

**Pennsylvania House of Representatives
Veterans Affairs and Emergency Preparedness Committee**

**Testimony of
The Keystone Chapter of the National Emergency Number
Association (Keystone NENA) and
The Pennsylvania Chapter of the Association of
Communications Officials (PA APCO)**

Tim Baldwin

**Title 35, Chapter 53, 911 Emergency Telephone Act
January 8, 2014**

Chairman Barrar, Chairman Sainato (other members of committee present), I am Timothy Baldwin, Deputy Director of the Lancaster County-Wide Communications 9-1-1 PSAP and a Past President of the Keystone Chapter of the Emergency National Number Association (State-wide 9-1-1 Association).

On behalf of our membership and the Pennsylvania Chapter of the Association of Communications Officials (PA APCO), I want to thank you for holding this hearing and asking our associations to present testimony today.

As we have previously testified, we believe that providing 9-1-1 emergency services is one of the critical core functions of county government.

It has been over 35 years since the first wireline 9-1-1 call in the United States was made and over 22 years since the initial 9-1-1 legislation was passed in Pennsylvania. Since that time telephony service has evolved to include cellular (wireless), voice over internet protocol (VoIP), satellite and now Next Generation 911 Services (NG911).

While attempts have been made to revise the original 911 legislation in Pennsylvania, ACT 78 (now Title 35, Chapter 53), to address these new technologies, it has not been fully accomplished. The surcharge amount for wireline has not changed since the original legislation was passed in 1990 (over 22 years ago) and as everyone here knows wireline revenues continue to significantly decrease each year. Wireless legislation was enacted to provide for a \$1.00 per line surcharge but this is less than the \$1.25 or \$1.50 that 3rd through 8th class counties may charge for wireline phones. The VoIP surcharge is also \$1.00 per line.

To put this into perspective, the Senate Legislative Budget and Finance Committee (LB&FC) report stated the \$1.00 wireline surcharge from 1992 should now be \$1.72. This makes the \$1.25 wireline surcharge for 3rd through 5th class counties now worth \$2.15 and the \$1.50 wireline surcharge for 6th through 8th class counties now worth \$2.58.

Additionally, each and every time a citizen or business switches from a land line phone to a voice over internet protocol (VoIP) or wireless phone, a 3rd through 8th class county's revenue is further reduced in addition to inflationary factor that I spoke about previously. These surcharges are almost always implemented after the technology has begun interfacing with the 911 system. 911 centers are constantly playing "catch up".

Three examples of the funding crises counties are facing are:

Chester County

2012 Total Expenses:	\$14,405,594.00
2012 Total 911 Surcharge Revenue:	\$7,039,503.00
Total Deficit:	\$(7,366,091.00)

Erie County

2012 Total Expenses:	\$5,507,174.43
2012 Total 911 Surcharge Revenue:	\$3,335,850.32
Total Deficit:	\$(2,171,324.11)

Mifflin County

2012 Total Expenses:	\$1,184,842.99
2012 Total 911 Surcharge Revenue:	\$ 712,049.43
Total Deficit:	\$ (472,793.56)

Counties are using general fund monies to balance their 911 budgets and have no additional funds available to implement Next Generation 911 or successor technologies.

To further complicate the issue, wireline and wireless surcharges have different rules and regulations determining what the surcharges can actually be used for, who collects it, and how and when it is distributed to the counties.

What has been created is a system of “silos” for 911 funding in Pennsylvania. Separate funding sources and separate rules and regulations for separate technology. This system of funding 911 centers is not only fundamentally inefficient but is fundamentally broken. We are running 21st century 911

centers on 20th century funding. Approved wireless funding requests from Pennsylvania counties for wireless fiscal year 2013/2014 were \$238,620,025.14, while wireless fund revenues were \$116,481,339.92, creating a funding shortage of \$122,138,685.22. PEMA has taken steps to address this issue by including “life cycles” for equipment purchases. If a county requests funding for a piece of equipment, they cannot request funding for that same piece of equipment again until it has run its “life cycle” (example, 911 phone systems have a 5 to 7 year life cycle). With APCO’s, CCAP’s, NENA’s and PEMA’s support ACT 9 was enacted to eliminate the rollover of unpaid cost that would have functionally bankrupted the wireless fund in FY 2014/2015.

The Senate Legislative Budget and Finance Committee (LB&FC) studied the issue and released their report on May 23, 2012. APCO, CCAP, NENA and PEMA all met with the LB&FC to discuss ways to address the fundamental funding and operational issues facing 911 centers in Pennsylvania. So, what do we do? What are counties doing today? What about regionalization of technology? What about consolidation?

Regionalization of Technology

Our previous testimony discussed regionalization of technology projects that are taking place in Pennsylvania today. Simply put, it is counties sharing technology, including the capital and annual maintenance cost. Two projects are taking place today, one in northern tier of Pennsylvania involving 10 counties and the WestCore project in western Pennsylvania involving up to 13 counties.

While the IP networks for the Northern Tier and WestCore projects are initially designed for the Regional NG911 Telecommunications projects, these systems are also capable of providing transport and connectivity for systems including but not limited to, Computer Aided Dispatch, Graphical Information Systems, Radio, Emergency Management functions and being part of a State-wide ESInet (Emergency Services IP Network), which is already built in the Northern Tier and WestCore counties and will continue to be built as other regional projects develop. The State-wide ESInet can be built through a regional approach. This network will allow for the regionalization of these and future technologies, saving money and increasing redundancy in a counties network and operations.

The initial northern tier telecommunications project is now completed and there was a total capital saving of over two million, two hundred and eight thousand dollars (\$2,208,000.00) and a yearly maintenance savings cost of over two hundred and ninety-nine thousand dollars (\$299,000.00). While the total Northern Tier project is a great savings, it is less than two percent (2%) of the total annual wireless revenue for wireless fiscal year 2013/2014 and less than one percent (1%) of the total 911 surcharge revenue collected in calendar year 2012.

The Northern Tier Regional NG911 Telecommunications and WestCore projects are a prime example of counties and regions migrating from the individual silo model to working together to create a regional network and improving technology and operations while saving cost.

Incentivizing projects such as these with a higher percentage of funding is one way to promote them. An example would be, if two counties agree to share technology, the project could be funded at 75%, if three or more counties agree to share technology, the project could be funded at 100%, as long as it is a cost saving project.

A small percentage of 911 surcharge revenues could be allocated through PEMA to encourage these projects with the additional funding I just spoke about.

Note: Under the current funding model, there is very little funding available to incentivize projects.

Consolidation

Pennsylvania already has a consolidated 911 system, with approximately one PSAP per county.

With this said, voluntary consolidation, not mandatory consolidation is one option. Examples of this today are Cameron County and Elk County and Potter County and Tioga County. Each of the 8th class counties contracts with their neighboring 6th class county for 911 call taking and dispatching services.

While consolidation seems like a quick solution to saving money, this important decision needs to be made at the County level after a detailed needs assessment is completed. Many factors need to be considered when contemplating consolidation, including connectivity and integration of technologies.

Service levels must be addressed, including governance, standard operating procedures, staffing levels, etc.

Once these and other items are identified, a cost benefit analysis can be completed to determine what the initial capital outlay will be for the consolidating counties, as well as the annual cost of running a consolidated center.

We believe that regionalization of technology projects will, in the long run, lead to voluntary consolidation (once you prove that you can share technology across borders, it will ease the transition to consolidation).

Two Important Notes:

While technology is important, all the technology in the world will not help if 911 Centers don't have a qualified person to answer the call. Sometimes this is missed when discussing 911.

Also, there are still "remote dispatch points" in Pennsylvania that do not fully participate in some County's 911 systems. These may be a police department, EMS service, or fire department, etc. It is imperative that these remote dispatch points meet the same training, certification and quality assurance standards that each and every 911 Center in

Pennsylvania meets each and every day. To ensure these remote dispatch points meet these standards, PEMA should be granted oversight responsibilities for them, just like the currently have for Pennsylvania's 911 Centers.

But even with regionalization of technology and voluntary consolidations, Pennsylvania's 911 system is still systematically broken and must be fixed with this re-write of the 911 legislation. Items that are addressed in this new legislation include:

- A single, equal surcharge of **\$1.75** on all technology (current and future) that can access the 911 system. The surcharge needs cover the true cost of 911 in Pennsylvania (911 Centers not only answer and dispatch 911 calls, they have significant other duties and responsibilities)
- A clear, concise set of rules and regulations that are technology agnostic
- A clear, concise collection and **a to be developed** distribution method for 911 surcharge revenues
- A funding cycle that is based on a County's fiscal year, not the State fiscal year

- A strong audit component to ensure funds are spent only for eligible items and to ensure all 911 revenues are collected
- A small percentage of the 911 surcharge allocated through PEMA to counties to incentivize voluntary regionalization of technology and voluntary consolidation
- A streamlined reporting process
- A team approach where PEMA, in consultation with the counties, APCO, NENA and the 911 advisory committee recommends operational and technology standards for PSAP's (who knows 911 better than the County 911 Centers and the people who set the national standards)
- A team approach where PEMA, in consultation with the counties, APCO, NENA and the 911 advisory committee implements the new rules and regulations associated with any new legislation (again, who knows 911 better than the County 911 Centers and the people who set national standards)
- A stronger 911 advisory board who can provide subject matter expertise to PEMA on current and future operational and technology standards.

APCO, CCAP, NENA and the carriers have met multiple times over the last 6 months to discuss these issues and to come to an agreement on the legislation in front of you today. The draft bill has been sent to PEMA for review and comment. The only issues that need agreement are the final 911 surcharge amount and the final funding distribution model. We look forward to working with the committee and the carriers to finalize these two open items.

While the 911 system may be in crisis mode, it is still salvageable. The Pennsylvania Chapters of APCO and NENA stand ready to assist the legislature and PEMA with solving this crisis.

I would be happy to address any questions you may have.