

1 page summary of major points

- Outreach has improved but strategic partnership with the States is imperative
- Business model for sustainable operations
- Ensure the state collaboration keeps pace with the technical outreach to ensure technical solutions fit with state needs

Testimony

Good morning Chairman Walden, Ranking Member Eshoo and members of the Subcommittee. Thank you for the opportunity to testify on FirstNet and the Nationwide Public Safety Broadband Network initiative.

My name is Stu Davis and I currently serve as Ohio's State Chief Information Officer (CIO) and the Assistant Director for the Ohio Department of Administrative Services (DAS). Prior to my role as the State CIO, I served as the State Chief Operating Officer and deputy director of the Infrastructure Services Division within DAS/Office of Information Technology (OIT).

As the State Chief Information Officer, I lead, oversee and direct state agency activities related to information technology development and use. As Assistant Director of DAS, I oversee the Office of Information Technology (OIT) which delivers statewide information technology and telecommunication services to state government agencies, boards and commissions. I also manage IT procurement, policy and standards development, lifecycle investment planning as well as privacy and security management.

The State CIO is also the Chair of the Multi-Agency Radio Communications System (MARCS) Steering Committee - Ohio's Land Mobile Radio system - that supports voice and data communications for statewide public safety and emergency management. I also chair Ohio's Emergency Services IP Network (ESINet) Steering Committee focused on Ohio's Next Generation 911 solution.

The Ohio General Assembly has concerns about FirstNet and passed Senate Concurrent Resolution 15 earlier this year. Specifically,

- The business plan,
- Costs the State will bear – mandated or obligated
- Opt out with no net costs if not appropriate for Ohio
- FirstNet provide written assurances that it will meet and exceed current level of service in the areas of reliability, redundancy, and state based system control.
- Fair market compensation for access and utilization of state-owned assets in support of network deployment.

FirstNet outreach has significantly improved and is more consistent but there are still questions regarding requirements, user community (state, local government) roles and responsibilities, an overarching business case, defined business and operational

models and of course, near and long-term funding. We need to have further insight into key components so we can properly plan for the future.

Partnership versus Customer – It is important that FirstNet views relationships with the states as a partnership. Currently the planning grants available to states are focused on outreach and education. For FirstNet to be successful they need to focus on developing relationships with the states and modify their approach to be one of engagement, not product marketing to states.

An example of partnering would be stronger engagement on the requirements and the determination of roles and responsibilities. It would make sense to have individual state discussions and perhaps negotiate terms before releasing an RFP to build out FirstNet. If this does not take place, there will be very little time for the States to react and determine the best path forward. If we are not a part of the negotiation of the details of a blanket RFP prior to its release, it will be detrimental to both parties.

Planning and Development – There are numerous requirements that need to be defined before architecting a solution. This runs the gamut from user to technical and operational requirements. It is difficult to architect a solution to undefined user requirements and clear expectations. I am hearing conflicting answers to the “requirements versus architected” solution; it appears, albeit from a distance, that FirstNet is trying to fit user and operational requirements into overall pre-defined technical architecture.

FirstNet needs to be extremely sensitive to the fact that moving full steam ahead on identifying the technical aspects of the system several months before regional outreach positions are in place can be risky. Choosing technical specifications in the absence of understanding the needs of states could be detrimental to the long-term viability of the network.

Additionally, the states interpretation of how “public safety use only” has been defined for NPSBN use may not be consistent. The potential business model may not be sustainable in many areas of the country without secondary users of excess capacity.

We need to know these definitions to understand what the impact of this effort will have on Ohio’s existing initiatives. Questions like how does this fold into current state Land Mobile Radio (LMR) systems providing “mission critical” voice and data for our public safety and first responders.

In Ohio, this is the Multi-Agency Radio Communications System or MARCS. Additionally, consideration of other statewide initiatives such as Next Generation-911 (NextGen-911) should be viewed as a component of FirstNet. Several states, including Ohio, have stated that current NextGen-911 design efforts must integrate with FirstNet in the future. Understanding the impact on MARCS as well Next Generation NG-911 is critical to our planning process. These types of requirements must be considered in the architecting of Public Safety Broadband Network (PSBN) solutions.

Business and Operational Models – I would like to see the FirstNet business model. FirstNet seems to be asking the States to build the business case for them. This is critical to know and understand for the sustainability of the effort. Building the cost recovery and usage rates will be instrumental in the adoption of this effort. The answer I get is build and ongoing costs will be supported through partnerships (with the states) and subscriptions from early adopter/builders and the goal is to reinvest those user fees into construction.

I don't believe this is sustainable model. Someone has to pay for operations while adoption ramps up and takes place. My concern is that the states will be responsible for these lost costs and more to the point; adoption of MARCS at \$20 a month gets signification push back from some of our user community. Volunteer firefighters always push back on \$240 a year to have an operational radio on our system in Ohio. How will they pay for both? What are the chargeback and cost allocation implications from A-87 guidance? I would like to better understand these aspects before blindly jumping in to the deep end. Again, even with a capital investment from the federal government, where is the revenue to sustain the FirstNet operations in each state? Without the revenue from broad secondary use of excess capacity, the model may not be sustainable unless state and local agency use is mandatory and even then, the adoption ramp up will be an issue.

In Ohio, we are working through an IT Optimization effort to align all our IT assets, resources and current expenditures to reduce duplication of efforts and increase efficiencies for the benefit of the citizens. A key part of this is adoption and leveraging of past investments. We are expending dollars today to support law enforcement and first responders. These past investments include the Multi-Agency Radio Communications System. The path forward must protect our current and previous investments so these systems are integrated and leveraged. Additionally efforts are currently underway for Next Generation 911. This too will be an IP based network. What efforts of FirstNet can be leveraged to support NG-911? Are the technical specifications being taken into account?

Regarding the Nationwide Public Safety Broadband Network, we need to be able to plan and forecast impacts and direction of current efforts, to be able to align with this future effort. Understanding the operational costs and potential costs to the user community will be directly related to law enforcement and first responders adoption of NPSBN.

Leveraging State Assets – I understand that FirstNet will leverage vertical assets that states currently own, lease or are carrying debt on, how will that work? FirstNet is asking for an inventory of existing assets – will FirstNet buy these assets from the state? If they take them over and manage them, what happens to the debt service on these sites, the state owned lands they are on and the depreciation?

Public versus private use is an issue. We currently we have several steps we have to go through just to lease space on our tower sites due to the use of tax exempt bonds to build out MARCS. With FirstNet being a private corporation, how will this work? Additionally, there are financial, legal and jurisdictional issues regarding use of existing state, local and private assets. Will jurisdictions be compensated for access and use? Backhaul? There are numerous bonding and legal considerations that will need to be thought through for many states.

Funding – I continue to have funding concerns...both from the State's perspective as well as the anticipated \$7 Billion which from most accounts represents a third of the necessary funding. Funding and the sustainability of a national network will be critical to its adoption and long term success.

It is important to note that I am supportive of the concept of the Nationwide Public Safety Broadband Network. Ohio is uniquely positioned to take advantage of the significant opportunity to coordinate and converge multiple efforts. These efforts include the MARCS' upgrade and Ohio's Next Generation 911 system. I look forward to the opportunity to partner on this effort and ensure impacts to current initiatives are in alignment with our direction.