

Position Paper regarding the replacement of the current 9-1-1 Surcharges across New York State with a single 5% Universal Communications Surcharge (UCS)

History

The Wireless Communications and Public Safety Act of 1999 directed the Federal Communications Commission “to make 9-1-1 the universal emergency number for all telephone services”.

In New York State, funding for 9-1-1 Centers and E-9-1-1 Systems is obtained primarily through the collection of the 35-cent per line access charge on all hard-line telephones. This money is earmarked for the development, deployment and maintenance of 9-1-1 in each County. After the systems were operational, counties took various paths to continue using the surcharge monies within the restrictions placed upon its use. The primary use of the surcharge monies is to pay the recurring telephone use and lease costs, and to offset the maintenance and upgrade of the hardware, software and communications lines.

In 1992, New York State enacted a monthly wireless 9-1-1 surcharge of 70 cents per cellular telephone, per month. This funding was directed to the New York State Division of State Police for the purpose of financing a system to handle wireless 9-1-1 calls that were being generated from cellular telephones. The vast majority of these funds were never used for 9-1-1 system development. In 2002, Section 309 of the County Law was amended and this surcharge was increased to \$1.20 per telephone per month. Since collecting wireless surcharge monies began, a total of \$20 million was allocated to the counties in 2002, and subsequent allocations have been reduced to \$10 million each year since, which is shared by the counties that have been designated to receive wireless calls at their PSAP.

Additionally, a \$100 million grant program has been established to expedite deployment of wireless location technology, and was awarded to local PSAP’s based on compliance with standards established by the New York State Wireless 9-1-1 Board. However, these funds are separate from the monies already collected, and the debt service for this funding is to be repaid with monies from the wireless surcharge fund.

Next Generation 9-1-1 (NG 9-1-1) Concepts

With this push to migrate to the deployment of wireless technology, a new and imming concept has developed. NG 9-1-1 promises to be as challenging as the previous step in technology in its development, implementation and required funding.

NG 9-1-1 is based on an Internet Protocol (IP) based Emergency Services Inter-network (ESINet) capable of supporting not only 9-1-1 delivery but also a multitude of additional Public Safety and Emergency Services communications needs.

See: http://nena.org/media/files/ng_final_copy_lo-rez.pdf for additional information on this concept.

The following position considers the existing funding structure, provisions for existing and future technology, and develops a viable funding stream for local PSAP’s to ensure the continuation of delivery of these calls for service.

Position

A 5% UCS would be collected on all communications technology that has the ability to access 911 Services. This would include all Wire-line and Wire-less Telephony, Internet Access, Cable and Satellite Communications and Entertainment Services.

Funds Distribution

It is anticipated that a 5% UCS will significantly increase funding in New York State and is estimated to reach \$ 600 million dollars per year. These anticipated funds should be distributed in the following manner:

General Fund

The General Fund currently receives approximately \$100 million from the Wireless 9-1-1 Surcharge. It is reasonable to expect that the state incurs expenses associated with communications regulation and it is reasonable to expect some of the 5% UCS to support these expenses through the General Fund. Additionally, the 5% UCS does not eliminate any other taxes and/or fees so those funds remain available to the General Fund.

The New York State Chapter on NENA proposes a continuance in receiving \$100 million dollars per year.

ESINet and Statewide Wireless Network (SWN)

A significant portion of current Wireless E9-1-1 Surcharge money is allocated for the development of the SWN. Current estimates are \$100 million dollars.

The New York State Chapter of NENA believes that fundamental to the NG 9-1-1 concept is a changing role of federal state and local governments whereby the state would assume the responsibility for operation of the ESINet and for the delivery of 9-1-1 calls for service while local PSAPs retain responsibility for local data maintenance and delivery of emergency services.

In an NG environment, the ESINet provides much of the infrastructure required for SWN. This infrastructure will be shared and used for 9-1-1 call delivery as well as additional Emergency Services communications and data needs. If the state undertakes construction and operation of this infrastructure, the ESINet, then it also relieves the individual PSAPs of significant expense in call and data delivery (currently 30% - 50% of PSAP expenditures).

The New York State Chapter on NENA proposes an increase to \$150 million dollars per year.

State Police

The State Police currently receive \$25.5 million from the Wireless E9-1-1 Surcharge. **The New York State Chapter on NENA proposes an increase to \$40 million dollars per year.**

9-1-1 Funding

For purposes of this document, there remains approximately \$300 million for 9-1-1 funding. Given that, under this proposal, the state undertakes operation of the ESINet as well as 9-1-1 call delivery, this level of funding should represent a significant real funding increase for 9-1-1 operations.

Under this proposal, 9-1-1 funding would be distributed on a “Rule of Thirds” whereby one third of funding (\$100 million in this example) is distributed based on population served by the PSAP, one third is distributed based on actual area served (providing adequate funding for some of the more sparsely populated areas of the state), and one third distributed on the basis of actual call volume (this is made possible by an NG distribution system and provides some parity for areas with significant transient populations such as special events and seasonal residents).

Summary

Under a 5% UCS, an NG 9-1-1 solution is advanced, resulting in improved Public Safety for all residents of the state. Additionally, new technologies are deployed more quickly and easily, particularly at the PSAP level, and overall operating costs are significantly reduced. Additionally, by redefining what is currently a “Wireless 9-1-1 Surcharge” to become a “Universal Communications Surcharge”, not specifically defined as “9-1-1 funding” the state is no longer viewed as “raiding” 9-1-1 funds and becomes eligible for federal NG infrastructure funding if it becomes available under the Enhance 9-1-1 Act or other federal initiatives.

The basic concept outlined here is a culmination of efforts from members of the Legislative Issues Committee, New York State Chapter NENA, Mr. Guy Roe, Technical advisor and past member of our organization (deceased), and Mr. Patrick Halley, Government Affairs Advisor, NENA National