

# **OPTIONS FOR SUSTAINABLE 911 FEE**

## **WORKING GROUP 3**

**FCC Task Force  
on**

**Optimal Public Safety Answering Point Architecture**

**April 29, 2015 “TFOPA” FCC Meeting  
Washington D.C.**

**Presentation**

**Chair  
Working  
Group 3**

**Commissioner  
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**Washington  
Utilities  
and  
Transportation  
Commission**

# ***1. OVERALL***

- Principles of cooperative federalism should apply, especially in 911 where states/local governments retain primary jurisdiction
- NG911 deployment will be uneven across jurisdictions – we should not expect perfect, consistent deployments with similar timetables
- Federal role is key and should focus on the overall vision, assisting with inter-jurisdictional seams issues, cybersecurity, transparency, and creating federal incentives to state/local governments with conditions
- A series of best practices is the optimal approach
- Previous studies are good and useful, but have lacked a real-world focus and implementation issues
- Education and outreach efforts will be critical to key constituencies – Governors, State Legislators, Cities, Counties, Law Enforcement and First Responders
- Generally, we prefer a “bolder” approach that is technology-neutral, but tries to stay ahead of the curve with new technology adoption.

## ***2. POLICY STATEMENT***

- **911 Funding must be predictable, stable, and dedicated only for that purpose as needed. An associated 9-1-1 fee shall be assessed monthly, per device or service, in a competitively neutral manner on all technologies utilized to place a 9-1-1 emergency request for assistance to a public safety answering point through an emergency communications network.**

## ***3. PREVIOUS STUDIES AND ANALYSES***

- Focus should be building on the work of previous studies, not “re-inventing the wheel”;
- Many of these studies are useful and analytical, and point out many flaws in the complexity and shortcoming of the existing funding models;
- Lacking in some are a focus on implementation and a pragmatic approach of how to “move the ball forward”, recognizing jurisdictional and political realities;
- We will offer more specific critiques of certain aspects of these studies as we delve more in to them, as appropriate.

## ***4. PRINCIPLES OF A SUSTAINABLE, BROADLY BASED FUNDING MODEL***

- Sustainable – should not be based on declining revenue, or end-user devices that are declining in popularity;
- Diversity – should not be based on a single source of revenue stream, whether it be state, city, county, or federal grant. Should have multiple legs;
- Long-term focus – PSAP's and statewide authorities need to plan strategically and for budgets on a multi-year basis, in the 10-15 year range. Fee model should reflect this;
- Transparency – both on the collection and expenditure side, the PSAPs, state 911 authorities need to be transparent about funding, including 3<sup>rd</sup> party audits;
- Technology-neutral – should be neutral among wireline, wireless, cable-VOIP, OTT with voice on broadband network, and also among devices to connect to networks;
- Forward-looking: should not be looking backwards at older or existing devices or technologies; instead, look forward and anticipate.

## ***5. DIVERSION STATES***

- Efforts to determine the reasons behind these diversions (i.e., with Legislatures, Governors or authorities) of 911 funds to other purposes have not been successful.
- 7 states were listed in the December, 2014 Net 911 Report. Each state has different laws, rules, legislative practices, and budgeting processes, which make a consistent explanation difficult;
- Moreover, the “diversion state” approach is probably overly simplistic, and the challenges are deeper and more complex, due to the sweeping of unused balances and other budget techniques by Legislatures;

## ***5. DIVERSION STATES-CONTINUED***

- **Highlighting the diversion states is probably not a constructive approach, just as the words “PSAP Consolidation” is not a useful way to start a conversation;**
- **Each state, through negotiations between Governors and key Legislative Committees, has to balance its operating budget, as well as pass a capital budget – States don’t have the authority to “print money” through deficit financing (as opposed to the Federal Government and the long-standing practice of deficit financing, ranging from 3% to 11% of national GDP).**

## ***5. DIVERSION STATES-CONTINUED***

- Therefore, difficult trade-offs are required and are constantly being made, and the PSAP's, statewide 911 authorities, and PUC's are not usually at the table;
- But highlighting these diversions is part of the process of transparency, and necessary;
- Continued vigilance and outreach and education to the key decision-makers are key going forward.



## ***6. NET 911 REPORT OF FCC***

- Again, transparency is an important goal, and needs to be ensured as we move toward a broader, more sustainable funding model;
- Questions have been raised about the reliability of the data and analyses, provided to the FCC, in these reports, including the most recent December, 2014 Report to Congress;
- Who collects the data in each state, or 6,000 plus PSAP's? Or the 50 states? Who is responsible for ensuring its accuracy?
- There is no 3<sup>rd</sup> party auditing of the data and the analysis – most Members agree this is not a good regulatory or governance practice
- One preliminary thought is that the FCC should hire a 3<sup>rd</sup> party auditing firm, familiar with the telecommunications industry, to audit the data submitted;
- Another preliminary thought is that FCC should establish an Advisory Committee, consisting of PUC, NASNA, or PSAPs along with the Bureau staff, to work through these issues and ensure greater accuracy before submitting reports to Congress.

# ***7. TRAINING AND CAPABILITY BUILDING OF PSAP STAFF***

- States and PSAP's deal with the training issues differently. Some local governments fund such training out of general operating budgets, while some fund out of the 911 fees that are collected;
- Some states have "Telecommunicators" training and certification (TX), and some have Public Safety Academies (OR);
- All agree that the technical requirements of a fully functional NG911 system are going to be different for the call takers and dispatchers in 911. This will require more training, and perhaps more funding;
- Most members think that striving for a national set of standards, for a common curriculum type approach, is not a good idea;
- But a preliminary thought is that we should endorse the idea of minimum standards that would apply across all states and jurisdictions, and the funding associated with that.

## ***8. PRIORITY FUNDING MODELS***

- This is still a work in progress, and Members have had good discussion to date of the pros and cons of the various funding models;
- We have not had much specific feedback from WG's 1 and 2 (cyber and architecture) in terms of the budget impacts of their preliminary thinking. This needs to happen in the next 2-3 months;
- We need to examine previous studies on this subject, including those from NENA, i-CERT, and the PSHS Bureau Study done in a 9-2011 White Paper on funding needs;
- We are re-assessing the Findings of the Blue Ribbon Panel on 911 Funding to the National 911 Program in December, 2013, part of NHSTA/DOT;
- Our primary source document to review, to date, has been the DRAFT report of the NASNA White Paper (not publicly released yet). They considered potential funding models, and narrowed their focus to 5 Priority funding models.
- Most members agree that, due to the scope of this Task Force and limited staff resources and short timeframe, it would be best to limit our detailed review to the Priority Funding models identified in the NASNA draft report.

# ***8. PRIORITY FUNDING MODELS -CONTINUED***

- Of the 5 priority funding models, our preliminary thinking of the ranking (based on various pros and cons of each model, and the desire to be “bold”) is as follows:
  - Highest priority: Current model with Internet Access Fee Dedicated for 911 (call this the Alabama model);
  - Next: Current model with all of Prepaid Wireless included (most states have resolved these issues through legislation, or state Courts);
  - Next: State Universal Service Fund Assessment (for the 20-plus states with such fees; with possible change in federal USF this fall);
  - Next: Sales and Use tax (45 states have such a tax);
  - Next: Insurance Fee (either health, property related to fire).

***THANK YOU***

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