

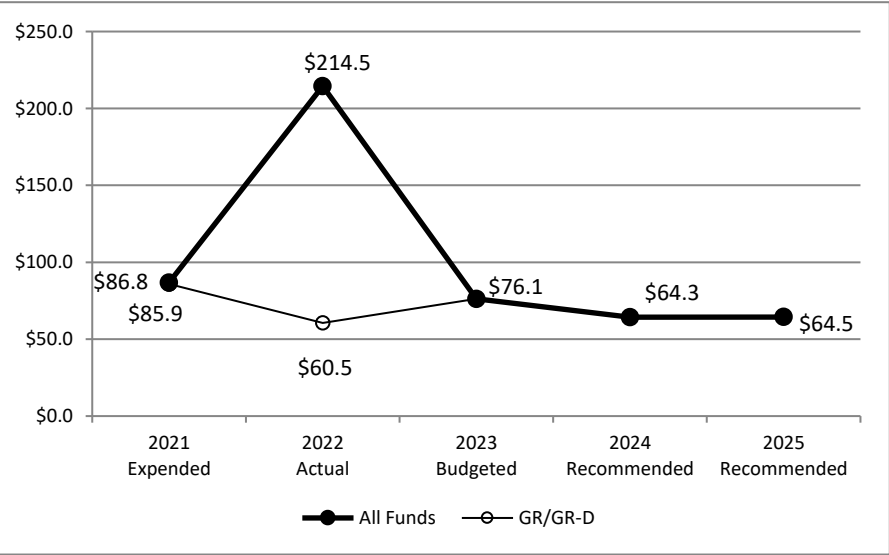
Commission on State Emergency Communications
Summary of Budget Recommendations - Senate

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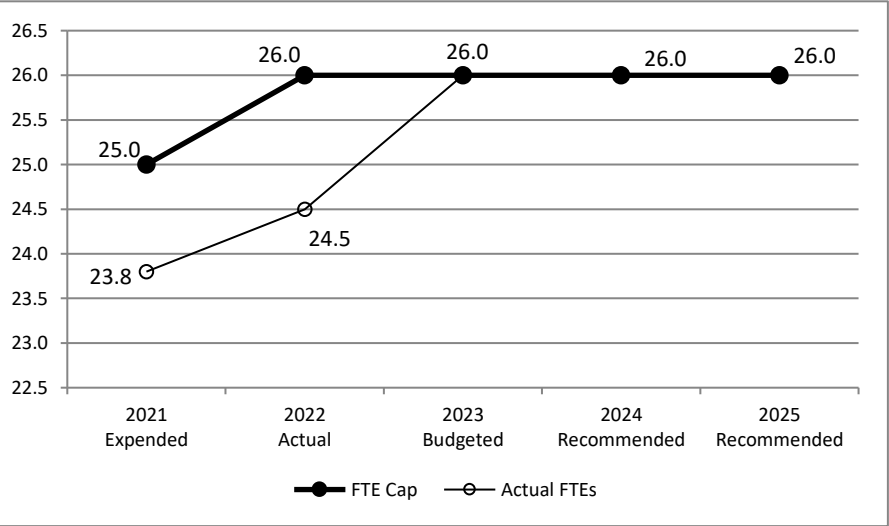
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$0	\$21,304,120	\$21,304,120	100.0%
GR Dedicated Funds	\$136,677,238	\$107,440,895	(\$29,236,343)	(21.4%)
Total GR-Related Funds	\$136,677,238	\$128,745,015	(\$7,932,223)	(5.8%)
Federal Funds	\$153,965,478	\$0	(\$153,965,478)	(100.0%)
Other	\$0	\$0	\$0	0.0%
All Funds	\$290,642,716	\$128,745,015	(\$161,897,701)	(55.7%)

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	26.0	26.0	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2024-25 biennium.

Commission on State Emergency Communications
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Reduction of one-time appropriation of the Coronavirus State Fiscal Recovery Funds (CSFRF) from the American Rescue Plan Act for the expansion of digital 9-1-1 services.	\$0.0	\$0.0	(\$150.0)	\$0.0	(\$150.0)	A.1.2
B)	Reduction to regional planning commissions for 9-1-1 services to preserve balances in Fund 5050 offset by the addition of General Revenue as a method of finance to address funding need in the Statewide 9-1-1 Program (see page 3).	\$21.3	(\$15.4)	\$0.0	\$0.0	\$5.9	A.1.1
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
C)	Increase in funding for grants to poison control centers to fund salary increases for service providers.	\$0.0	\$7.1	\$0.0	\$0.0	\$7.1	B.1.1
D)	Removal of funding for the completed transition to Next Generation 9-1-1 services as well as reductions in utility costs due to the transition.	\$0.0	(\$19.9)	\$0.0	\$0.0	(\$19.9)	A.1.2
E)	Reduction in grants to local entities and CSEC grant administration costs due to completion of Federal E911 grant.	\$0.0	(\$0.6)	(\$4.0)	\$0.0	(\$4.6)	A.1.1
F)	Reduction in Data Center Services costs due to removal of costs for managed security and multi-sourcing integration services.	\$0.0	(\$0.5)	\$0.0	\$0.0	(\$0.5)	A.1.1
G)	Reduction of costs at poison control centers from savings due to efficiency upgrades of call-taking and recording systems.	\$0.0	(\$0.4)	\$0.0	\$0.0	(\$0.4)	B.1.2
H)	Increase to reflect statewide salary adjustments and increase in compensation for the Executive Director.	\$0.0	\$0.2	\$0.0	\$0.0	\$0.2	C.1.1, D.1.1
I)	Increase of approximately three percent in four strategies to address expected increases in costs due to inflation.	\$0.0	\$0.2	\$0.0	\$0.0	\$0.2	A.1.3, B.1.2, B.1.3, C.1.1
J)	Removal of one-time funding related to agency move to the George HW Bush Building.	\$0.0	(\$0.1)	\$0.0	\$0.0	(\$0.1)	C.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$21.3	(\$29.2)	(\$154.0)	\$0.0	(\$161.9)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$21.3	\$7.6	\$0.0	\$0.0	\$28.9	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		\$0.0	(\$36.8)	(\$154.0)	\$0.0	(\$190.8)	As Listed

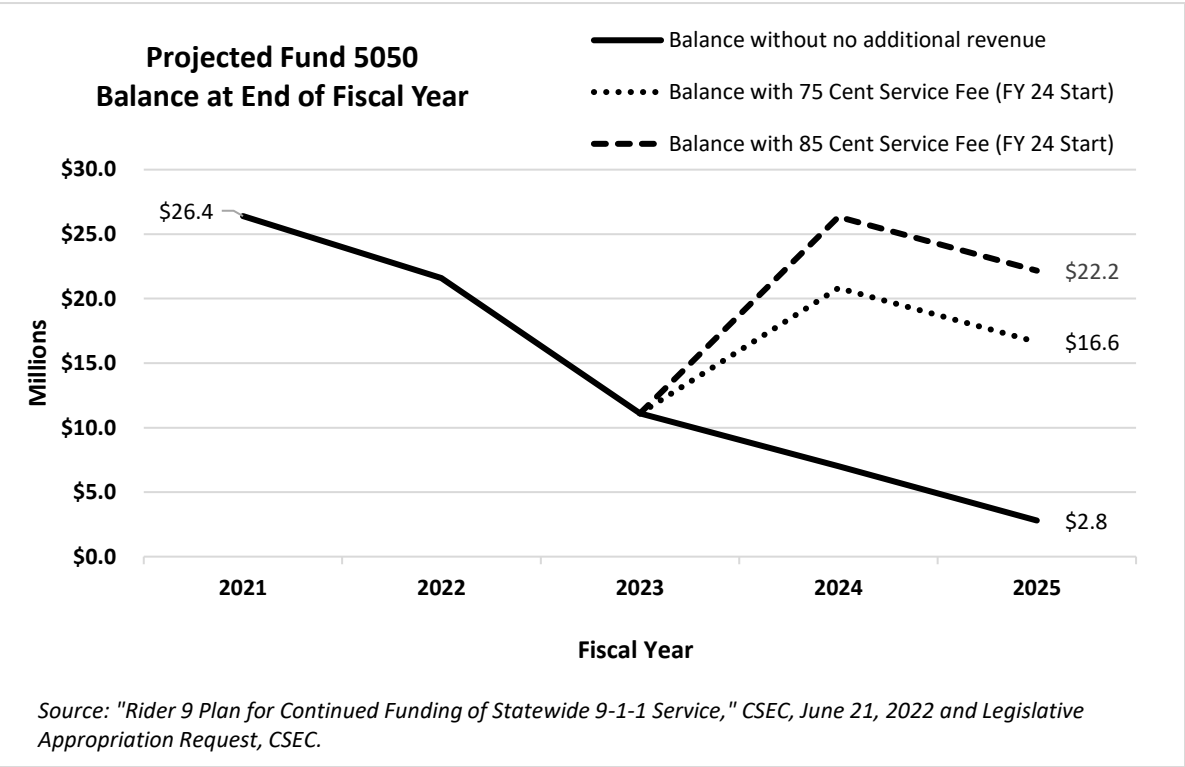
NOTE: Totals may not sum due to rounding.

Commission on State Emergency Communications
Selected Fiscal and Policy Issues - Senate

1. Projections of 9-1-1 Service Fee Fund 5050 Fund Balances

General Revenue-Dedicated Fund 9-1-1 Service Fees Account No. 5050 has historically provided most funds for the CSEC 9-1-1 program. Fund 5050 receives revenue from three sources: statutory Emergency Service Fees of 50 cents on wireless and wired connections and a two percent Prepaid Wireless Service fee. Since 2014, appropriations from Fund 5050 have outpaced declining revenues. These revenue declines reflect the departure of regional planning commissions (RPCs), which take their revenue with them when they exit the statewide program, as well as reduced revenue from landline service.

In fiscal year 2022, the agency reduced grants to RPCs, used to replace and modernize 9-1-1 equipment, by \$15.4 million to preserve the balance of Fund 5050. In the General Appropriations Act (2022-23 biennium), Rider 9, “Plan for Continued Funding of Statewide 9-1-1 Services”, the agency was directed to develop a plan for the sustainable funding of the statewide 9-1-1 program. In that report, the agency determined that, at existing rates of appropriation, the balance of Fund 5050 would be exhausted in fiscal year 2024. The agency has since revised their estimates in the 2024-25 Legislative Appropriations Request (LAR) indicating balances of \$2.8 million available at the end of fiscal year 2024 under its base request.



The Commission’s report in response to Rider 9 examined three revenue scenarios: baseline with no fee increase and fee increases of 25 and 35 cents per wireless and wired line. The included chart shows the agency projection of additional Fund 5050 revenues at the 75-cent and 85-cent total fee levels added to agency-estimated fund balances from the Legislative Appropriations Request. To address this funding need, recommendations include \$21,304,120 in General Revenue. This increase is based on estimated appropriation needs identified in the Rider 9 report compared to the agency’s funding request in the 2024-25 LAR. Note that as the balance of Fund 5050 continues to decline, the relative share of the Statewide 9-1-1 program needing to be funded by General Revenue is expected to increase in future biennia.

2. Lower Rio Grande Development Council Departs the CSEC Program

On September 2, 2021, the Lower Rio Grande Development Council (LRGDC) opted to exit the CSEC program and establish the independent Rio Grande Valley Development Council, Regional 9-1-1 Program. The annual contribution of LRGDC to Fund 5050 during the last three years the district was in the program averaged \$5.2 million per year. Due to the departure of LRGDC, this revenue will no longer be deposited to Fund 5050 but instead is remitted to the district. In fiscal year 2021, the last full year LRGDC was in the CSEC program, the district accounted for 494,419 9-1-1 calls. This represents 15 percent of annual 9-1-1 call volume in the CSEC program.

3. ARPA Funding for Expansion of Next Gen 9-1-1

The agency was appropriated \$150 million in Federal Funds in the Coronavirus State Fiscal Recovery Fund (CSFR) from the American Rescue Plan Act by Senate Bill 8, Eighty-Seventh Legislature, Third Called Session. These funds were deposited into the Next Generation 9-1-1 Service Fund No. 195 for the purpose of the expansion of these services to 9-1-1 local service providers in Texas by September 1, 2025. The Commission, as the recipient of federal funds through the Grants Division of the Office of the Governor, is responsible for ensuring 9-1-1 entity subrecipient grantees comply with federal grant requirements. The agency, assisted by 9-1-1 entities, determined eligible costs under Federal Communications Commission guidelines, including up to one year of monthly recurring costs to verify the reliable operation of the system. The distribution schedule below represents how Federal Funds were allocated to independent emergency service districts, regional planning commissions in the statewide 9-1-1 program, and to the agency for the administration of the grant.

Emergency Service Districts	\$116,139,342
Regional Planning Commission (Statewide 9-1-1 Program)	\$25,844,475
Commission on State Emergency Communications	\$8,016,183
Statewide Cybersecurity Risk Assessment	\$4,719,888
Personnel (for period of grant)	\$1,044,590
Grant Administration (3 contract positions for period of grant)	\$2,059,205
Indirect Costs as allowed under Federal guidelines	\$192,500

**Commission on State Emergency Communications
Rider Highlights - Senate**

Modification of Existing Riders

1. **Capital Budget.** The recommendations revise the Capital Budget rider to remove capital authority for the Emergency Services IP Network (ESINet) Project which is estimated to be completed in July 2023.

Deleted Riders

8. **Unexpended Balances: ESINet Project.** Unexpended balance authority is no longer required as the project is scheduled for completion in July 2023.
9. **Plan for Continued Funding of Statewide 9-1-1 Services.** The agency delivered the required one-time report on June 21, 2022.

Commission on State Emergency Communications
Items Not Included in Recommendations - Senate

		2024-25 Biennial Total					
		GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
Agency Exceptional Items Not Included (in agency priority order)							
1)	Authority for Executive Director Salary Increase. The agency is requesting an increase in authority only for the Executive Director exempt position from \$143,999 in fiscal years 2024 and 2025 in the introduced bill to \$171,688 per year.	\$55,378	\$55,378	0.0	No	No	\$55,378
TOTAL Items Not Included in Recommendations		\$55,378	\$55,378	0.0			\$55,378

Commission on State Emergency Communications
Appendices - Senate

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* Appendix is not included - no significant information to report

Commission on State Emergency Communications
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
9-1-1 NTWK OPER & EQUIP REPLACEMENT 1.1.1	\$95,588,374	\$96,439,166	\$850,792	0.9%	Increase of \$21,304,120 in General Revenue to address Statewide 9-1-1 Program funding needs and offsets a decrease of \$15,404,996 in GR-D Fund 5050 in grants to 9-1-1 service districts to conserve fund balance. Decrease of \$3,965,478 in Federal Funds due to expiration of the E911 grant. Decrease of \$576,819 for professional fees related to the completion of the E911 Federal grant in fiscal year 2022. Decrease of \$451,355 in DCS costs. Decrease of \$54,680 for utility cost savings due to more efficient Next Generation 9-1-1 equipment.
NEXT GEN 9-1-1 IMPLEMENTATION 1.1.2	\$169,980,574	\$0	(\$169,980,574)	(100.0%)	Decrease of \$150 million in Federal Funds to reflect the removal of one-time ARPA funding provided for statewide expansion of digital 9-1-1 services in SB8. Decrease of \$19,851,575 in GR-D Fund 5050 and 5007 to reflect the completion of the Next Generation 9-1-1 project by the agency, anticipated in July 2023. Transfer of \$128,999 in GR-D Fund 5050 to Strategy A.1.3, Program Administration, to shift geographic information system (GIS) costs between strategies.
CSEC 9-1-1 PROGRAM ADMINISTRATION 1.1.3	\$3,498,526	\$3,707,304	\$208,778	6.0%	Transfer of \$128,999 in GR-D Fund 5050 to Strategy A.1.3, Program Administration to shift GIS costs between strategies. Transfer of \$18,787 to B.1.2, Statewide Poison Center Operations, due to reallocation of cost of software licenses. Increase of \$98,566 in GR-D Fund 5050 for anticipated cost increases due to inflation.
Total, Goal 1, STATEWIDE 9-1-1 SERVICES	\$269,067,474	\$100,146,470	(\$168,921,004)	(62.8%)	
POISON CALL CENTER OPERATIONS 2.1.1	\$15,634,214	\$22,775,748	\$7,141,534	45.7%	Increase of \$7,141,534 in GR-D Fund 5007 to increase grants to poison control centers primarily for the purpose of salary increases.
STATEWIDE POISON NETWORK OPERATIONS 2.1.2	\$2,811,466	\$2,471,318	(\$340,148)	(12.1%)	Decrease of \$430,915 in GR-D Fund 5007 to reflect savings from the implementation of new technology. Transfer of \$18,787 from A.1.3, CSEC 9-1-1 Program Administration, due to reallocation of cost of software licenses. Increase of \$71,980 in GR-D Fund 5007 for anticipated cost increases due to inflation.
CSEC POISON PROGRAM MANAGEMENT 2.1.3	\$559,380	\$576,162	\$16,782	3.0%	Increase of \$16,782 in GR-D Fund 5007 for anticipated cost increases due to inflation.
Total, Goal 2, POISON CONTROL SERVICES	\$19,005,060	\$25,823,228	\$6,818,168	35.9%	

Commission on State Emergency Communications					
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS					
Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
INDIRECT ADMINISTRATION 3.1.1	\$2,570,182	\$2,538,098	(\$32,084)	(1.2%)	Increase of \$55,114 in GR-D Funds 5050 and 5007 for anticipated cost increases due to inflation. Decrease of \$85,500 in GR-D Fund 5050 for the removal of one-time funding for the agency move to the George HW Bush Building. Decrease of \$8,300 for the removal of rent costs due to this move. Increase of \$6,602 in GR-D Funds 5050 and 5007 for increase in salary of Executive Director.
Total, Goal 3, INDIRECT ADMINISTRATION	\$2,570,182	\$2,538,098	(\$32,084)	(1.2%)	
SALARY ADJUSTMENTS 4.1.1	\$0	\$237,219	\$237,219	100.0%	Increase in GR-D Funds 5050 and 5007 for statewide salary adjustments.
Total, Goal 4, SALARY ADJUSTMENTS	\$0	\$237,219	\$237,219	100.0%	
Grand Total, All Strategies	\$290,642,716	\$128,745,015	(\$161,897,701)	(55.7%)	

Commission on State Emergency Communications
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2021	Actual 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	25.0	26.0	26.0	26.0	26.0
Actual/Budgeted	23.8	24.5	26.0	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 4	\$132,835	\$140,698	\$140,698	\$143,999	\$143,999

Notes:

- a) The State Auditor’s Office is the source of the FY 2021 and FY 2022 actual FTEs annual average (actual) FTE levels.
- b) The State Auditor's Office Report Executive Compensation at State Agencies (Report 22-706, August 2022) indicates a market average salary of \$143,999 for the Executive Director position at the Commission on State Emergency Communications and recommends that the position be reclassified as Group 4.