Sustaining 9-1-1 Program During Revenue Shortfall

October 17, 2018
The Problem

1. Meet statutory requirements
   - Sustain 9-1-1 program
   - Implement Next Gen 9-1-1

2. Update revenue model

Address the revenue shortfall

   - Revenue shortfall requires limiting 9-1-1 sustainment and delays NG 9-1-1 implementation

Urgent need for legislative action

Discussion and Questions
Today’s 9-1-1 system

Next Gen 9-1-1 overcomes today’s limitations

Improving the 9-1-1 system requires immediate legislative action
Legislative Mandates for 9-1-1 Program

- Cal OES must design and implement Next Gen 9-1-1
  Warren Act (Gov. Code 53121, amended in 2015)
- Cal OES must maximize the efficiency of 9-1-1 system
  Public Safety Act (Gov. Code 8592.9, amended in 2017)

Cal OES is prepared to execute

Existing SETNA funding model does not provide revenue needed to maintain 9-1-1 or implement Next Gen 9-1-1
What happened with AB 1836 & SB 870?

Members concerned about:

- Fee increase when General Fund has surplus
- How the rate is set each year
- Role of various communication systems
  (Next Gen 9-1-1, Land Mobile Radio, Computer Aided Dispatch, Alert and Warning)
- Successful execution of Next Generation 9-1-1 plan versus confusion regarding information technology project delays
2017 9-1-1 Call Statistics

Total 9-1-1 Calls 28,129,927

- 80% Wireless **Wireless is bulk of calls**
- 15% Wireline **Wireline pays bulk of the bills**
- 4% Voice over IP
- 1% Other to include Telematics
- ~ 18,200 Text Messages

Millions rely on 9-1-1 each year
Our existing 9-1-1 network

9-1-1 **Network** Outages:

- An average of 15 outages per month
- An average of 255 hours per month

➢ Someone who needed help might not have been able to reach 9-1-1

**Next Gen 9-1-1 will dramatically reduce these outages**
Our Existing 9-1-1 Location Information

Automatic Number Information and Automatic Location Information (ANI/ALI) outages

- An average of 20 outages per month
- An average of 219 hours per month where location data was not available
- About 50% of all 9-1-1 calls arrive without location information
- When location information is not available, valuable time is lost asking where the 9-1-1 caller is located

Next Gen 9-1-1 increases location accuracy
Overcoming 9-1-1 system limitations

The effect of increased natural disasters on 9-1-1

- Limitations of current 9-1-1 system
- Limitations of Alternate Answer
- Expectations and needs exceed legacy 9-1-1 capabilities

What is the cause of today’s 9-1-1 outages

- Aging infrastructure
- Lack of redundancy
- Inability to monitor current 9-1-1 network

Next Gen 9-1-1 solves these limitations
Connecting the Technology

- **Landline 9-1-1**
- **Wireless 9-1-1**
- **Voice over IP 9-1-1**
- **Text to 9-1-1**

**Next Generation 9-1-1**

**FirstNet / Broadband Services**

**Emergency Responders**

**Public Safety Answering Point**

**Local Authority**

**CPE**

**CAD**

**Radio**

**VoIP Service Provider**

**Alerts and Warnings**

**Broadcast Message**

**CPE** – Customer Premise Equipment used to answer 9-1-1 calls
**CAD** – Computer Aided Dispatch used to dispatch emergency responders
**LMR** – Land Mobile Radio used for mission critical voice communications
Why Next Gen 9-1-1 Continues to be Important

Overcomes limitations with today’s network

- Network Reliability
- Location Accuracy
- Network Monitoring
- Technology Integration

Cal OES has been mandated to implement Next Gen 9-1-1: Senate Bill 1211 (2014)

- Faster call delivery
- Increased reliability and redundancy
- Increased routing accuracy and capability
  - Wildfires and Oroville Dam as examples
- Reduces call delays and unanswered calls

*California expects a 9-1-1 system that uses current technology*
Today’s Revenue Model

The current revenue **can** support

- Most existing 9-1-1 system sustainment activities for FY 2018-19

The current revenue **cannot** support

- Statewide Next Gen 9-1-1 Implementation
- Sustaining 9-1-1 in FY 2019-20, direct impact to PSAPs

**Cal OES will continue to incur shortfall of tens of millions in FY 2019-20 and beyond**
What is the plan moving forward?

- Execute existing 9-1-1 program mandates
- Update revenue model through legislative action in early 2019
- Coordinated effort among all stakeholders to restructure 9-1-1 SETNA funding model for FY 2019-20
- “9-1-1 Goes to Sacramento” Event

*Imagine a day without 9-1-1:*

77,000 calls go unanswered
Why not use General Fund or a one-time funding increase?

- Does not solve long term funding needs
  - Annual shortfall is over $30 million and growing dramatically
- 9-1-1 is not a one-time infrastructure purchase
- 9-1-1 is an ongoing service requiring dedicated revenue source
- Would prohibit a multi-year procurement
  - Standard procurement process for every 9-1-1 contract
- Subject to cuts in lean budget years (2008)
How will the access line surcharge be set?

- Dept. of Finance reviews and approves revenue need based on budget projections
- Governor's Budget proposes appropriation for 9-1-1
- Senate & Assembly approve Governor’s Budget
- Cal OES recommends surcharge to CDTFA based on number of access lines reported by carriers to generate revenue approved in Governor’s Budget

Cal OES has demonstrated fiscal responsibility for 9-1-1 program

*This is not a blank check*
Proven performance of 9-1-1 Branch

- CA 9-1-1 Branch has implemented every 9-1-1 project on time and within budget since the 1980s
- California’s per call cost of 9-1-1 is one of the lowest in the nation
- Surcharge was at minimum allowable rate for decades
- Cal OES has developed a Next Gen 9-1-1 plan that meets today’s technology needs
- California has led the nation in 9-1-1 technology implementation – until Next Gen 9-1-1

Smartphones have changed 9-1-1
California must implement Next Gen 9-1-1
What do we need from 9-1-1 Advisory Board?

Convey a sense of urgency and importance to:

- Members of Legislature, City Councils, and County Board of Supervisors
- Public Safety Stakeholders and Associations
- Community Groups

What have we not considered?
Archaic 9-1-1 system contributes to 9-1-1 outages
Outdated 9-1-1 system limits location accuracy
Obsolete 9-1-1 system causes delay in response time
Current revenue is spent on failing infrastructure
Antiquated 9-1-1 system hinders technology integration
California’s Responsibility

- Provide sustainable funding
- Advance technology integration
- Implement Next Gen 9-1-1
- Reliable and resilient 9-1-1 will save lives

Let’s do the right thing for California
Questions?