank the dedicated staff who worked on this Notice of Inquiry: Brenda Boykin, Rochelle Cohen, Jill Coogan, John Evanoff, Lisa Fowlkes, David Furth, Erika Olsen, and Michael Wilhelm from the Public Safety and Homeland Security Bureau; Zac Champ, Gregory Cooke, and Gregory Haledjian from the Consumer and Governmental Affairs Bureau; Becky Tangren and Matthew Warner from the Wireless Telecommunications Bureau; Justin Faulb from the Wireline Competition Bureau; Chana Wilkerson and Sanford Williams from the Office of Communications Business Opportunities; Alex Espinoza, Chuck Needy, and Emily Talaga from the Office of Economics and Analytics; and David Horowitz, Bill Richardson, and Anjali Singh from the Office of General Counsel.

¹ See Don't Break Up the T-Band Act of 2020, H.R. 451, 115th Cong. § 4 (2020).