



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #124

Statewide Interoperable Communication System (DOA -- Justice Information System Surcharge)

[LFB 2011-13 Budget Summary: Page 36, #1, and Page 40, #5]

CURRENT LAW

State law provides for the creation of a 15 member Interoperability Council attached to the Department of Administration (DOA) consisting of: (a) 10 members appointed by the Governor to staggered four-year terms, including a chief of police, a sheriff, a chief of a fire department, a director of emergency medical services, a local government elected official, a local emergency management director, a representative of a federally recognized American Indian tribe or band in Wisconsin, a hospital representative, a local health department representative, and one other person with relevant experience or expertise in interoperable communications; (b) the Wisconsin Adjutant General (head of the Department of Military Affairs); (c) the Secretary of the Department of Natural Resources; (d) the Secretary of the Department of Transportation; (e) the Executive Director of DOA's Office of Justice Assistance (OJA); and (f) a representative from DOA with knowledge of information technology. The identified state officials may all appoint designees to represent them on the Council.

The Interoperability Council is required to: (a) identify types of agencies and entities, including public works and transportation agencies, hospitals, and volunteer emergency services agencies to be included, in addition to public safety agencies, in a statewide public safety interoperable communication system; (b) recommend short-term and long-term goals to achieve a statewide public safety interoperable communication system; (c) recommend and periodically review a strategy and timeline for achieving such a statewide communication system including objectives for local units of government; (d) assist OJA in identifying and obtaining funding to implement a statewide public safety interoperable communication system; and (e) advise OJA on allocating funds, including those available for homeland security, for the purpose of achieving a statewide communication system. The Interoperability Council is also directed to make recommendations to OJA regarding: (a) technical and operational standards for public safety

interoperable communication systems; (b) guidelines and procedures for using public safety interoperable communication systems; (c) minimum standards for public safety interoperable communication systems, facilities, and equipment used by dispatch centers; and (d) certification criteria for persons who operate public safety interoperable communication systems for dispatch centers. Under state statute, "interoperability" means the ability of public safety agencies to communicate with each other and other relevant agencies and entities by means of radio or associated communications systems, including the exchange of voice, data, or video communications on demand and in real time, as needed and authorized.

The Department of Administration's Office of Justice Assistance is required to provide staff support for the Interoperability Council, as well as oversight of the development and operation of a statewide public safety interoperable communication system. Although it is currently still in development, this system is referred to as the Wisconsin Interoperable System for Communications (WISCOM). The Office is authorized to charge a public safety agency that is a state agency a fee for the use of WISCOM. The PR annual public safety interoperable communication system, state fees appropriation permits OJA to receive and expend these fees to operate WISCOM. A "public safety agency" is defined as a functional division of a public agency, which provides fire fighting, law enforcement, medical, or other emergency services. Examples of state public agencies to which the provision applies includes the Department of Justice, the State Patrol, and the Capitol Police. Under current law, OJA is not authorized to charge local agencies and other entities a fee for the use of WISCOM.

GOVERNOR

Create a PR annual interoperable communications system appropriation to provide funding to operate WISCOM. Funding to the appropriation would be provided from the justice information system surcharge. Provide \$1,062,200 PR in 2011-12, and \$421,700 PR in 2012-13, and 1.35 PR positions annually to this appropriation. Funding would include: (a) \$193,500 in 2011-12, and \$204,400 in 2012-13, in salary and fringe benefits funding; and (b) \$868,700 in 2011-12, and \$217,300 in 2012-13 in supplies and services funding.

Delete a 0.20 FED grant specialist and a 0.15 FED community services technician annually under OJA's federal aid; homeland security appropriation. This FED position authority would instead be supported by PR funding from the justice information system surcharge under the interoperable communications system appropriation.

In addition to the new justice information system surcharge funded appropriation, create an additional PR annual public safety interoperable communication system; general usage fees appropriation to provide funding to operate WISCOM. Authorize OJA to charge a person that is not a state agency a fee for the use of WISCOM. Any such fees would be credited to this appropriation.

DISCUSSION POINTS

1. In many communities local emergency responders may be able to communicate with

responders from adjacent communities by programming public safety radios with a small number of shared "mutual aid" channels. This system does not support communications between agencies outside of these established networks. In addition, four regional interoperability initiatives have been developed in the state to improve interoperable communications in these regions. However, much of the state is not included in any of these regional interoperability initiatives, and these regional approaches leave unaddressed the need for interoperable communication between regions and statewide. Wisconsin does not currently have a statewide public safety interoperable communication system that permits state, local, and private emergency responders statewide to communicate with each other.

2. The Office of Justice Assistance has expended \$19 million in federal funding for planning and initial development of WISCOM. This system is intended to permit first responders from across the state to communicate during a major disaster or incident. The system will consist of communications equipment installed at 80 radio towers statewide. The Office is currently projecting that 70% of these towers will be active by July 1, 2011, with the remaining towers active by September 30, 2011. The WISCOM system will consist of five Very High Frequency (VHF) channels that will permit emergency responders to carry on four simultaneous conversations in a given area. Utilizing the VHF band for WISCOM will permit the state to develop statewide coverage with fewer radio towers and lower infrastructure expense. While OJA indicates that it has expended \$19 million for initial development of WISCOM, the Legislative Audit Bureau (LAB) reported that Minnesota and Michigan implemented statewide communications systems that reportedly cost \$200 million and \$230 million respectively.

3. On the other hand, the VHF band on which WISCOM relies, does not penetrate buildings as well as other radio bands and may be more difficult to utilize in urban settings with increased radio traffic. In addition, the LAB noted that, "most portable radios that emergency responders use have weak antenna ranges and may not be able to gain access to the system from all locations in their jurisdictions." These limitations could limit the usefulness of the new system in certain situations. These limitations have raised concerns among some local emergency response agencies. In its Emergency Management audit from May, 2010, the LAB indicated that:

"OJA acknowledges the VHF band's limitations but notes that 70.0 percent of public radios statewide operate on that band. OJA believes that with sufficient communications infrastructure, such as radio towers and software, portable radios using the VHF band can operate inside many buildings. In addition, OJA notes that compared to other bands, facilitating statewide coverage with the VHF band requires fewer radio towers.

OJA anticipates that the basic infrastructure will initially provide radio coverage over 95.0 percent of Wisconsin, but only for in-vehicle radios with strong antenna ranges. As a result, many local governments will need to incur additional costs to purchase the communications equipment needed to gain access to the statewide communications system."

4. Under current law, OJA is authorized to charge a public safety agency that is a state agency a fee for the use of WISCOM and deposit these fee revenues to the PR annual public safety interoperable communication system, state fees appropriation. Under the bill, the Governor would authorize OJA to charge a person that is not a state agency a fee for the use of WISCOM and deposit these fee revenues to the PR annual public safety interoperable communication system;

general usage fees appropriation.

5. The administration indicates that the Interoperability Council created a Statewide System Management Group (SSMG) which was charged with advising the state on the development and operation of WISCOM. The SSMG has recommended a six-tier fee structure which is laid out in Table 1.

TABLE 1

Proposed Interoperable Communications Fee Structure

<u>Tier</u>	<u>Usage Type</u>	<u>Description</u>
1	Interoperability Usage	Tier 1 involves radio communications in support of a multi-agency response to an incident on pre-defined interoperability channels. This would typically involve scenarios across county lines and when responding agencies would not have access to local common channels.
2	Itinerant/Travel Usage	Tier 2 involves radio communications in support of units operating outside of their home areas or system. This would typically involve a unit leaving its home county.
3	Daily Use/Dispatch	Tier 3 would involve an agency that would elect to use WISCOM for daily radio traffic and for dispatch, with no additional infrastructure build-out required for WISCOM. This would typically involve small agencies with modest communications needs that could operate within the current five channel WISCOM system.
4	Affiliated Sub-System	Tier 4 would involve an agency with its own stand-alone radio system that would connect to WISCOM through an interface or gateway.
5	Integrated Build-Out	Tier 5 would involve an agency that would elect to use WISCOM for daily radio traffic and dispatch, but due to its communications needs the WISCOM system would require additional infrastructure build-out.
6	Data Use (Future)	Tier 6 would involve a possible future use of WISCOM for data sharing. It is unknown at this time whether or how WISCOM would be utilized for data sharing and whether there would be a fee for this.

6. The administration indicates that the justice information system surcharge funding provided under the bill would permit the state to not charge state, local and private agencies for Tier 1 and Tier 2 use. Beyond Tier 1 and Tier 2, the intent of the fee structure is to cover any additional operating and maintenance costs beyond the 80 tower system currently being constructed. The SSMG has recommended an annual \$50 fee per user radio for Tier 3 and Tier 5 usage starting in 2012. The SSMG is currently studying whether a fee would be appropriate for Tier 4 usage. Tier 6 is a placeholder. "Data interoperability is part of the state's long term strategic plan and will become increasingly important as next generation technologies come on line, but it is not known at this time whether WISCOM will eventually be used for data. Use of broadband technology for integrated

public safety voice and data is still probably ten or more years away."

7. The SSMG has recommended the following user fee policies: (a) user fees from 2012 through 2015 would be waived for those government agencies who have applied and been accepted into an early adopter program; (b) user fees would not be raised unless approved by a two-thirds vote of SSMG members; (c) user fees may be reduced if alternate funding for the system can be identified; (c) user fee rates and alternate funding sources would be evaluated on an annual basis; and (d) any annual user fee rate increase could not exceed \$5 per radio through 2020. The details of any early adopter program are still under development.

8. Under the bill, the Governor also recommends creating a PR annual interoperable communications system appropriation to provide funding to operate WISCOM. Funding to the appropriation would be provided from the justice information system surcharge. The administration has indicated that its intent would be to utilize surcharge revenue to support the basic WISCOM infrastructure and avoid user fees for Tier 1 and Tier 2 usage.

9. The bill would provide 1.35 PR positions with associated salary and fringe benefits funding of \$193,500 PR in 2011-12, and \$204,400 PR in 2012-13. The positions would include a 1.0 full-time equivalent (FTE) policy and planning analyst-advanced, a 0.20 FTE grants specialist, and a 0.15 community services technician. The policy and planning analyst would provide educational outreach and user training on the WISCOM system, develop and maintain a training curriculum, register new users on the system, and provide user support. The grant specialist would oversee the fiscal management of user fees and cost-sharing agreements with daily users of the system. Finally, the community services technician would provide staff support to the SSMG and to the policy and planning analyst.

10. The bill would also provide \$868,700 PR in 2011-12, and \$217,300 PR in 2012-13, in justice information system surcharge funding to support basic supplies and services costs associated with WISCOM. Table 2 provides a breakdown of these supplies and services costs.

TABLE 2

2011-13 WISCOM Supplies and Services

<u>Category</u>	<u>2011-12</u>	<u>2012-13</u>
DOT Technical and Operations Personnel	\$444,200	\$0
Operations (power, fuel, vehicle usage)	212,200	0
System Hardware Maintenance	78,000	81,800
Replacement Parts	60,000	61,200
OJA Travel/Meeting Costs	33,500	33,500
Supplies and Services	33,300	33,300
DOA Overhead	<u>7,500</u>	<u>7,500</u>
Total	\$868,700	\$217,300

11. The Department of Transportation (DOT) technical and operations personnel costs

(\$444,200 PR in 2011-12) and the operations costs (\$212,200 in 2012-13) would not be provided funding in 2012-13, as DOT was planning to cover these costs from its base budget in lieu of paying a fee to OJA to utilize WISCOM on a daily basis. This assumed that DOT would transition from its legacy communications system to WISCOM for its daily radio traffic and for dispatch. Since the introduction of the budget bill, however, the administration indicates that DOT will need to maintain its legacy communications system along with WISCOM through at least 2013, and potentially through 2015. If the federal government approves the OJA request to extend the Public Safety Interoperable Communications grant through June 30, 2012, the administration indicates that the majority of the \$656,400 in first year costs associated with DOT could be covered with this grant funding. However, the administration indicates that much of the \$656,400 in funding would be needed in the second year as DOT would not be a daily user of WISCOM paying a daily user fee. The Department of Transportation would continue to utilize its base budget expenditure authority to maintain its legacy communications system. As a result, the administration would now request supplies and services funding of \$217,300 PR in 2011-12, and \$868,700 PR in 2012-13. This would represent a decrease of \$651,400 PR in supplies and services funding in 2011-12, with a corresponding increase of \$651,400 PR in supplies and services funding in 2012-13.

12. In order to provide funding to implement WISCOM and to permit Tier 1 and Tier 2 WISCOM users to not pay a fee, the Committee could consider approving the Governor's recommendation. Funding for WISCOM would come from the justice information system surcharge totaling \$1,062,200 PR in 2011-12, and \$421,700 PR in 2012-13. Remaining funding for WISCOM would come from user fees on certain state, local and private entity users. [Alternative 1]

13. Based on revised estimates from the administration factoring in additional federal funding and the need for DOT to maintain its legacy communications system, the Committee could also consider providing \$410,800 PR in 2011-12, and \$1,073,100 PR in 2012-13. The total funding for the initiative over the biennium would remain unchanged under this alternative. [Alternative 2] Table 3 identifies how funding would be provided under each of the first two alternatives.

TABLE 3

Funding Under Alternatives 1 and 2

<u>Expense</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Biennium</u>
Alternative 1--Gov., As Introduced			
Salary and Fringe Benefits	\$193,500	\$204,400	
Supplies and Services	<u>868,700</u>	<u>217,300</u>	
Total	\$1,062,200	\$421,700	\$1,483,900
Alternative 2--DOT & Federal Funding Change			
Salary and Fringe Benefits	\$193,500	\$204,400	
Supplies and Services	<u>217,300</u>	<u>868,700</u>	
Total	\$410,800	\$1,073,100	\$1,483,900

14. Under the Justice Information System Surcharge Overview Paper #120, the Committee could select Alternative 2. This alternative would delete the recommendation in the bill

to alter the allocation mechanism for justice information system surcharge revenue, reduce the surcharge from \$21.50 to \$14.50, and would again limit the functions funded from the surcharge to justice information systems at DOA and the courts, and deposit \$1 from every assessed surcharge to the general fund. The Committee could select this alternative to primarily restrict the fund to supporting justice information systems.

15. If the Committee wished to again limit the justice information system surcharge to funding justice information systems, the Committee could delete the Governor's recommendation. In lieu of surcharge funding, the Committee could create a GPR annual interoperable communications system appropriation to operate WISCOM. The Committee could further consider providing \$410,800 GPR in 2011-12, and \$1,073,100 GPR in 2012-13, and 1.35 positions annually to provide funding and positions to implement WISCOM and to permit Tier 1 and Tier 2 WISCOM users to not pay a fee. [Alternative 3]

16. The Committee could also delete the recommendation. Under this latter alternative, it is unclear whether OJA would have sufficient operation and maintenance funding to support WISCOM. It is also unclear whether state, local and private entities would be willing to pay sufficient amounts in fees for Tier 1 and Tier 2 access to maintain a statewide interoperable communications system. [Alternative 4]

ALTERNATIVES

1. Approve the Governor's recommendation to create a PR annual interoperable communications system appropriation to provide funding to operate the Wisconsin Interoperable System for Communications (WISCOM). Funding to the appropriation would be provided from the justice information system surcharge. Provide \$1,062,200 PR in 2011-12, and \$421,700 PR in 2012-13, and 1.35 PR positions annually to this appropriation. Funding would include: (a) \$193,500 in 2011-12, and \$204,400 in 2012-13, in salary and fringe benefits funding; and (b) \$868,700 in 2011-12, and \$217,300 in 2012-13 in supplies and services funding.

Delete a 0.20 FED grant specialist and a 0.15 FED community services technician annually under the Department of Administration's Office of Justice Assistance (OJA) federal aid; homeland security appropriation. This FED position authority would instead be supported by PR funding from the justice information system surcharge under the interoperable communications system appropriation.

In addition to the new justice information systems surcharge funded appropriation, create an additional PR annual public safety interoperable communication system; general usage fees appropriation to provide funding to operate WISCOM. Authorize OJA to charge a person that is not a state agency a fee for the use of WISCOM. Any such fees would be credited to this appropriation.

2. Delete \$651,400 PR in 2011-12, and provide \$651,400 PR in 2012-13, in supplies and services funding to the PR annual interoperable communication system appropriation. [This alternative would reflect updated information from the administration that the Department of Transportation (DOT) does not anticipate becoming a daily WISCOM user during the 2011-13

biennium. As a result DOT would not be paying the associated daily user fees for WISCOM during 2012-13 (initially the first year in which it was thought that DOT would completely convert to the WISCOM system). This alternative also reflects the anticipated increased use of federal grant funding to support the initiative in the first year of the biennium.]

3. Delete the PR annual interoperable communications system appropriation to operate WISCOM, and its associated expenditure and position authority of \$1,062,200 PR in 2011-12, and \$421,700 PR in 2012-13, and 1.35 PR positions annually. Create a GPR annual interoperable communications system appropriation to operate WISCOM, and provide expenditure and position authority of \$410,800 GPR in 2011-12, and \$1,073,100 GPR in 2012-13, and 1.35 GPR positions annually. Funding would include: (a) \$193,500 in 2011-12, and \$204,400 in 2012-13, in salary and fringe benefits funding; and (b) \$217,300 in 2011-12, and \$868,700 in 2012-13 in supplies and services funding. [This alternative would provide funding to the program but change the funding source of the program to GPR. This alternative also reflects updated information from the administration on DOT and available federal funding.]

ALT 3	Change to Bill	
	Funding	Positions
GPR	\$1,483,900	1.35
PR	<u>- 1,483,900</u>	<u>- 1.35</u>
Total	\$0	0.00

4. Delete provision.

ALT 5	Change to Bill	
	Funding	Positions
PR	- \$1,483,900	- 1.35

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