

March 12, 2019

HB2449 seeks to increase the tax and helps ensure the continued safe operation of our 9-1-1 network and all of the 9-1-1 Centers in the State of Oregon, including the Central Lane Communication Center (CLCC) which is responsible for approximately 90% of Lane County and handles nearly 12,000 9-1-1 calls each month. This disinvestment in the critical emergency communications system across Oregon has resulted in impacts on operational funding, as well as technology and equipment requirements. Central Lane 9-1-1 and the City of Eugene support HB 2449 increase to the 9-1-1 tax and the amendments proposed related to fund distribution.

The current 9-1-1 tax rate of .75 cents per device has not changed since 1995 and state revenue has remained stagnant during this period, yet the cost of operating a 9-1-1 Communications Center continues to rise based on fixed operational and personnel expenses and does not provide sufficient funds to pay for system needs across the state.

- Every budget year, CLCC's expenses are out pacing the revenue provided by the current 9-1-1 tax, despite the adoption of cost saving measures, including leaving positions open instead of filling them with staff. For example, each year the CLCC receives over 5,500 new calls a 4% increase annually.
- The amount of funds distributed to our PSAP derived from the 9-1-1 tax covers less than 17% of our operational budget.
- As expenses continue to outpace revenue, the CLCC has experienced a budget deficit of \$200,000 to \$300,000 per year in the last seven years. This gap is filled by a transfer from the City of Eugene's General Fund. This gap is forecasted to continue to increase if action is not taken.

Technology requirements and costs have significantly shifted in the last 20 years yet there has been essentially no change in revenue from the 9-1-1 tax for this lifesaving infrastructure. Each individual 9-1-1 Center needs recurrent technology updates in order to be compliant with industry standards. Because of the lack of funding available at the state and local levels, all available funding has been dedicated to personnel and operations, creating a backlog for equipment and system upgrades. An increase in funding should be shared with local Centers and also support infrastructure funding to assist in the build out of the Next Generation 9-1-1.

In alignment with other stakeholders input, the City of Eugene and CLCC offer the following amendments to HB 2449.

- Remove the provisions that give 2% to counties with a population less than 40,000 since it creates an inequity in the distribution causing some centers to receive up to 300% of their budget while other PSAP's would receive less than 20%;
- Reduce the amount for Oregon Office of Emergency Management/9-1-1 program from 4% to 2%;
- Reduce the amount for DAS from 1% to .05%;
- Add language to allow interest earned on the 9-1-1 tax to be held in an account for future system upgrades to 9-1-1 infrastructure which includes Next Gen 9-1-1.

In closing, HB2449 would ensure a more sustainable model for our emergency communications needs throughout the State of Oregon. The proposed increase will not provide 100% funding to all of our 9-1-1 centers in Oregon, but it will help to improve the ability for public safety agencies to respond to our citizens when they experience the worst days of their lives and they need to call for help.

