

# Alabama E911 Legislative Study Group

ADMIN Committee

Actions in Surrounding States

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# History

- The roots for 911 can be traced to 1957, when the National Association of Fire Chiefs recommended the use of a single number for reporting fires.
- President Kennedy focused federal interest in a single emergency number after visiting Europe and observing the success of the emergency 999 system in many countries.

# History

- In 1967, the FCC met with AT&T for purposes of establishing a national emergency number.
- In 1968, the FCC selected 911 as the emergency code for use throughout the United States.
- The first 911 call in the U.S., a test of the system, was made in Haleyville, AL by Senator Rankin Fite in 1968.

# History

- The current E911 framework is, in large part, a response to 1970s-1980's communications technology and infrastructure.
- Alabama's initial E911 legislation dates back to 1984.
- So what has changed since the current framework was initially established?

# History

- In 1984, wireline phone companies were essentially the only means of communication and there was no choice in terms of providers.
- Not until Congress passed the Communications Act of 1996, was the local market opened for anyone other than the incumbent local exchange carriers (ILECs).

# History

- Cell phone technology did not see rapid growth until the 1990s. Currently, over 70 percent of Alabamians have cell phones and, nationally, that percentage is higher.
- There has been negative growth in traditional wireline service among residential customers over the last several years.

# History

- Consumer use of the World Wide Web did not experience significant growth until the 1990s.
- The new millennium ushered in the era of I.P. based telecommunications.
- Currently VOIP telephone service is experiencing significant growth at the expense of traditional wireline service.
- We estimate there are presently over 35,000 Vonage customers in Alabama alone.

# Where are we Headed?

- The current wireline and wireless infrastructure is being developed with I.P. service in mind.
- Both wireline and wireless telecommunication companies are aggressively pursuing broadband infrastructure deployment and marketing strategies aimed at Internet based communications.

# Where are we Headed?

- In the not so distant future, traditional wireline voice communications as we know it will be virtually non-existent in all but the most rural areas.
- Large local exchange carriers are acquiring a wireless capability and have plans for their own VOIP offerings.
- Voice communications will, to a large degree, migrate to wireless and I.P. based solutions.

# Where are we Headed?

- The broadband local loop will transport I.P. traffic and is already in the process of being structured for video based applications currently undergoing market trials.
- The carriers have an ulterior motive for moving in this direction. IP based telecommunications is classified as an information service and, thus, not currently subject to federal and state regulation.

# What Does This Mean for Existing E911 Infrastructure?

- The current system of point-to-point connections and switched communications is rapidly moving toward the end of its product life cycle.
- I.P. based E911 solutions will soon be offered and will replace existing applications.
  - Less expensive and more efficient;
  - More secure and more reliable;
  - Provide simultaneous connectivity with other local emergency responders plus state and national responders.

# What Will be the Effect be on Existing E911 Districts?

- We are about to enter a phase of dramatic change that will require:
  - Significant capital investment;
  - The development of revised plans and procedures;
  - Additional training.
- Simultaneously, the wireline “cash cow” is rapidly diminishing as a source of funds.

# How Should This Study Group Respond?

- Realize that existing E911 legislation was formulated for a telecommunications environment that no longer exists.
- Be forward looking.
- Consider what is best for all of the people in this State rather than “circle the wagons” around existing state/local E911 organizational structure.

# Alabama's E911 Legislation

- Title 11, Chapter 98, Code of Alabama.
  - Wireline (11-98-1 through 11-98-5.1)
  - Wireless (11-98-6 through 11-98-11)

# Wireline E911 Legislation

- Established ECDs but no management and coordination above local level.
- Did not specify what is an allowable E911 expense.
- Essentially no funds accountability and oversight.
- Fees initially established at 5 percent of maximum tariff rate or up to \$2 for counties with populations less than 25,000.

# Wireline E911 Legislation

- Amended fees in 2005 to 5 percent of maximum tariff charged for any bundled service provided by any service supplier in the district as it existed on February 1, 2005.
  - Extremely poor method of calculating fees
    - Many small providers had little to no bundled services in 2005. So, counties not served by BellSouth are not allowed to charge the fees of those who are.
    - Did not specify business or residential tariff rate.
    - Results in fees up to \$4.35 per month in some districts while others can only charge a maximum of \$2.
    - Requires PSC to maintain 2005 bundled prices and adjust for inflation every 5 years. No need-based verification.

# Wireline E911 Legislation

- Providers collect fees and remit directly to districts.
- No system to verify that fees are correctly collected and remitted.
- Essentially “bill and keep”. Large population districts are the “haves” and rural counties are the “have nots”.
- No minimum service/training standards.

# Wireless E911 Legislation

- Established a state level board to collect and disburse E911 fees.
- E911 fee capped at \$0.70 per month.
- Board can adjust fee as needed and audit fund collections.

# Consequences of Legislation

- Wireless providers submit fees to one place (wireless board).
- Wireline providers have to track, separate, and disburse fees to each of the districts within their service area.
- Wireless fees are capped at \$0.70 while wireline customers can be assessed up to \$4.35 per month.
  - Classic case of government unknowingly influencing price through taxation policy and, thus, artificially affecting market behavior.

# Existing Policies - Considerations

- Consumers often make economic decisions based on bottom line price. Alabama legislation artificially narrows the gap between wireless provider's total charges and that for wireline providers.
  - Unlike wireless carriers, wireline providers get absolutely nothing from the funds collected except a 1% handling fee.

# Existing Policies - Considerations

- The situation has been created where an Alabama consumer can be paying up to \$4.35 per month for access to E911 while their neighbor, who has replaced their wireline phone with a wireless phone, pays \$0.70 for the same E911 access.
- Currently, most VOIP customers are paying little to nothing for E911 access but are required to do so.
- The Legislature has not put a system in place to verify that taxpayer E911 funds are being used as intended or that increases are warranted.
- There is no oversight, standardization, and coordination of effort above the local level.
- There are no mechanisms in place to assist the smallest, most needy E911 districts.

# E911 Legislation in other Southeastern States

## Florida

# Florida

- Council Substitute for House Bill 919, 2007 Session.
- Titled “Florida Emergency Communications Number E911 State Plan Act”
- Codified under Title XXVII, Chapter 365, of the Florida Statutes.

# Overall 911 System Director

- Designates the Technology Program within the Florida Department of Management Services (DMS) as overall coordinator of State 911.
  - [http://dms.myflorida.com/cits/public\\_safety/statewide\\_911\\_coordination](http://dms.myflorida.com/cits/public_safety/statewide_911_coordination)
  - Referenced in the Act as “The Office”.
- DMS Communications and Information Technology Services (CITS) has the following responsibilities for statewide coordination of 911 and enhanced 911 (E911) services:
  - Statewide Emergency Telephone Number 911 Plan
  - Coordinating effective delivery of 911 services statewide
  - Oversees administration of 911 fees.

# Overall 911 System Director

- Assisting counties on technical standards and operational capabilities.
- Assisting counties with designing and implementing new systems.
- Inspecting and issuing certificates to all Public Service Answering Point (PSAP) in compliance with the 911 Plan
- Assisting with county 911 coordinator training.
- Monitoring the Florida Public Service Commission (FPSC); Federal Communications Commission (FCC) and other regulatory entities on 911/E911 issues.

# E911 Board

- There is one E911 Board of Directors in Florida for **BOTH** wireline and wireless services.
- The E911 Board is established to administer, with oversight by the office, the fee imposed under subsection (8), including
  - receiving revenues derived from the fee;
  - distributing portions of the revenues to wireless providers, counties, and the office;

# E911 Board

- accounting for receipts, distributions, and income derived by the funds maintained in the fund; and
- providing annual reports to the Governor and the Legislature for submission by the office on
  - amounts collected and expended,
  - the purposes for which expenditures have been made, and
  - the status of E911 service in this state.

# E911 Board

- The board shall consist of nine members, one of whom must be the system director designated under s. 365.171(5), or his or her designee, who shall serve as the chair of the board.
- The remaining eight members of the board shall be appointed by the Governor and must be composed of
  - four county 911 coordinators, consisting of a representative from a rural county, a representative from a medium county, a representative from a large county, and an at-large representative recommended by the Florida Association of Counties in consultation with the county 911 coordinators;

# E911 Board

- two local exchange carrier members, one of which must be the local exchange carrier having the greatest number of access lines in the state; and
  - two members from the wireless telecommunications industry recommended by the Florida Telecommunications Industry Association in consultation with the wireless telecommunications industry.
    - In recommending members from the wireless telecommunications industry, consideration must be given to wireless providers who are not affiliated with local exchange carriers.
- Not more than one member may be appointed to represent any single provider on the board.

# E911 Board

- The system director, designated under s. 365.171(5), or his or her designee, must be a permanent member of the board.
- Each of the remaining eight members of the board shall be appointed to a 4-year term and may not be appointed to more than two successive terms.
- However, for the purpose of staggering terms, two of the original board members shall be appointed to terms of 4 years, two shall be appointed to terms of 3 years, and four shall be appointed to terms of 2 years, as designated by the Governor.
- A vacancy on the board shall be filled in the same manner as the original appointment.

# E911 Board

- The board shall:
  - 1. Administer the E911 fee.
  - 2. Implement, maintain, and oversee the fund.
  - 3. Review and oversee the disbursement of the revenues deposited into the fund as provided in s. 365.173.
- The board may establish a schedule for implementing wireless E911 service by service area, and prioritize disbursements of revenues from the fund to providers and rural counties as provided in s. 365.173(2)(d) and (g) pursuant to the schedule, in order to implement E911 services in the most efficient and cost-effective manner.

# E911 Board

- The board has the authority to:
  - Adjust the fee
  - Change the allocation of the disbursements
  - Develop and issue grants
  - Hire and retain employees, which may include an independent executive director who shall possess experience in the area of telecommunications and emergency 911 issues, for the purposes of performing the technical and administrative functions for the board.

# E911 Board

- Make and enter into contracts, pursuant to chapter 287, and execute other instruments necessary or convenient for the exercise of the powers and functions of the board.
- Sue and be sued, and appear and defend in all actions and proceedings, in its corporate name to the same extent as a natural person.

# E911 Board

- Adopt, use, and alter a common corporate seal.
- Elect or appoint the officers and agents that are required by the affairs of the board.
- The board may adopt rules under ss. 120.536(1) and 120.54 to implement this section and ss. 365.173 and 365.174.
- Provide coordination, support, and technical assistance to counties to promote the deployment of advanced 911 and E911 systems in the state.

# E911 Board

- Provide coordination and support for educational opportunities related to E911 issues for the E911 community in this state.
- Act as an advocate for issues related to E911 system functions, features, and operations to improve the delivery of E911 services to the residents of and visitors to this state.
- Coordinate input from the state at national forums and associations, to ensure that policies related to E911 systems and services are consistent with the policies of the E911 community in the state.

# E911 Board

- Work cooperatively with the system director established in s. 365.171(5) to enhance the state of E911 services in the state and to provide unified leadership for all E911 issues through planning and coordination.
- Do all acts and things necessary or convenient to carry out the powers granted in this section in a manner that is competitively and technologically neutral as to all voice communications services providers, including, but not limited to, consideration of emerging technology and related cost savings, while taking into account embedded costs in current systems.

# E911 Board

- Have the authority to secure the services of an independent, private attorney via invitation to bid, request for proposals, invitation to negotiate, or professional contracts for legal services already established at the Division of Purchasing of the Department of Management Services.
- Board members shall serve without compensation; however, members are entitled to per diem and travel expenses as provided in s. 112.061.

# E911 Board

- By February 28 of each year, the board shall prepare a report for submission by the office to the Governor, the President of the Senate, and the Speaker of the House of Representatives which addresses for the immediately preceding calendar year:
  - The annual receipts, including the total amount of fee revenues collected by each provider, the total disbursements of money in the fund, including the amount of fund-reimbursed expenses incurred by each wireless provider to comply with the order, and the amount of moneys on deposit in the fund.

# E911 Board

- Whether the amount of the fee and the allocation percentages set forth in s. 365.173 have been or should be adjusted to comply with the requirements of the order or other provisions of this chapter, and the reasons for making or not making a recommended adjustment to the fee.
- Any other issues related to providing E911 services.
- Florida E911 Board website:
  - <http://florida911.myflorida.com/>

# Authorized Expenditures

- Florida statute, 365.172(9), specifically identifies what local E911 expenses are authorized and what is unauthorized use of the funds.
- The board is empowered to conduct hearings over disputes on authorized expenditures of E911 funds.
- Enforcement power includes recovering funds used in an unauthorized manner and suspension of disbursements.

# Florida Administration of 911

- Legislature delegated authority for administration, operations, and planning to subject matter experts for purposes of managing State E911 and to advise the Governor and Legislature on the status.
- One board, technology neutral.
- Funds receipt/disbursement centralized and rule making centralized.
- One voice for State E911, one set of rules/standards, unity of leadership, coordinated planning for advanced technology deployment.
- **ACCOUNTABILITY** regarding use of taxpayer funds.
- Governor and Legislature will have one contact for E911 issues, not scores of local contacts and multiple boards.

# E911 Legislation in other Southeastern States

North Carolina,  
Tennessee, Georgia

# North Carolina 911 Administration

- House Bill 1755, 2007 Session.
- Consolidates wireline and wireless administration under one board that is established in the North Carolina Office of Information Technology.
- Board consists of 17 members.

# North Carolina 911 Administration

- (a) Duties. – The 911 Board has the following powers and duties:
  - (1) To develop the 911 State Plan. In developing and updating the plan, the 911 Board must monitor trends in voice communications service technology and in enhanced 911 service technology, investigate and incorporate GIS mapping and other resources into the plan, and formulate strategies for the efficient and effective delivery of enhanced 911 service.
  - (2) To administer the 911 Fund and the monthly 911 service charge authorized by G.S. 62A-43.

# North Carolina 911 Administration

- (3) To distribute revenue in the 911 Fund to CMRS providers and PSAPs in accordance with this Article and advise CMRS providers and PSAPs of the requirements for receiving a distribution from the 911 Fund.
- (4) To establish policies and procedures to fund advisory services and training for PSAPs and to provide funds in accordance with these policies and procedures.
- (5) To investigate the revenues and expenditures associated with the operation of a PSAP to ensure compliance with restrictions on the use of amounts distributed from the 911 Fund.
- (6) To make and enter into contracts and agreements necessary or incidental to the performance of its powers and duties under this Article and to use revenue available to the 911 Board under G.S. 62A-44 for administrative expenses to pay its obligations under the contracts and agreements.

# North Carolina 911 Administration

- (7) To accept gifts, grants, or other money for the 911 Fund
- (8) To undertake its duties in a manner that is competitively and technologically neutral as to all voice communications service providers.
- (9) To adopt rules to implement this Article. This authority does not include the regulation of any enhanced 911 service, such as the establishment of technical standards.
- (10) To take other necessary and proper action to implement the provisions of this Article.

# North Carolina 911 Administration

- One state-wide fee set at \$0.70
- Board has authority to lower the fee, change allocations and to issue grants.
- Establishes authorized and unauthorized use of E911 funds by local districts.
- Board reports to legislature and governor in odd numbered years.

# Tennessee 911 Administration

- <http://www.state.tn.us/commerce/911/>
- Tennessee still has wireline carriers submitting 911 fees directly to the districts.
- However, it has a board which administers the wireless 911 fees and oversees both wireline and wireless E911 operations.

# Tennessee 911 Administration

- The Tennessee Emergency Communications Board, also known as the state E-911 Board, is an independent board comprised of nine members, eight of whom are appointed by the Governor and serve a fixed term.
- The ninth member is the Comptroller of the Treasury or his designee.
- The Board, created in 1998 and located within the Department of Commerce and Insurance for administrative purposes, serves as the state's authority with regard to E-911 issues.

# Tennessee 911 Administration

- The Board's enabling legislation authorizes it to:
  - Implement wireless 9-1-1 service across the state according to the Orders of the Federal Communications Commission (FCC);
  - Assist emergency communications districts boards of directors in the areas of management, operations and accountability;
  - Adjust the emergency telephone service charge on landlines in emergency communications districts;

# Tennessee 911 Administration

- The Board's enabling legislation authorizes it to:
  - Oversee the finances of the state's 100 local emergency communications districts which are statutory municipalities;
  - Establish technical operating standards for all E-911 districts;
  - Act as the deciding agency between local governmental entities concerning E-911 service and emergency communications;
  - Supervise the operations of a “financially distressed” emergency communications district;

# Tennessee 911 Administration

- The Board's enabling legislation authorizes it to:
  - Provide technical assistance to emergency communications districts;
  - Establish training and course of study standards for all 911 dispatchers and call takers receiving an E-911 call from the public;
  - Provide grants for operating and capital expenditures for basic or enhanced 911 service and wireless enhanced 911 service to assist emergency communications districts.

# Tennessee 911 Administration

- The Board submits an annual report to the Governor, Speakers of the General Assembly and the Senate and House Finance, Ways and Means Committees.

# Georgia 911 Administration

- HB 394, 2007 General Session of the Georgia Assembly amended the Georgia Emergency Telephone Number 9-1-1 Service Act.
- E911 administration is responsibility of the Georgia Emergency Management Agency.

# Georgia 911 Advisory Board

- For the purposes of the development and implementation of a plan for the state-wide emergency 9-1-1 system, there is created the 9-1-1 Advisory Committee to be composed of
  - the director of the Emergency Management agency, who shall serve as chairperson;
  - the director of the Georgia Technology Authority or his or her designee; the commissioner of the department or his or her designee; and 12 other members appointed by the Governor, as follows:
    - Three members appointed from nominees of the Georgia Municipal Association;

# Georgia 911 Advisory Board

- For the purposes of the development and implementation of a plan for the state-wide emergency 9-1-1 system, there is created the 9-1-1 Advisory Committee to be composed of
  - Three members appointed from nominees of the Association County Commissioners of Georgia;
  - Four members who are experienced in and currently involved in the management of emergency telephone systems; and
  - Two members who are representatives of the telecommunications industry, one of whom shall be a representative of a wireless service supplier and one of whom shall be a representative of a land based service supplier.

# Georgia 911 Advisory Board

- The committee shall have the following duties and responsibilities:
  - To make recommendations to the commissioner of the department regarding the recipients of assistance grants provided for under Code Section 46-5-134.2;
  - To study and evaluate the state-wide provision of 9-1-1 service;
  - To identify any changes necessary to accomplish more effective and efficient 9-1-1 service across this state;

# Georgia 911 Advisory Board

- The committee shall have the following duties and responsibilities:
  - To identify any changes necessary in the assessment and collection of 9-1-1 fees;
  - To make recommendations to the agency as to training that should be provided to directors of public safety answering points; and
  - To provide an annual report which shall include proposed legislation, if any, to the Governor and the General Assembly by December 1 of each year.

# Georgia 911 Advisory Board

- The State Emergency Management Agency promulgates guidelines for implementing a state E911 system.
- 911 Fees are still submitted directly to local districts, however, Georgia identifies specific authorized and non-authorized uses of funds.

# Recommendation to Admin Committee for Alabama

- It makes sense to consolidate wireline and wireless E911 administration under one technology neutral board made up of subject matter experts.
- The board should receive and disburse all communication provider E911 fees and have broad authority over adjusting fees.
- The board should promulgate standardized rules, standardize training requirements, and develop a statewide E911 consolidated plan.
- Not under our committee's purview but I would hope that we move toward a technology neutral E911 fee in Alabama.

# Recommendation to Admin Committee for Alabama

- Board should have authority to enforce rules for the use of funds and oversight over local ECD budgets and expenditures.
- 911 will have one voice in Alabama, direction, leadership, standards, and accountability.
- The Governor and the Legislature will one place to go to for 911 related issues and inquiries.
- I strongly recommend to the Committee the Florida model for E911 Administration in Alabama.

# Other Recommendations to Study Group at Large

- Amend The Code of Alabama 1975, Section 11-98-7b which directs that a portion of 911 fees be paid to wireless carriers for implementing E911 capability and allow the Board discretion in phasing out payments to CMRS providers.
  - Phase II wireless E911 capability almost complete in Alabama.
  - FCC amended its cost recovery rules eliminating the wireless carrier cost recovery requirement for implementing wireless E911.

# Other Recommendations to Study Group at Large

- Since there is no need for further conversions of existing wireless infrastructure, utilize the 911 funds for local 911 not to increase wireless profits.
  - Establish GRANTS for ECD start-ups, assistance for rural ECDs, and a transition fund for deployment of advanced IP based 911 statewide.

# Other Recommendations to Study Group at Large

- Verizon Wireless (who no longer accepts the allocation in Alabama and doesn't even pass along the \$0.70 fee for 911 to its customers) has >\$30 billion in revenues annually.
- Verizon, ALLTEL, Cingular, Sprint Nextel are all multi-billion dollar companies whose revenues are skyrocketing while traditional wireline revenues are decreasing.