

## Keynote

# NextGen 911 Funding Sources in New Jersey

Dominic C. Villecco  
*Vice President, Board of Trustees*  
**New Jersey Wireless Association**



# New Jersey Wireless Association

- New Jersey Wireless Association was founded in 2005
  - [www.newjerseywireless.org](http://www.newjerseywireless.org)
- Professionals from all sectors of the wireless industry working and/or living in the State of New Jersey
- Members of the NJWA are dedicated to educating the public, as well as local and state government to ensure growth of our industry
- To give back to the community through local charitable organizations.
  - We have donated over \$125,000 to New Jersey Charities
- Over 1900 members from all facets of the industry
- Rob Ivanoff – President, Board of Trustees
  - [rivanoff@newjerseywireless.org](mailto:rivanoff@newjerseywireless.org)
- Dominic Villecco – Vice President, Board of Trustees
  - Chair, Public Safety Committee
  - [dvillecco@newjerseywireless.org](mailto:dvillecco@newjerseywireless.org)

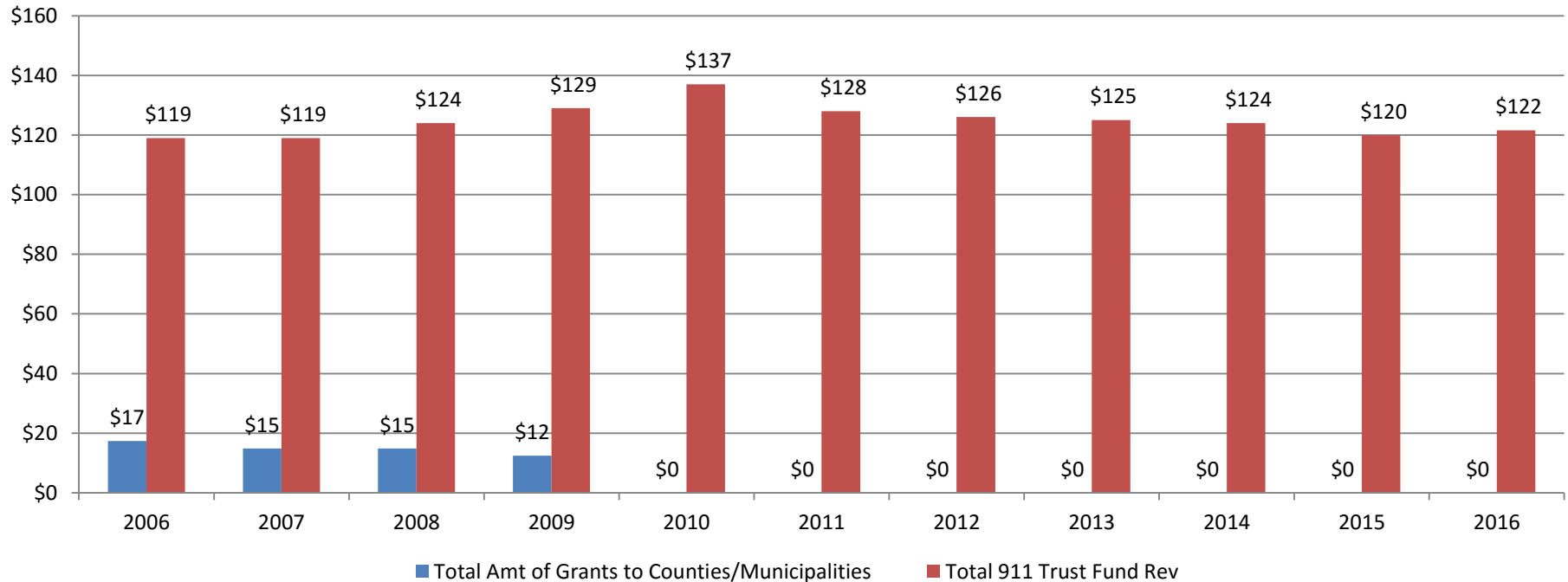


# “The Issue” - 911 Fees and NJ Emergency Trust Fund

- The State of New Jersey collects \$0.90 per telephone line (wired and wireless)
  - Post-paid, not pre-paid
- Approximately **\$120MM collected annually** and deposited into:
  - the “State of New Jersey 911 System and Emergency Response Trust Fund”
  - Over **\$1.25 Billion** collected between **2006-2016**
  - Only **10%** of the Trust Fund is spent on eligible expenses under the Federal NET911 ACT of 2008 (H.R. 3403), according to New Jersey’s own report with the FCC
    - remainder allocated to non-eligible operating expenses
- **None** of the Trust Fund was allocated to the approximately 200 **911 centers** operated by New Jersey Counties and Municipalities, **all of which had eligible expenses**
- The wireless industry is mandated to deploy the latest E911 technology
  - State of NJ has spent virtually **NO** funding for **NG911**
    - \$75,871.14, or 0.06% of 911 fees collected as per 8<sup>th</sup> Annual FCC Report

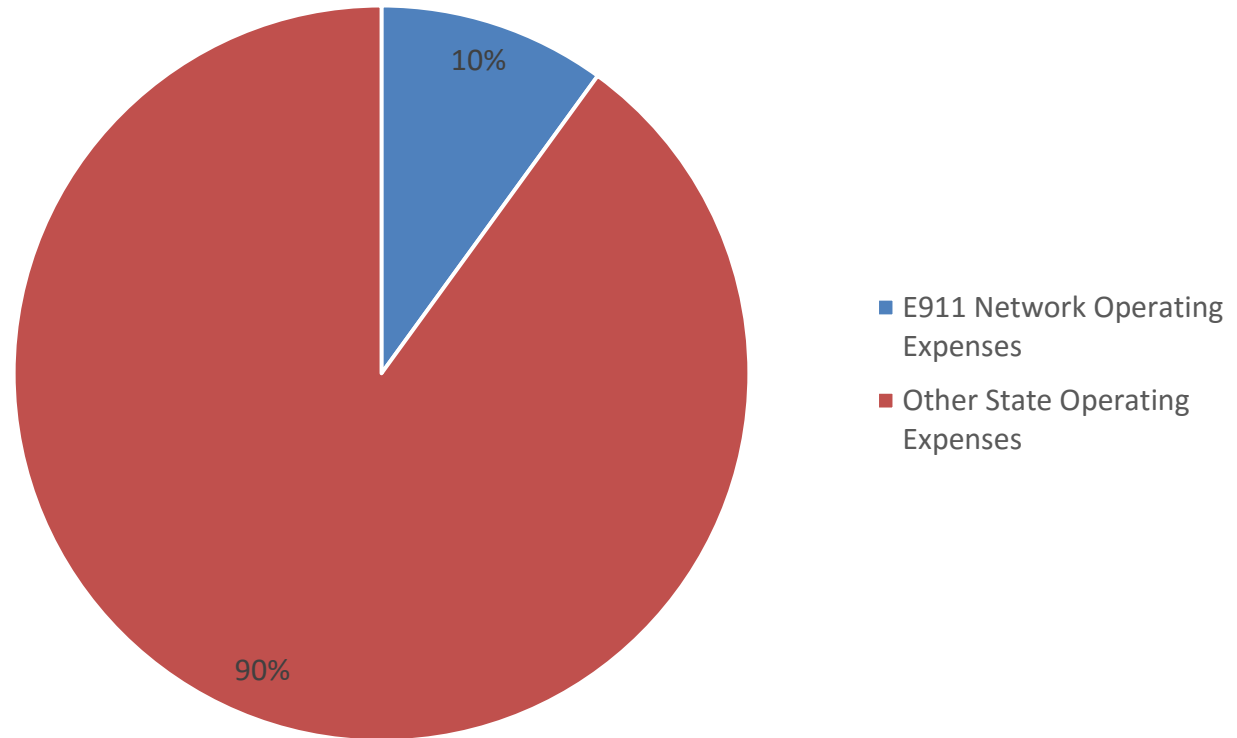
# E911 Trust Fund is Not Shared with Local PSAPs

**E911 Trust Fund Rev is not shared with Local PSAP's (\$Millions)**



Over \$1.25 Billion Collected between 2006-2016

# E911 Trust Fund is Used to Fund non E911 Expenses



- Only 10% of E911 Trust Fund is allocated to 911 Network Capital and Operating Expenses, according to the most recent FCC report
- **Over \$1 billion in collected fees diverted since inception of “Trust Fund”**

# State Management of E911 Trust Fund

- The State of New Jersey's spending prioritization of the E911 Trust Fund
  - State E911 expenses and networks are funded but not county and municipal E911 centers
    - The state operates 3 of the almost 200 PSAPs in the State
    - Majority of E911 calls are handled by county and local PSAPs
- The State uses the E911 Trust Fund for Operating Expenses for the Department of Law and Public Safety
  - These expenses are not consistent with the language and intent of the NET911 Act
- Oversight and management of the E911 Trust Fund is exempt from public and industry input
  - Meetings of the Statewide Public Safety Commission and Advisory Committee are exempt from the State Open Public Records Act (OPRA)
  - Substantial support is needed from counties and local municipalities to affect change
- **The proposed legislation (Assembly Bill A1821) raises the monthly E911 fee from \$0.90/month to \$0.99/month and does not address any of these issues**
  - **i.e. a 10% (\$12 million) increase with no justification or transparency as to why**
  - **Current budget as proposed shows \$13 million revenue increase, but no corresponding "spend"**
  - **Only 3 years – but NG911 will be ongoing**

# FCC 8<sup>th</sup> Annual Report to Congress

	Fees Collected Per Capita	Estimated Annual Per Capita 911 cost
New Jersey	\$13.95	\$1.59
Average State Amount	\$10.55	\$18.57

# New Jersey is the Worst Offender According to FCC Report

**Table 15 – Total Funds Diverted or Otherwise Transferred from 911 Uses**

State/Territory	Total Funds Collected (Year End 2015)	Total Funds Used for Other Purposes	Percentage Diverted	Type of Transfer
Illinois	\$95,500,349.00	\$5,000,000.00	5.2%	General Fund
New Hampshire	\$12,317,417.55	\$2,078,685.85	16.9%	General Fund and Public Safety Related
Puerto Rico	\$21,896,788.53	\$484,016.54	2.2%	General Fund
Rhode Island	\$16,345,363.80	\$11,185,216.24	68.4%	General Fund
Iowa	\$40,547,767.19	\$4,000,000.00	9.9%	Public Safety Related
New Jersey	\$122,632,000.00	\$110,278,000.00	89.9%	General Fund and Public Safety Related
New York	\$182,262,082.00	\$77,254,288.19	42%	General Fund
Washington	\$94,445,461.00	\$6,017,185.00	6.4%	Public Safety Related
West Virginia	\$56,649,322.00	\$3,984,195.00	7%	Public Safety Related
Total	\$642,596,551.07	\$220,281,586.82	34.3%	
Percent Diverted From Total Funds Collected by All States				
Total	\$2,631,705,008.98	8.4%		



# Steps to Address Deployment of NextGen911

1. State of New Jersey to implement 911 fees on prepaid wireless phones
  - Use this to fund A1821 for ongoing NG911 (other states experience 20% increase in fee collection)
  - **Write your State Assemblyperson and State Senator**
2. New Jersey Assembly and Senate to pass legislation to address fund diversion
  - “Right the ship back on course” - modify A1821 to start this course correction, in addition to pre-paid increase
  - **Write your State Assemblyperson and State Senator**
3. FCC to clarify Eligible and Ineligible uses of 911 Fees
  - **Write your Congressman and Senators Booker and Menendez**
4. Sharing of Best Practices/cost efficiencies for NextGen911
  - State to build new ESINet backbone for all PSAPs
5. Enforcement mechanism of States not complying and repeat offenders to ensure proper use of funds collected under NET911 ACT
  - **Write your Congressman and Senators Booker and Menendez**

Thank you!