



PSAP Funding Formula Recalculation

November 30, 2016

CESC





Current Legislative Requirement

- On or before July 1, 2017, and every five years thereafter, the Department of Taxation shall recalculate the distribution percentage for each PSAP based on the cost and call load data of the PSAP for the previous five fiscal years



Considerations

- The recalculation is a local government issue
- There is a finite amount of funding and changing the funding formula will have both positive and negative effects
- Address funding comprehensively not incrementally



2017 Legislative Agenda

- At their September meeting the 9-1-1 Services Board voted to delay the recalculation of the PSAP wireless funding distribution percentages until July 1, 2018



2017 Legislative Agenda

- Delaying the recalculation enables the Board to finalize a long-term 9-1-1 funding analysis:
 - Includes transitional costs for NG9-1-1
 - Addresses sustainment of 9-1-1
 - Need this analysis for the 2018 General Assembly session
 - Focus on funding for the deployment and sustainment of a NG9-1-1 system



Impact of Recalculation

- Call and cost load data is available for all five required years for the recalculation
 - Fiscal years 2012 – 2016
 - Spreadsheet with data is available from ISP website: <http://www.vita.virginia.gov/isp/>
- Currently, PSAPs are receiving at least \$40,000 annually, but this floor goes away with the recalculation



Legislative Outcome

- If legislation doesn't pass...
 - Proceed with recalculation
 - Tax receives new funding distribution percentages
 - Impact of recalculation will occur with the FY 18 monthly wireless PSAP payments
 - Or, alternate strategy within existing Code



Legislative Outcome

- If Legislation passes...
 - Can still decide to change nothing and accept impact
 - Only outcome is that recalculation has been delayed a year
 - Or, effect change by focusing on how the calculation is done:
 - Use different cost and call load data elements
 - Target specific outcomes
 - New funding strategy



Next Steps

- Form a 9-1-1 Services Board committee to evaluate the PSAP funding formula recalculation
- Anticipating that the legislation to delay the recalculation passes, committee should present recommendations to Board at their June 2017 meeting



Questions

