

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 661 CS

Governmental Services Telephone Systems

SPONSOR(S): Arza

TIED BILLS:

IDEN./SIM. BILLS: SB 1062

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Utilities & Telecommunications Committee</u>	<u>12 Y, 0 N, w/CS</u>	<u>Cater</u>	<u>Holt</u>
2) <u>Transportation & Economic Development Appropriations Committee</u>	<u></u>	<u>McAuliffe</u>	<u>Gordon</u>
3) <u>Commerce Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

The bill establishes within the Department of Community Affairs (DCA) a matching grant program to provide funds to local governments for the implementation and coordination of "311 nonemergency and other governmental services telephone systems." It provides legislative intent that a coordinated 311 system may reduce the volume of nonemergency 911 calls and provide seamless access to various governmental entities. It authorizes DCA to accept and administer appropriated funds to provide grants. With the grant program, a municipality or county that wishes to receive grant funds must provide \$1 for every \$1 in grant money it wishes to receive. The bill provides a system for awarding the grants, but limits the award amount that a municipality or county may receive. The bill provides that a report be submitted by each 311 system receiving funding by December 15, 2007.

The bill assigns the DCA the tasks of reviewing each grant application, arranging them in order of priority, and approving or disapproving funding. The bill provides minimum criteria for DCA to consider when evaluating the grant requests. The bill gives DCA rulemaking authority to administer the provisions of this bill.

For the 2006-2007 fiscal year, the bill appropriates \$10 million to DCA from General Revenue to fund the grant program.

This act shall take effect July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government-The bill creates a matching grant program where municipalities and counties can obtain funds from DCA to implement a coordinated 311 telephone system.

Maintain Public Security-The bill provides legislative findings that a 311 telephone system for nonemergency and other governmental services may reduce the volume of nonemergency calls to 911 public safety answering points.

B. EFFECT OF PROPOSED CHANGES:

Background

The History of 311 Systems

In 1997 the Federal Communications Commission designated "311" as a national, voluntary, non-toll, three-digit telephone number for non-emergencies.¹ This designation was prompted by concerns relating to the misuse of 911 emergency systems. Evaluations of 911 usage during the mid-1990's indicated that 50 to 90 percent of all calls to 911 were not actual emergencies.² These nonemergency calls resulted in backlogs and inefficiencies for public safety agencies, as well as frustration for callers with emergency needs.

According to the U.S. Department of Justice, 311 systems vary in the types of non-emergency calls handled, as designated by individual jurisdictions. Similar to 911 systems, 311 call centers generally operate 24 hours a day, take requests for service only inside their jurisdictions, and often dispatch assistance. Employees are also trained to deal with 911 emergencies in case of inappropriate/misdirected calls. Examples of non-emergency calls include incidents that are non-life threatening and do not require an immediate response.

Florida's 311 Experience

Miami-Dade County activated its 311 system on November 29, 2004, where it is a central number for reaching a wide variety of government services. Emergency management officials in Miami-Dade County made extensive use of the recently activated 311 system during the 2005 hurricane season. During the emergency activations for Hurricanes Rita, Katrina and Wilma, 311 handled more than 250,000 calls immediately before, during and after the storms. County officials reported that during these activations, the 311 system was able to take many calls that would have previously gone to 911, enabling the 911 system to remain available for truly life-threatening situations. County officials identified the following benefits associated with the 311 system:

- Provides a fast, simple and convenient single access point for residents to obtain information and request services from their local government;
- Makes delivery of services more efficient and effective by consolidating agency-based answer centers and streamlining processes;

¹ FCC Order No. FCC 97-51, released February 19, 1997.

² U.S. Department of Justice, Office of Community Oriented Policing, "311 for Non-Emergencies – Helping Communities One Call at a Time", August 25, 2003.

- Increases governments' ability to respond to unanticipated events, such as severe storm events and hurricanes, by steering non-emergency calls away from 911, preserving the availability of the emergency system for callers truly in need of an immediate response;
- Improves individual department service delivery and accountability through real-time, countywide service performance tracking and reporting;
- Provides 'closed loop' communications with citizens by integrating front-end service requests with the back-end resolution processes; and
- Provides seamless multi-jurisdictional services for citizens regardless to where they live.

Currently, Miami-Dade and Orange are the only Florida counties that have operational 311 systems. However, a number of local governments have expressed interest in implementing a 311 system.

Proposed Changes

The bill creates s. 365.180, F.S., relating to the coordinated 311 nonemergency and other governmental services telephone systems grant program.

The bill provides legislative intent that a 311 telephone system for nonemergency and other governmental services may reduce the volume of nonemergency 911 calls, particularly in times of a disaster.

The bill defines "coordinated 311 nonemergency and governmental services telephone system" as a 311 system that is multi-jurisdictional in nature such that it is designed to provide seamless access to nonemergency and other governmental service.

The bill authorizes the DCA to accept and administer funds that are appropriated to it to provide grants to counties and municipalities for the operation of a coordinated 311 nonemergency and other governmental services telephone system.

A county or municipality may apply for a state grant to support the implementation and operation of a coordinated 311 nonemergency and other governmental services telephone system. A grant awarded under this section must be matched by a contribution from the county or municipality in an amount equal to \$1 for each \$1 in grant money awarded.

The DCA is required to review each grant application submitted, and annually submit two lists to the Secretary of DCA. The first list must contain all applications received, and the second list must make recommendations for grant awards arranged in order of priority. The Secretary of DCA must approve the grant before it can be issued. The DCA may allocate grants only for coordinated 311 nonemergency and other governmental services telephone systems that are approved by the Secretary or for which funds are appropriated by the Legislature.

The annual amount of any one grant may not exceed 50 percent of the total annual cost of operating the coordinated 311 system, but an annual grant to a coordinated 311 system is capped at \$2.5 million. The total amount of grants awarded to a coordinated 311 system in a 5-year period may not exceed \$10 million.

No later than December 15, 2007, each 311 system that receives funding under this section shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing expenditure of the funds appropriated to it for purposes of this section.

The DCA may adopt rules prescribing the criteria to be applied to applications for grants and rules providing for the administration of this section. The bill requires the minimum criteria in evaluating a municipality or county's request for a grant to include the following:

- Population;
- Prior establishment of a 311 number;
- Interoperability between proposed 311 system and existing 911 system;
- Commitment of funds beyond the minimum match contribution; and
- Long-range plan for sustainability.

For fiscal year 2006-2007, the bill appropriates \$10 million from the general revenue fund to DCA to fund the coordinated 311 nonemergency and other governmental services telephone system grant program.

This act shall take effect July 1, 2006.

C. SECTION DIRECTORY:

Section 1. Creates s. 365.180, F.S., related to the coordinated 311 nonemergency and other governmental services telephone system grant program.

Section 2. Provides for an appropriation.

Section 3. This act shall take effect July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

For the 2006-2007 fiscal year, the bill provides for a \$10 million appropriation from General Revenue to DCA to fund the coordinated 311 nonemergency and other governmental services telephone system grant plan.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Municipalities and counties are eligible to receive grants from DCA in order to implement a coordinated 311 system.

2. Expenditures:

In order to receive a grant through this program, a municipality or county is to provide a matched contribution of \$1 for every \$1 in grant money awarded. These monies would be used to implement a coordinated 311 system. When the five year allocation maximum is reached, some municipalities and counties may have difficulty sustaining the system, if other funds are not secured.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

According to DCA, it will require two additional positions to administer the grant program. Its five year fiscal estimates are as follows:

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>Five-Year Total</u>
\$109,500	\$100,768	\$102,054	\$103,360	\$104,685	\$520,367

This estimate is based on the following assumptions:

- A 1.5 percent annual salary increase;
- Two grants of \$1,000,000 awarded annually; and
- Heavy start-up costs in the 2006-2007 fiscal year.

While the bill contains a \$10 million appropriation for the 2006-2007 fiscal year, any unused portion of the appropriation may revert back to General Revenue, and DCA may need to request funds for subsequent fiscal years.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill allows DCA to adopt rules prescribing the criteria to be applied to applications for grants and for the administration of this section. The bill provides minimum criteria to be considered in evaluating the application.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On February 21, 2006, the Utilities & Telecommunications Committee adopted one amendment. This amendment provides minimum criteria for DCA to consider when evaluating grants to municipalities and counties for implementing a 311 system.