

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Staff Presentation Worksheet

Presentation Date: January 26, 2010 Time: 10:00 Length: 15 minutes

Presentation Title: 9-1-1 Funding Update

Department: Clackamas County Communications

Presenters: Mark Spross, Bob Cozzie

POLICY QUESTION

No policy question being submitted. This is information only for consideration in discussions with legislators and policy makers in regards to 9-1-1 funding and potential for diverting dedicated 9-1-1 taxes away from local jurisdictions.

ISSUE & BACKGROUND

In the last state biennium, the legislators diverted \$3,112,497.00 out of the 9-1-1 enhanced account and \$500,000 out of the 9-1-1 equipment replacement account to help balance the state budget. These funds are used for items such as telephone systems and infrastructure, 9-1-1 circuits (the actual 9-1-1 line), and equipment needed to maintain the 9-1-1 system throughout the state. The state 9-1-1 program spends approximately \$10-15 million annually to fund basic day to day operations for 9-1-1 centers (approximately \$346,000 is paid annually for Clackamas County). The \$3.6 million that was swept from the 9-1-1 accounts was to be used for new phone equipment in 9-1-1 centers and to begin work expanding the state infrastructure to handle Next Generation 9-1-1, commonly referred to as NextGen 911. This infrastructure is needed to allow 9-1-1 centers the ability to accept text messaging and possibly video files, for example, as is beginning to occur in other parts of the country.

ISSUES --

- The State 9-1-1 program is authorized by ORS to keep up to 4% of the 9-1-1 tax to fund administrative operations. This is not an issue and the State has not used the full 4% for the needed administrative efforts. A concern raised by the League of Oregon Cities (LOC) is how the Oregon Military Department, which oversees the State 9-1-1 program under Oregon Emergency Management, is funding positions out of the 9-1-1 program which are not associated with 9-1-1 (See attached "9-1-1 Funded Positions"). The amount spent on positions not related to the 9-1-1 program is small compared to the entire budget but concerning since this money could be sent back to the local 9-1-1 centers for operations.
- The Legislative Fiscal Office (LFO) has ordered State agencies to identify funds that could be swept to balance the current biennium budget. LFO has targeted \$6,859,330 from the 9-1-1 accounts. This amount comes directly out of the

distribution to 9-1-1 centers which are used to pay for personnel and some equipment. Since the previous sweep was from accounts paid on behalf of local 9-1-1 centers there was not a direct immediate impact on local budgets. If this next sweep were to occur this would directly impact local budgets, including C-COM.

Legislators are waiting to see the results of ballot measures 66 and 67. If these measures do not pass then it is very possible that the \$6.8 million will be taken from the 9-1-1 program. If this occurs not only is there the potential of impact to the C-COM operating budget, but future collections of the 9-1-1 tax due to the Federal 2008 New and Emergency Technologies 9-1-1 Improvement Act (NET 911 Act). This federal act prohibits states from collecting 9-1-1 cellular taxes if they divert 9-1-1 funds for purposes other than 9-1-1 operations.

The current "other fund" sweep proposals presented by the Senate Republican Office do not show a raid of the 9-1-1 account. It is unknown if the Democrats will take the same approach and have yet to submit a plan to balance the projected \$733 million deficit if measures 66 & 67 do not pass.

Other Issues:

- Increase to the 9-1-1 Tax – Current discussion in the legislation include increase to the 9-1-1 tax (currently set at \$.75 per access line) along with specific authorization and formulas to collect tax from pre-paid phones (such as TRAC Phones).
- Consolidation Task Force – Legislators continue discussions on either providing incentives or legislatively mandating consolidation among Oregon's 50 Public Service Answering Points (PSAP's). SB5536 says "The Military Department will conduct a study of the relative merits of Public Service Answering Point (PSAP) throughout the state with the intent of reducing redundancy with the intent of creating a more cost effective delivery system. The Department is to report to the 2010 special legislative session".

QUESTION(S) PRESENTED FOR CONSIDERATION

This is informational for future discussions with groups like the Association of Oregon Counties or discussions with the county lobbyist or our representatives. If the legislation submits bills to sweep the 9-1-1 accounts it will be beneficial to engage groups like the AOC, LOC, etc to prevent this from occurring.

OPTIONS AVAILABLE

At this time there are no proposals for options to be taken with the exception of preparing to engage in conversations with our representatives and lobbying groups.

RECOMMENDATIONS

Staff respectfully requests the board to consider engaging various professional organizations (i.e. LOC/AOC) and our representatives in discussions of preserving the 9-1-1 tax for intended purposes.

SUBMITTED BY:

Division Director/Head Approval



Department Director/Head Approval



County Administrator Approval _____

For information on this issue or copies of attachments, please contact Mark Spross @ 503-655-8882