

Calendar No. 164

115TH CONGRESS }
1st Session }

SENATE

{ REPORT
115-124 }

KARI'S LAW ACT OF 2017

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

ON

S. 123



JULY 10, 2017.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

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Mr. THUNE, from the Committee on Commerce, Science, and
Transportation, submitted the following

R E P O R T

[To accompany S. 123]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 123) to amend the Communications Act of 1934 to require multi-line telephone systems to have a default configuration that permits users to directly initiate a call to 9-1-1 without dialing any additional digit, code, prefix, or post-fix, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

S. 123, the Kari's Law Act of 2017, seeks to improve the ability to contact emergency services when calling from multi-line telephone systems. The bill would require that most new multi-line phone systems, such as those commonly found in hotels, schools, and hospitals, support a configuration that permits users to directly dial 9-1-1 without dialing 1 or any other prefix, post-fix, or other code. The bill also would require that installers of those systems configure them to provide notification to a central location at the facility, or to a person or organization with responsibility for safety or security for the location as designated by the manager or operator of the system. Finally, the bill also would grant the Federal Communications Commission (FCC) authority to prescribe regulations to carry out the bill.

BACKGROUND AND NEEDS

The Kari's Law Act of 2017 is named in honor of Kari Hunt, a 31-year-old woman who was murdered in a hotel room in Marshall,

Texas by her estranged husband. Ms. Hunt's 9-year-old daughter tried to call 9-1-1 during the attack on her mother, but could not get through because the hotel phone required her to dial "9" to reach an outside line.

This inability to directly dial 9-1-1 is not an isolated problem; multi-line telephone systems commonly are configured to require callers to dial "9" or another access code to reach an outside number. As of March 2014, consumers could not directly dial 9-1-1 in 44.5 percent of hotel franchises and 32 percent of independent hotels.¹ FCC Chairman (then Commissioner) Ajit Pai informed a June 2015 workshop held by the Nebraska Public Service Commission that nearly all multi-line telephone systems could be configured or re-configured at little-to-no cost to allow direct dial 9-1-1, that many hotels had begun implementing direct dial 9-1-1 for their guests, and that half of all vendors surveyed shipped their multi-line telephone system products with a default setting of direct dial 9-1-1. But there is no Federal mandate in place today to require that multi-line telephone systems be configured to allow direct access to 9-1-1.

SUMMARY OF PROVISIONS

The Kari's Law Act of 2017 would amend the Communications Act of 1934 to require that multi-line telephone systems, such as those commonly found in hotels, hospitals, and offices, be designed and configured in a way that permits users to directly initiate a call to 9-1-1 without dialing any additional digits (for example, without having to dial "9" to access an outside line).

The bill would not prohibit other 9-1-1 emergency dialing patterns (for example, 9-9-1-1) from also initiating a call to a public safety answering point, provided the dialing pattern 9-1-1 remained available to users.

The Act's requirements would apply to manufacturers, importers, sellers, lessors, and those engaged in the business of installing multi-line telephone systems, beginning 2 years after enactment. Those engaged in the business of installing multi-line telephone systems would be required to configure a multi-line telephone system to notify a central location at the facility or a person or organization with responsibility for safety at the location if the installer can do so without any improvement to the system.

The FCC would have authority to prescribe regulations to carry out the section, provided that such regulations, to the extent practicable, were technologically neutral. The bill, or regulations prescribed under the bill, would not prevent any State from enforcing any State law that is not inconsistent with the bill.

LEGISLATIVE HISTORY

The Committee ordered S. 123, by voice vote, to be reported favorably without amendment on January 24, 2017. Senator Klobuchar introduced the bill on January 12, 2017. Senators Fischer, Thune, Schatz, Cornyn, and Cruz are cosponsors.

The House of Representatives passed a substantially similar version of the Act, H.R. 582, by voice vote on a motion to suspend

¹Remarks of FCC Commissioner Ajit Pai, "911 Goes to Washington Conference," March 24, 2014, at <http://apps.fcc.gov/edocs-public/attachmatch/DOC-326214A1.pdf>.

the rules on January 12, 2017. Representative Gohmert introduced the House of Representative's version of the Act on January 17, 2017. That measure has bipartisan support with 29 cosponsors.

The Act is substantially similar to legislation previously reported favorably by the Committee in 2016. In the 114th Congress, Senator Klobuchar introduced S. 2553 on February 11, 2016. S. 2553 was cosponsored by Senators Fischer, Schatz, Cornyn, Cruz, and Thune. On April 27, 2016, the Committee included a version of S. 2553 in a substitute amendment to S. 2644, the FCC Reauthorization Act, which the Committee approved as amended by voice vote.

In the House of Representatives, Representative Gohmert introduced H.R. 4167 in the 114th Congress. The bill, which had four original cosponsors, was substantially similar to S. 2553. On May 23, 2016, the House of Representatives passed H.R. 4167 on suspension by voice vote, and the bill was subsequently received by the Senate.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

S. 123—Kari's Law Act of 2017

S. 123 would require new telephone systems that have multiple lines to allow callers to access 9–1–1 services directly, without needing to dial any other numbers or codes. This requirement would apply to entities that manufacture, import, sell, lease, or install multi-line telephone systems, beginning two years after the date of enactment. Phones installed before that effective date would not have to be changed if the upgrade would require any improvement to the telephone system.

CBO estimates that implementing S. 123 would have no significant effect on federal spending for telecommunications services or regulatory activities. Pay-as-you-go procedures apply because the bill could affect direct spending by the Postal Service, federal power agencies, and federal financial regulators, as well as revenues remitted by the Federal Reserve; however, CBO estimates that any such costs would be negligible. CBO estimates that enacting S. 123 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

According to a 2016 report by the General Services Administration, federal phone systems serve about 4 million employees. Based on information from telecommunications service providers and federal agencies, CBO estimates that most of the government's multi-line phones (excluding those with national security protections) already are capable of dialing 9–1–1 services directly. Because upgrading the remaining phones would involve improvements that qualify for the exemption in S. 123, CBO expects that any costs to upgrade federal telephone systems would not be significant.

On the basis of an analysis of information from the Federal Communications Commission (FCC), CBO estimates that implementing S. 123 would increase the costs of the FCC's regulatory and enforcement programs by less than \$500,000. However, under current

law, the FCC is authorized to collect fees sufficient to offset the costs of its regulatory activities each year; therefore, CBO estimates that the net effect on discretionary spending for the FCC would be negligible, assuming appropriation actions consistent with that authority.

S. 123 contains intergovernmental and private-sector mandates, as defined in the Unfunded Mandates Reform Act (UMRA). Based on information about current industry practices and about the existing scope of similar state requirements, CBO estimates that the aggregate cost of the mandates would fall below the annual threshold established in UMRA for private-sector mandates (\$156 million in 2017, adjusted annually for inflation). CBO estimates that the intergovernmental mandate would impose no costs on state, local, or tribal governments.

The bill would impose private-sector mandates by requiring private entities responsible for manufacturing, importing, selling, leasing, or installing a multi-line telephone system (MLTS) to ensure that the system allows users to dial 9-1-1 directly without first dialing any additional digit such as “9.” In addition, entities that install such systems would have to ensure that MLTS systems provide an additional notification to a central location, either at the facility or otherwise, when a 9-1-1 call is placed if the system can be configured to do so without technical upgrades. Based on information from industry sources, most MLTS systems already are configured to meet these requirements. In addition, several states and some local governments already have laws that require direct dialing for 9-1-1 from MLTS systems. Therefore, the incremental costs associated with updating systems to meet the bill’s requirements would be small.

The bill would preempt state laws that govern the default configurations of a multi-line telephone system for 9-1-1 phone calls. Although the preemption would limit the application of state laws and regulations, CBO estimates that the mandate would impose no duty on state, local, or tribal governments that would result in additional spending or a loss of revenues.

The CBO staff contacts for this estimate are Stephen Rabent (for federal costs), Rachel Austin (for intergovernmental mandates), and Logan Smith (for the private-sector mandates). The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.

REGULATORY IMPACT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

NUMBER OF PERSONS COVERED

Persons engaged in manufacturing, importing, selling, leasing, or installing multi-line telephone systems would be covered by the bill’s requirements and subject to FCC enforcement for failing to comply with the Act.

ECONOMIC IMPACT

S. 123 was crafted to minimize undue burden on affected parties, and the cost of the bill's requirements to manufacturers, importers, sellers, lessors, and installers of multi-line telephone systems would be modest. Such costs are outweighed by the positive economic benefit derived from improved emergency communications, which would lead to more efficient public safety efforts and better protection of life and property.

PRIVACY

The reported bill is not expected to have an adverse effect on the personal privacy of any individuals.

PAPERWORK

The Committee does not anticipate an increased paperwork burden on regulated entities as a result of this legislation.

CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

This section would establish the bill's short title as the "Kari's Law Act of 2017."

Section 2. Default configuration of multi-line telephone systems for direct dialing of 9-1-1.

This section would prohibit a person engaged in the business of manufacturing, importing, selling, or leasing multi-line telephone systems from manufacturing or importing for use in the United States or from selling or leasing or offering to sell or lease in the United States a multi-line telephone system unless the system's technology provides the specified capabilities for direct access to 9-1-1 and local or designated notification.

The section also would prohibit a person engaged in the business of installing multi-line telephone systems from installing such a system unless upon installation the system allows a call that is initiated when a user dials 9-1-1 from any station equipped with dialing facilities to be transmitted to the appropriate public safety answering point without requiring the user to dial any additional digit, code, prefix, or post-fix, including any trunk-access code (such as the digit "9"); and regardless of whether the user is required to dial such a digit, code, prefix, or post-fix for other calls. The section, though, would not prohibit the configuration of a multi-line telephone system to allow access to 9-1-1 through other emergency dialing patterns, provided that the dialing pattern 9-1-1 remains available to users.

The section also would require a person engaged in the business of installing multi-line telephone systems to configure the systems so that when a person at the facility where the system is installed initiates a call to 9–1–1 using the system, the system provides a notification to a central location at the facility or to a person or organization with responsibility for safety or security for the location as designated by the manager or operator of the system. This requirement would apply when the system is able to be configured to provide such notification without an improvement.

The section would give the FCC authority to prescribe regulations to carry out the Act, and would require that such regulations, to the extent practicable, promote the purposes of the Act in a technologically neutral manner.

The section provides that the Act would be enforced under title V of the Communications Act of 1934, except that section 501 would apply only to the extent that section 501 provides for the imposition of a fine.

Neither the Act nor any regulations prescribed under the Act would prevent any State from enforcing any State law that is not inconsistent with the Act.

The Act would apply with respect to a multi-line telephone system that is manufactured, imported, offered for first sale or lease, first sold or leased, or installed after the date that is 2 years after the date of the enactment of this Act.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE VII OF THE COMMUNICATIONS ACT OF 1934

[47 U.S.C. 601 et seq.]

SEC. 721. DEFAULT CONFIGURATION OF MULTI-LINE TELEPHONE SYSTEMS FOR DIRECT DIALING OF 9-1-1.¹

(a) *DEFINITIONS.*—*In this section—*

(1) *the term “multi-line telephone system” has the meaning given the term in section 6502 of the Middle Class Tax Relief and Job Creation Act of 2012 (47 U.S.C. 1471); and*

(2) *the term “public safety answering point” has the meaning given the term in section 222(h).*

(b) *MULTI-LINE TELEPHONE SYSTEM FUNCTIONALITY.*—*A person engaged in the business of manufacturing, importing, selling, or leasing multi-line telephone systems may not manufacture or import for use in the United States or sell or lease or offer to sell or lease in the United States a multi-line telephone system unless the technology of the system has the capabilities described in subsections (c) and (e).*

(c) *MULTI-LINE TELEPHONE SYSTEM INSTALLATION.*—*A person engaged in the business of installing multi-line telephone systems serv-*

¹*This amendment would apply with respect to a multi-line telephone system that is manufactured, imported, offered for first sale or lease, first sold or leased, or installed after the date that is 2 years after the date of the enactment of this Act.*

ing locations in the United States may not install such a system in the United States unless, upon installation, the system allows a call that is initiated when a user dials 9-1-1 from any station equipped with dialing facilities to be transmitted to the appropriate public safety answering point—

(1) without requiring the user to dial any additional digit, code, prefix, or post-fix, including any trunk-access code (such as the digit 9); and

(2) regardless of whether the user is required to dial a digit, code, prefix, or post-fix described in paragraph (1) for other calls.

(d) *OTHER 9-1-1 EMERGENCY DIALING PATTERNS.*—Nothing in this section shall prohibit the configuration of a multi-line telephone system so that other 9-1-1 emergency dialing patterns will also initiate a call to a public safety answering point, provided that the dialing pattern 9-1-1 remains available to users.

(e) *ON-SITE NOTIFICATION.*—

(1) *IN GENERAL.*—A person engaged in the business of installing multi-line telephone systems serving locations in the United States, in installing a system described in paragraph (2) in the United States, shall configure the system so that when a person at the facility where the system is installed initiates a call to 9-1-1 using the system, the system provides a notification to—

(A) a central location at the facility; or

(B) a person or organization with responsibility for safety or security for the location as designated by the manager or operator of the system.

(2) *APPLICATION.*—A system described in this paragraph is a multi-line telephone system that is able to be configured to provide the notification described in paragraph (1) without any improvement to the system.

(f) *REGULATIONS.*—

(1) *AUTHORITY.*—The Commission may prescribe regulations to carry out this section.

(2) *TECHNOLOGICALLY NEUTRAL.*—Regulations prescribed under paragraph (1) shall, to the extent practicable, promote the purposes of this section in a technologically neutral manner.

(g) *ENFORCEMENT.*—This section shall be enforced under title V, except that section 501 applies only to the extent that the section provides for the imposition of a fine.

(h) *EFFECT ON STATE LAW.*—Nothing in this section or in regulations prescribed under this section shall be construed to prevent any State from enforcing any State law that is not inconsistent with this section.