T-Mobile has been overcharging Maryland customers for 911 fees, state senator says

By <u>Luke Broadwater</u> Baltimore Sun Jul 20, 2019 | 7:00 AM

A Maryland senator leading a charge to upgrade the state's 911 system said T-Mobile has been systematically overcharging families and companies. For nearly two decades, Maryland law has required phone companies collect a \$1 monthly fee per phone bill to help pay for emergency call systems.

Sen. Cheryl C. Kagan, a Montgomery County Democrat who is chairwoman of a state commission overseeing the upgrade of 911 systems, said T-Mobile has instead been charging the fee per line. She said that means the company has imposed extra fees on families, businesses and any other customers who have multiple lines on the same bill.

"The carrier T-Mobile for years has been overcharging its customers on our 911 fees," Kagan testified at a meeting of her Commission to Advance NextGen 911 in Annapolis. "T-Mobile has been inaccurately overcharging its customers for years."

A spokeswoman for T-Mobile said the law concerning 911 fees was ambiguous and the company supported recent legislation to clarify it. In fact, state law changed July 1 to <u>increase the fee and to have it apply to each line</u> in a plan. It's not clear how much Maryland customers may have overpaid for the 911 service, and T-Mobile said all 911 fees it has collected over the years were paid to the state of Maryland. Kagan estimated the excess fees runs well into

the thousands, if not millions, of dollars. As an example, Kagan presented a bill from a Glen Burnie resident who was charged \$5 a month in 911 fees, rather than \$1. Kagan said she referred the matter to the state auditor for investigation, including determining the amount of the overcharge.

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"T-Mobile follows all applicable tax laws and has always fully remitted all 9-1-1 fees collected from our customers back to the State of Maryland," the company said in a statement. "We have communicated with the State of Maryland for some time about the ambiguity of the previous law and our interpretation for how to approach it. We are pleased that new legislation provides more clarity while assuring appropriate funding for the 9-1-1 system."

Alan Brody, a spokesman for Maryland Comptroller Peter Franchot, who is in charge of state tax collection, declined to comment or release data about how much T-Mobile has paid citing legal restrictions. The comptroller cannot disclose how much an individual company has paid in taxes, Brody said. "The bottom line is for 18.5 years, they've been overcharging their customers, which is shocking," Kagan said of T-Mobile. "There are 202 providers in the state of Maryland and 201 were charging customers in compliance with the state law."

Kagan was the lead sponsor of <u>the legislation that passed this year to increase phone fees</u> to pay for major improvements to the state's 911 system. The new law increased the monthly surcharge on residents' phone bills from \$1 to \$1.25 and allows each phone line on a family plan to be charged the fee.

Revenue from the fee hike will help the state transition to Next Generation 911, an internet-based system that should improve location accuracy and eventually let callers send video and other multimedia messages to 911 dispatch centers.