

FINAL REPORT OF THE TFOPA WORKING GROUP 3

**Task Force on Optimal Public Safety
Answering Point Architecture
(TFOPA)**

**Working Group 3: Optimal Resource
Allocation**

July 27, 2015

**Chair
Working
Group 3**

**Philip Jones,
Commissioner**

**Washington
Utilities
and
Transportation
Commission**

1. STATEMENT OF ISSUES

- **911 system: 240 million calls annually.**
- **Fee structures inconsistent, complex and across multiple jurisdictions-Need more proactive approach.**
- **Deployment of Next Generation 911 is critical and fees on end use devices are not sufficient.**
- **System development delays may cause public safety risks in transition from legacy to NG911 systems.**

2. EXECUTIVE SUMMARY

- **Working Group 3 analyzed numerous previous studies on 911 fees and resource allocation issues.**
- **Reform efforts involve multiple jurisdictions and are complex with 6,000 PSAPs, 50 state governments, the District of Columbia, tribal authorities, and others.**
- **Working Group 3 recommends transition and a strong focus on implementation.**

2(A) POLICY STATEMENT

WG3 recommends this foundational guiding principle:

“911 Funding must be predictable, stable, and dedicated only for that purposed as needed. An associated 9-1-1 fee shall be assessed monthly in a competitively neutral manner on all technologies utilized to place a 9-1-1 emergency request for assistance to a PSAP through an emergency communications network. Such fee can include a traditional fee on an access line or communications device in a subscription, an amount in a pre-paid wireless plan, or going forward, on a unite of upstream bandwidth assessed on an internet access network provider.”

2(B) EFFECTIVE COORDINATION AT REGIONAL AND STATE LEVELS

- **Key functions for planning include developing optimal architecture for an entire state, minimum standards, training and workforce development.**
- **PSAPs will be “boots on the ground” operating 911 systems.**
- **State law must provide a foundation, 911 institutions must be more visible and accountable at all levels of government.**
- **Effective ways must be developed to engage key decision makers in every state: Governor, Chief Information Officer, budget office, revenue department, PUC, key legislators, committee staff responsible for emergency communications.**

2(C) DATA QUALITY AND REPORTING

- **Quality and accuracy of 911 data must be improved.**
- **Data submitted to the FCC required under Net 911 Act is deficient.**
- **State authorities must work with PSAPs in their state to improve data.**
- **Third party auditor should review data prior to Congress submission.**
- **Third party auditing is necessary at state level as 911 fee collection sources are identified (such as retailers for POS collection of prepaid wireless plans and new methods enable IP devices to connect to PSAPs.)**

2(D) COOPERATIVE FEDERALISM

- **Cooperative federalism is basis for governing 911 network transition to Next Generation 911.**
- **Authority over 911 exists at state and federal levels.**
- **911 authorities and agencies must have more substantive relationships, trust, and goals.**
- **The FCC should establish a vision for a secure and viable NG911 network.**
- **State and federal entities must increase efforts for a cooperative federalist structure.**

2(E) TRANSITION TO IP NETWORKS

- ✓ **Working Group 3 endorses the other TFOPA workgroups for Optimal PSAP architecture and Cybersecurity, endorses development of a cost effective, efficient architecture in each state for NG911 based on ESInet concepts, and measures to protect the infrastructure against cyber intrusions.**
- **Criteria should be established by a state or a regional body to include decision analysis, cost effectiveness, budgetary constraints and priorities, accountability, and a governance structure, subject to external audits and obligations.**

2(F) PSAP CONSOLIDATION

Focus on PSAP consolidation is not constructive or useful.

- 1. Cooperative federalism; state and local government authorities have primary jurisdiction over 911 services.**
- 2. PSAP consolidation does not necessarily translate into efficiencies and cost savings.**
- 3. Working Group 3 recommendations provide a constructive path respectful of state and local government and is legally sustainable.**
- 4. Consolidations are accelerating and NG911 transition will increase that acceleration in due course.**

2(G) PRIORITY FUNDING ALTERNATIVES

Five funding options were reviewed based on the principles of sustainability and technology neutrality.

1. Reliance on current 911 fund model with a network connection fee based on upstream bandwidth levels assessed through any carrier or broadband provider supplying network connection to the PSTN or public internet.

✓ This is our primary recommendation.

Adjustments are required to make it equitable, broad based, legally sustainable, and mechanism details crucial.

2(G) CONTINUED

Fund options-continued:

2. Reliance on current fund model including prepaid wireless. 14 states have not resolved 911 fee collection on prepaid wireless plans at retail “POS.”

- **36 states have resolved 911 fees on prepaid wireless. WG3 encourages non-conforming states to resolve this fund gap quickly.**
- **Referral to a Joint Board on 911 on the Network Connection Fee and alleged under-recovery.**

2(G) CONTINUED

Fund options-continued:

3. Migrate 911 funding to state USF.

- **Considered but not viable due to existing state USF requirements and ongoing review of federal USF.**

4. 911 funding into state sales and use taxes.

- **Considered but concern due to diversion of 911 fees.**

5. Incorporate 911 funding into state insurance fees.

- **Considered but concern over feasibility and the gulf between jurisdictions.**

2(H) EDUCATION AND OUTREACH

A Call To Action:

- **Education and outreach efforts should be directed toward decision makers in each state with those who do not work directly within the 911 community.**
- **Important groups include state Governors, Budget Officers, CIO's, Legislators, State Advisory Boards.**
- **FCC Bureau Public Safety and Homeland Security should lead efforts to plan outreach and education to decision makers that has a leadership, is actionable, and timely.**

3. POLICY PRINCIPLES

Next Generation 911 is a system of shared networks, databases, and applications with traditional and new 911 costs that must be funded.

- ***Sustainable, predictable, stable;***
- ***User oriented through user fees based on access capability;***
- ***Reasonable, equitable, non discriminatory;***
- ***Assessed from all access methods and types of communication services that provide capability to communication those requests;***
- ***Technology and competitively neutral;***

3. POLICY PRINCIPLES CONTINUED

Working Group 3 Principles for Funding 911

- ***Only used for their intended purpose;***
- ***Supportive of fair and equitable allocation of revenues generated to cost bearing stakeholders;***
- ***Sufficient for transitional, provisioning and ongoing operational costs;***
- ***Protected, with funds in a dedicated account outside legislative appropriations and not subject to restrictions;***
- ***Clearly identified and accountable;***
- ***Not overly complicate the intergovernmental and sharing environment they support.***

4. PREVIOUS STUDIES AND ANALYSES

- **We are grateful to the work by the National 911 Program of DOT/NHSTA, FCC, NENA, NASNA, and academic institutions for the foundation of this study.**
- **National 911 Program, NENA, NASNA, iCERT research, Eastern Carolina University, and sampling of jurisdictions have been especially instructive to the deliberations of Working Group 3.**
- **Working Group 3 referred extensively to the “Net 911 Reports” drafted by FCC PSHSB staff and submitted yearly to Congress.**
- **This study focused on implementation and recommendation execution and directed at decision-makers and policymakers.**

5. “DIVERSION OF FUNDING”

- **Working Group 3 believes diversions must be challenged and addressed on a state-by-state basis with the entirety of recommendations in this Report.**
- **This is a partnership between federal, state, and local governments in maintaining the existing system, while transitioning to an IP-enabled system.**
- **There should be transparency regarding decisions Legislators and officials make on priorities among projects in a difficult budget environment.**

6. POTENTIAL ROLE OF FEDERAL GRANTS

The role of federal government agencies is vital to create a national vision of an Next Generation 911 system, addressing the seams issues that are interstate and providing regulatory oversight.

There are potential grant funding roles for certain federal agencies:

- **National 911 Program (NHSTA/DOT)**
- **RUS/USDA**
- **DOJ**
- **FCC: a) broadcast spectrum auction and b) USF/CAF**

7. EFFECTIVE STATEWIDE PLANNING AND COORDINATION

Authorities need to focus on the following “Best Practices”

- Long term planning to support NG911 deployments;
- Establish minimum system standards for the entire state;
- Develop optimal architecture for the state based on ESInet concepts and recommendations of Working Group 2;
- Use the concept of shared services among primary and secondary PSAPs in the state;
- Develop consistent programs for workforce development and training throughout the state;
- Ensure PSAPs and regional bodies develop governance and accountability within each state.

8. PRIORITY FUNDING ALTERNATIVES

a. Network Connection Fee

Evading 911 Fee Obligations:

911 fee reforms must be implemented in response to the changing structure of telecommunications services and markets, to make 911 fee programs sustainable.

b. Foundation for an equitable 911 fee-three factors:

- 1) 911 Fees on the network connection over which communications services are provided will capture fees from all users on similar terms,**
- 2) impose 911 fees on the network connection creates an equal, competitively neutral market conditions and**
- 3) a network connection fee imposes equal terms and conditions on all network service providers and satisfies the principle technological and competitive neutrality.**

8. PRIORITY FUNDING ALTERNATIVES CONTINUED

c. Details of a capacity-sensitive fee

- 1. Assess 911 fee per derived VoIP connection,**
- 2. adopt presumed number of VoIP connections per 1 MGps of upstream bandwidth,**
- 3. conduct a study of the average size of households in the state and assess 911 fees for upstream bandwidths based on persons accessing services, and**
- 4. for commercial users, 911 fees applied using a portion of the bandwidth for purposes other than VoIP.**

d. Potential path forward for prepaid wireless plans

The majority of states require POS 911 fee collection, remittance to the department of revenue but is reported as falling short with enforcement actions exceeding benefits.

8(D) I, II, III, IV POTENTIAL PATH FORWARD FOR PREPAID WIRELESS PLANS

I. Background

II. Short term solution

III. Longer term solution

IV. Alleged under-recovery of Prepaid Wireless Plan Fees

9. EDUCATION AND OUTREACH

- **The 911 community needs to adopt a systematic and disciplined approach to decision makers and policy makers that decide public policies and state budgets.**
- **This Report and recommendation should be viewed within the complex environment of state laws, practices, and budget making policies in each state Legislature and governor office.**
- **The creation of a Joint Board on 911 is an important element of such an effort.**

10. JOINT FEDERAL STATE BOARD ON 911

- **Working Group 3 strongly believes creation of a Federal-State-Local Government “Joint Board on 911” is essential to carrying out recommendations in this Report.**
- **The creation of a mechanism between the Commission, led by the PSHS Bureau, representatives of NASNA, NARUC, and APCO is long overdue.**
- **This Report is a call to action for the 911 community, decision makers and policy makers in states and counties.**
- **A “Joint Board on 911” will provide a means government officials can communicate in a productive way on maintaining the legacy 911 systems, while accelerating the transition to NG911.**

THANK YOU

Commissioner Philip B. Jones

**Washington Utilities
and
Transportation Commission**

**pjones@utc.wa.gov
360.664.1169**