



OREGON MILITARY DEPARTMENT
JOINT FORCE HEADQUARTERS, OREGON NATIONAL GUARD
ADJUTANT GENERAL DEPUTY DIRECTOR
1776 MILITIA WAY SE
P.O. BOX 14350
SALEM, OREGON 97309-5047

17 February 2015

Below is information in response to the questions posed during the 12 February 2015 Public Hearing regarding 9-1-1.

- Since 2001 there have been seven attempted diversions of 9-1-1 principal funds dating back to 2001, with three being successful with a total value of \$14,364,101:
 - 2001 HB 3997 - \$1,754,101 (Legislation Approved)
 - 2002 HB 4020 - \$14,000,000 (Legislation Vetoed)
 - 2002 HB 4030 - \$14,000,000 (Legislation Vetoed)
 - 2002 HB 4055 - \$9,000,000 (Legislation Approved)
 - 2007 SB 994 / SB 5549 - \$9,000,000 (Legislation Vetoed)
 - 2009 SB 581 - \$3,610,000 (Legislation Approved)

- In addition to the principal redirects, 2009 HB3199 eliminated the provision that interest on the Emergency Communications Account accrues to the Account. This change redirected all future interest to the General Fund.
 - It's difficult to precisely calculate how much interest has been redirected to the General Fund since the implementation of HB3199, but during fiscal year 2009 (prior to implementation of HB3199) the average interest earned during one fiscal quarter was approximately \$69,018. There have been 22 fiscal quarters since the implementation of HB3199, so by applying the historical average earned interest to 22 quarters, a very conservative estimate shows that approximately \$1,518,396 has been redirected from the 9-1-1 program.
 - We note our estimate as a conservative one due to the fact that the cash value of the account has increased dramatically since the implementation of HB3199, and therefore, accrued interest would potentially have been significantly more.

- In 2008 the New and Emerging Technologies (NET) 911 Improvement Act was passed by Congress which:
 - Allows a state or tribal fee for 9-1-1 or enhanced 9-1-1 services, provided it is used only for such services or related enhancements and provided that, for each class of IP-enabled voice services subscribers, the fee does not exceed the fee for the same class of subscribers to telecommunications services.
 - Requires an annual report to the Committee on Commerce, Science and Transportation of the Senate and the Committee on Energy and Commerce of the House of

Representatives detailing the status in each state of the collection and distribution of such fees.

- Amends the National Telecommunications and Information Administration Organization Act to require grants for migration to an IP-enabled emergency network. Requires the E 911 Implementation Coordination Office to develop a national plan for migrating to a national IP-enabled emergency network.

Due to the requirement of the NET 9-1-1 Act that 9-1-1 funds only be used for 9-1-1 purposes, and the requirement for an annual report to Congress on the collection and distribution of 9-1-1 funds, any redirection of 9-1-1 funds results in states becoming ineligible to apply or receive federal grants identified in the Act.

To date Oregon's 9-1-1 program has not applied for federal grant funds to help support our network transition from a Frame Relay to IP Enabled. The primary reasons for Oregon not applying are the three diversions of 9-1-1 principal funds and the ongoing interest sweeps where funds are redirected to the state General Fund.

At this time it's not possible to tell how much federal money has been left on the table due to these sweeps.

- The 2014 Legislature was able to successfully pass HB 4055 which applies the Emergency Communications Excise Tax to prepaid telecommunications service customers, as well as Voice over Internet Protocol (VoIP) service providers. The Legislative Revenue Office (LRO) issued a determination that HB 4055 would result in a biennial increase in net revenue of approximately \$1.4 million (15-17 Biennium).

**Oregon Military Department
Oregon Youth Challenge Program
Projected fiscal impact of facility expansion project**

Oregon Youth Challenge 2014 Budget (January 1, 2014 - December 31, 2014)			
Categories	Budget	Federal 75%	State 25%
A: Staff (see detail on next page)	\$ 3,626,120	\$ 2,719,592	\$ 906,528
B: Stipends	\$ 9,000	\$ 6,750	\$ 2,250
C: Facility Requirements	\$ 178,685	\$ 134,014	\$ 44,671
D: Furnishings	\$ 6,800	\$ 5,100	\$ 1,700
E: Transportation/Travel	\$ 61,100	\$ 45,825	\$ 15,275
F: Dining Operations	\$ 537,844	\$ 403,383	\$ 134,461
G: Supplies	\$ 50,230	\$ 37,673	\$ 12,558
H: Equipment	\$ 20,700	\$ 15,525	\$ 5,175
I: Clothing	\$ 34,700	\$ 26,025	\$ 8,675
J: ED/Rec Equipment	\$ 2,000	\$ 1,500	\$ 500
K: Services	\$ 218,283	\$ 163,712	\$ 54,571
L: Medical	\$ 12,200	\$ 9,150	\$ 3,050
M: Communications	\$ 28,000	\$ 21,000	\$ 7,000
N: Security	\$ 2,000	\$ 1,500	\$ 500
O: Outreach	\$ 6,020	\$ 4,515	\$ 1,505
P: Computers & Software	\$ 26,318	\$ 19,739	\$ 6,580
TOTALS	\$ 4,820,000	\$ 3,615,002	\$ 1,204,998
Cost per cadet	\$ 20,083		

The annual budget shown above is based on a graduation target of 120 cadets x 2 classes for a total of 240 cadets per year.

If the facility expansion project is funded via Policy Package 499 for \$4.977 million Q-bonds, the program will be able to add 84 cadets each class x 2 classes, or 168 additional cadets per year. The graduation target would increase from 120 per class to 200 per class x 2 classes = 400 per year.

The program estimates the growth in cadets would require approximately 40 new staff: 6 teachers, 20 cadre and 14 other staff. We are pushing NGB for increased federal funds to help support the staffing necessary to accommodate an increase in cadets.

The estimated budget would increase with a larger graduation target to:

400 cadets x \$20,083	\$ 8,033,333
Federal share (75%)	\$ 6,025,000
State Share (25%)	\$ 2,008,333

Increase in estimated yearly costs over FFY 2014	Federal share (75%)	\$ 2,409,998
	State Share (25%)	\$ 803,335
		<u>\$ 3,213,333</u>

State match is funded by Average Daily Membership revenue, National School Breakfast and Lunch revenue, and a small amount of General Fund (approximately \$100,000 per year currently).

Oregon Youth Challenge 2014 Budget -- Category A (Staff) Detail

Count	AMSCO A	STAFFING	GS Max	Total Budget	Base Budget	Federal	State
1	A01:	Program Director, GS13/14	112,136	82,371.00	82,371.00	61,778.00	20,593.00
2	A02:	Secretary, GS6	47,837	34,360.00	34,360.00	25,770.00	8,590.00
3	A03:	Deputy Director, GS12	94,300	67,834.00	67,834.00	50,876.00	16,958.00
4	A08:	Counselor, GS9	65,023	53,797.00	53,797.00	40,348.00	13,449.00
5	A08:	Counselor, GS9	65,023	44,876.00	44,876.00	33,657.00	11,219.00
6	A10:	RPM Coordinator, GS10	71,614	52,808.00	52,808.00	39,606.00	13,202.00
7	A10:	RPM Recruiter GS10	71,614	47,126.00	47,126.00	35,345.00	11,781.00
8	A12:	Case Manager, GS6	47,837	31,605.00	31,605.00	23,704.00	7,901.00
9	A12:	Case Manager, GS6	47,837	30,444.00	30,444.00	22,833.00	7,611.00
10	A12:	Case Manager, GS6	47,837	34,932.00	34,932.00	26,199.00	8,733.00
11	A15:	Budget Officer, GS10	71,614	47,126.00	47,126.00	35,345.00	11,781.00
12	A17:	Management Information Specialist, GS10	71,614	67,042.00	67,042.00	50,282.00	16,760.00
13	A19:	Admin/Log Specialist, GS8	58,872	35,575.00	35,575.00	26,681.00	8,894.00
14	A20:	Admin/Log Asst., GS7	53,166	46,754.00	46,754.00	35,066.00	11,688.00
15	A22:	Discretionary Support Staff, GS 7	53,166	41,226.00	41,226.00	30,920.00	10,306.00
16	A30:	Direct Administrative Costs (CPP)	N/A	62,300.00	62,300.00	46,725.00	15,575.00
	A31:	Support Sub-Total		780,176.00	780,176.00	585,135.00	195,041.00
17	A32:	Cadre Staff Supervisor, GS10/11	71,614	60,572.00	60,572.00	45,429.00	15,143.00
18	A33:	Cadre Staff Supervisor Asst., GS9	65,023	53,396.00	53,396.00	40,047.00	13,349.00
19	A34:	Shift Supervisors, GS8	58,872	39,506.00	39,506.00	29,630.00	9,876.00
20	A34:	Shift Supervisors, GS8	58,872	47,415.00	47,415.00	35,561.00	11,854.00
21	A34:	Shift Supervisors, GS8	58,872	53,797.00	53,797.00	40,348.00	13,449.00
22	A34:	Shift Supervisors, GS8	58,872	37,687.00	37,687.00	28,265.00	9,422.00
23	A34:	Shift Supervisors, GS8	58,872	42,747.00	42,747.00	32,060.00	10,687.00
24	A34:	Shift Supervisors, GS8	58,872	47,223.00	47,223.00	35,418.00	11,805.00
25	A35:	Team Leaders, GS7	53,166	48,984.00	48,984.00	36,738.00	12,246.00
26	A35:	Team Leaders, GS7	53,166	34,317.00	34,317.00	25,738.00	8,579.00
27	A35:	Team Leaders, GS7	53,166	34,317.00	34,317.00	25,738.00	8,579.00
28	A35:	Team Leaders, GS7	53,166	52,759.00	52,759.00	39,569.00	13,190.00
29	A35:	Team Leaders, GS7	53,166	40,288.00	40,288.00	30,216.00	10,072.00
30	A35:	Team Leaders, GS7	53,166	34,440.00	34,440.00	25,830.00	8,610.00
31	A35:	Team Leaders, GS7	53,166	34,563.00	34,563.00	25,922.00	8,641.00
32	A35:	Team Leaders, GS7	53,166	34,440.00	34,440.00	25,830.00	8,610.00
33	A35:	Team Leaders, GS7	53,166	37,538.00	37,538.00	28,154.00	9,384.00
34	A35:	Team Leaders, GS7	53,166	35,177.00	35,177.00	26,383.00	8,794.00
35	A35:	Team Leaders, GS7	53,166	34,809.00	34,809.00	26,107.00	8,702.00
36	A35:	Team Leaders, GS7	53,166	31,011.00	31,011.00	23,258.00	7,753.00
37	A35:	Team Leaders, GS7	53,166	36,534.00	36,534.00	27,400.00	9,134.00
38	A35:	Team Leaders, GS7	53,166	48,984.00	48,984.00	36,738.00	12,246.00
39	A35:	Team Leaders, GS7	53,166	48,984.00	48,984.00	36,738.00	12,246.00
40	A35:	Team Leaders, GS7	53,166	34,686.00	34,686.00	26,014.00	8,672.00
41	A35:	Team Leaders, GS7	53,166	35,575.00	35,575.00	26,681.00	8,894.00
42	A35:	Team Leaders, GS7	53,166	48,984.00	48,984.00	36,738.00	12,246.00
43	A35:	Team Leaders, GS7	53,166	31,368.00	31,368.00	23,526.00	7,842.00
	A36:	State Benefits Package	N/A	1,199,978.00	1,199,978.00	899,983.00	299,995.00
	A38:	Overtime	N/A	51,000.00	51,000.00	38,250.00	12,750.00
	A39:	Funded & Unfunded Totals for Direct Hire Staff	N/A	2,371,079.00	2,371,079.00	1,778,309.00	592,770.00
44	A41:	Contract Medical Nurse	N/A	69,611.00	69,611.00	52,208.00	17,403.00
50	A43:	Contract Core Staff Personnel - Instructors (6)	N/A	405,254.00	405,254.00	303,940.00	101,314.00
	A51:	d & Non-Cash Non-Match Totals for Contractors	N/A	474,865.00	474,865.00	356,148.00	118,717.00
	A52:	Funded & Non-Cash Non-Match Costs TOTALS		3,626,120.00	3,626,120.00	2,719,592.00	906,528.00