TC-2 Resolution to support further extension of the Federal Communication Commission's (FCC) Spectrum Auction authority with a portion of auction proceeds to fund both the FCC "Rip and Replace" Program and accelerate deployment of State Jurisdictional Next-Generation (NG 911) 911 Systems

Whereas on July 27, 2022, the United States House of Representatives passed the Spectrum Innovation Act of 2022 (H.R.7624), which would authorize a new federal grant program for NG911 and use proceeds from future spectrum auctions to fund both (i) accelerated NG911 implementation nationwide; and (ii) the Secure and Trusted Communications Networks Act fund, aka the Huawei instigated "rip & replace" program;

Whereas the United States Senate considered, but failed to pass prior to adjournment of the 117th Congress, legislation that would have used future spectrum auction proceeds to fund a federal NG911 grant program; and the rip and replace program;

Whereas instead, Congress passed an omnibus government funding bill that extended the FCC's auction authority to March 2023;

Whereas the Secure Networks Act was enacted March 12, 2020, with the aim of purging equipment and services that pose national security risks emerging from U.S. communications networks that receive subsidies from the Federal Communications Commission's universal service programs;

Whereas that Act included a prohibition on use of FCC subsidy funds to purchase, rent, lease, otherwise obtain, or maintain communications equipment or services enumerated in a Covered List developed by the FCC and created a Reimbursement Program to assist eligible providers of "advanced communications services" (ACS providers) in recovering the costs of removing, replacing, and destroying ("rip-and-replace") items on the Covered List;

Whereas in July 2022, the FCC announced 126 applications filed by 85 entities seeking \$4.64 billion in funding to remove the suspect equipment, but Congress only appropriated \$1.9 billion to fund it, leading to the current shortfall of more than \$3 billion;

Whereas the FCC implemented a prioritization scheme to keep the ball rolling, but the allocation meant it could only pay initial reimbursements at about 39.5% of the total amounts;

Whereas on January 10, the FCC filed a report with Congress pointing out that roughly half of respondents indicated to the agency that a lack of funding is a challenge and that about 2% indicated they cannot start work on their removal and replacement projects unless they receive additional funding;

Whereas the FCC Task Force on Optimal PSAP Architecture (TFOPA) to examine the transition from legacy 911 to Internet Protocol enabled 911 systems, i.e., so-called Next-Generation 911, or NG911, released a final report January 29, 2016 that (i) recommends that the transition to NG911 be accelerated and (ii) also concludes that current 911 funding mechanisms are not sufficient to support the required investments in NG911 technology;

Whereas, even though funding of and jurisdiction over 911 systems remains fundamentally an issue for local and State governments, even NARUC has recognized the need for additional Congressional leadership to facilitating the rollout of the NG911 transition <u>by targeting federal NG911 grants to State and local governments</u>;

Whereas in 2015, NARUC, by resolution, specifically endorsed a proposal by then Chairman Wheeler to seek congressional approval to "utilize future spectrum proceeds to provide funding to States, local governments and/or PSAPS – to accelerate the transition to Next-Generation 911 networks

Whereas last February, FCC Chairwoman Jessica Rosenworcel proposed a similar plan to dedicate proceeds from upcoming spectrum auctions toward a nationwide investment in digital, NG911 services; now, therefore be it

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners convened at its Winter meetings in Washington DC endorses the funding recommendations of FCC Chairman Wheeler and FCC Chairwoman Rosenworcel and urges Congress to extend the FCC's spectrum authority beyond March 2023 and specify that the FCC may use a portion of future spectrum proceeds to fund Advanced Next-Generation 911 (NG 911) state networks and to cover shortfalls in the "rip and replace" program.

Passed by the Committee on Telecommunications on February 13, 2023. Adopted by the NARUC Board of Directors on February 15, 2023