
**SENATE COMMITTEE ON ENERGY, UTILITIES AND
COMMUNICATIONS**

**Senator Benjamin Allen, Chair
2025 - 2026 Regular**

Bill No:	SB 985	Hearing Date:	3/17/2026
Author:	Strickland		
Version:	2/5/2026 Introduced		
Urgency:	No	Fiscal:	Yes
Consultant:	Sarah Smith		

SUBJECT: 911 emergency system

DIGEST: This bill deletes the current 80-cent cap on the surcharge funding the 911 emergency telecommunications system and requires the Office of Emergency Services (OES) to submit specified reports to the Legislature regarding the implementation of California's Next Generation 911 (NG 911) system.

ANALYSIS:

Existing law:

- 1) Authorizes the California Public Utilities Commission (CPUC) to fix rates, establish rules, examine records, issue subpoenas, administer oaths, take testimony, punish for contempt, and prescribe a uniform system of accounts for all public utilities under its jurisdiction. (California Constitution, Article XII, §6)
- 2) Requires all utility charges for products, commodities, and services to be just and reasonable. Existing law requires every public utility to maintain adequate, efficient, just, and reasonable service, equipment, and facilities, including telephone facilities, to promote health, safety, and comfort. (Public Utilities Code §451)
- 3) Authorizes the CPUC to supervise and regulate every public utility in the state and do all things necessary and convenient in the exercise of such power. (Public Utilities Code §701)
- 4) Defines a "public utility" as every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation providing services or commodities for or to the public. (Public Utilities Code §216)

- 5) Establishes the State Emergency Telephone Number Account (SETNA) for the purposes of funding the 911 system through a surcharge on all telecommunications access lines in California. Existing law caps the surcharge for 911 at no more than 80 cents per access line, per month. (Revenue and Taxation Code §41030)
- 6) Requires OES to annually determine the 911 surcharge, which must include the costs that OES expects to incur to plan, test, and implement the NG 911 system in a manner consistent with the NG 911 plan and timeline established by OES. (Revenue and Taxation Code §41030)
- 7) Establishes the 911 telecommunications system, specifies that 911 is primary emergency telephone number for contacting emergency services within the state, and sets requirements for the 911 system. Existing law designates OES as the agency responsible for the planning and implementation of the 911 system. (*Warren 911 Emergency Services Act*/ Government Code §53100 et. seq.)
- 8) Requires every local agency providing emergency services within its jurisdiction to establish a 911 system compliant with the Warren 911 Emergency Services Act by December 31, 1985. (Government Code §53109)
- 9) Establishes the State 911 Advisory Board, which is comprised of 11 members appointed by the Governor from specified public safety agencies and emergency communications associations. Existing law requires the State 911 Advisory Board to advise OES on technical and operational standards for the 911 system, funding for the system, and proposed additional 911 projects and studies. (Government Code §53115.1 – 53115.2)
- 10) Requires OES to develop a plan and timeline for the testing, implementation, and operation of an NG 911 system, including text to 911 services. (Government Code §53121)

This bill:

- 1) Requires OES to submit quarterly reports to the Legislature on the development and implementation of a NG 911 system in California. These reports must also include current year and total spending on the NG 911 system's development and implementation. This bill specifies that these reports must include the following:
 - a) Documentation of progress and challenges towards implementing the NG 911 system.

- b) Proposed solutions to identify challenges and the costs associated with potential solutions.
 - c) Identified impacts to timelines and expected dates of completion for solutions to address implementation challenges.
- 2) Requires OES to submit a copy of each quarterly report to the chairs of the legislative budget committees, appropriate budget subcommittees, and to the Legislative Analyst's Office (LAO). This bill specifies annual quarterly deadlines for these reports.
 - 3) Requires OES to submit quarterly reports as specified by this bill until NG 911 has been fully implemented and the legacy 911 system has been retired.
 - 4) Deletes the 80-cent cap on the SETNA surcharge funding 911 and NG 911. The bill does not specify a new cap on the monthly access line surcharge funding the 911 system.

Background

California's 911 system partly relies on CPUC's tariff authority. Under existing law, the CPUC directs telecommunications providers to submit tariffs providing information on the costs, terms, and conditions of telecommunications services and infrastructure on which the 911 system relies. These tariffs are intended to ensure that the state has transparency on telecommunications networks and costs associated with those networks to effectively administer 911 systems in accordance with federal and state requirements.

Bill modifies the surcharge funding both 911 and NG 911. Both the existing 911 system and the NG 911 development are funded through surcharges paid on each telecommunications access line in the state. These surcharges are deposited into the SETNA. Like many telecommunications surcharge accounts, the SETNA originally received funding on the basis of in-state calls made using basic telephone service. However, as wireless and Voice Over internet Protocol (VOiP) telecommunications overtook traditional telephone service as the primary telecommunications technologies, revenues for the SETNA declined. In 2019, the Budget Act included changes to the SETNA surcharge intended to improve SETNA revenues and ensure that the account received sufficient monies to fund the transition to NG 911. While the legislation established an 80-cent cap on the access line surcharge funding the SETNA, the surcharge is currently set at 41 cents per access line, per month. This bill removes the existing 80-cent cap and instead provides an unspecified cap for the SETNA surcharge. While this bill does not currently specify a cap on the SETNA surcharge, should this bill be subsequently

amended to establish a cap below a threshold necessary to carry out necessary 911 activities, this bill may impact 911 funding. This does not appear to be the author's intent.

Recent reports highlighted concerns with NG 911 implementation. Existing law requires OES to develop a plan for NG 911, including implementation timelines. The implementation of NG 911 is intended to help transition the 911 system to technologies that can better accommodate communications over an internet-based telecommunications system. Until this transition occurs, local 911 public safety answering points (PSAPs) continue to use largely outdated systems based on the copper network. Between 2021 and 2024, OES started transitioning 23 PSAPs to the NG 911 system. Recent reports have highlighted major failures in the implementation of NG 911 at these PSAPs, including dropped calls, outages, and the inability to route calls to the correct responding agencies. In several circumstances, affected PSAPs indicated that the NG 911 failures impacted emergency response capabilities at the local level and may have delayed emergency services. Following these reports, OES modified its NG 911 transition plan in November 2025. OES's revised plan proposed eliminating a regional NG 911 system that used separate contractors for each region and instead create a single state-wide system with one primary contractor. While OES moved to eliminate the work completed on NG 911 to-date, the revised plan did not clearly identify why the regional approach failed and what changes OES made to ensure that these failures do not recur.

Bill overlaps with potential budget action. The Governor's proposed budget includes \$181.4 million from SETNA to support 911 activities, including the implementation of the new, revised NG 911 statewide transition plan. While this funding request is consistent with the prior year's funding for 911, concerns regarding transparency and oversight for NG 911 development persist. In February 2026, the LAO issued a report on the Administration's NG 911 proposal. This report noted an absence of transparency regarding the errors that occurred and an insufficient amount of information about concrete steps taken to ensure that the development of a statewide system does not repeat the mistakes that occurred during the development of the regional system. The LAO's report recommended the following:

- Pause the transition to the statewide approach until OES provides sufficient information or seek an independent, third-party evaluation.
- Establish quarterly fiscal reports and monthly progress reports to the Legislature.
- Consider long-term governance options and oversight.

In its report, the LAO stated the following:

In the 2025-26 Budget Act, the Legislature directed OES to provide two reports on major challenges, solutions, expenditures, and a timeline for the Next Generation 911 system. We recommend that the Legislature continue to direct OES to provide project and expenditure reports to the Legislature, preferably on a monthly (project) and quarterly (expenditures) basis in 2026-27 and ongoing until legacy 911 has been fully decommissioned. We also recommend that the Legislature direct OES to develop and update (on a quarterly basis) a five-year cost outlook for legacy 911, supporting dispatch centers, and Next Generation 911.

This bill's reporting requirements are consistent with the quarterly reporting requirements recommended in the LAO's report. However, this bill does not include the additional LAO recommendations regarding monthly reporting, governance change options, or a potential third-party evaluation of NG 911 development.

Dual Referral. Should this bill be approved by this committee, it will be re-referred to the Senate Emergency Management Committee.

Prior/Related Legislation

AB 470 (McKinnor) of 2025, would have established a process for a telecommunications carrier of last resort (COLR) to relinquish its regulatory obligation to provide basic telephone service under certain circumstances. The bill would also have allowed company that obtains COLR relief to remove certain tariffs as part of relinquishing its COLR duties. The bill would have exempted 911 and NG 911 tariffs from any de-tariffing relief. The bill was held in the Senate Appropriations Committee.

SB 96 (Committee on Budget, Chapter 54, Statutes of 2019) made various changes to statute to implement the Budget Act, including establishing a capped surcharge of 80 cents to fund 911 services, including the implementation of the NG 911 system.

SB 670 (McGuire, Chapter 412, Statutes of 2019) established reporting requirements for telecommunications outages that impact 911 services. The bill requires telecommunications providers to submit specified reports to OES when such outages occur.

AB 1168 (Mullin, Chapter 237, Statutes of 2019) required every PSAP to deploy a text to 911 service no later than January 1, 2021.

SB 1211 (Padilla, Chapter 926, Statutes of 2014) required OES to develop a plan and timeline for the testing, implementation, and operation of the NG 911 system.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT:

United EMS Workers, AFSCME Local 4911

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: According to the Author:

Emergency response is a core function of government, and 911 is the lifeline that connects the public to those critical emergency services. Californians should never have to wonder whether the system will work if they find themselves in a life-or-death situation. This administration made big promises and spent hundreds of millions of taxpayer dollars, but failed to deliver a functioning, upgraded emergency response system. Instead, many 911 callers faced busy signals or were unable to get through at all. The Fix 911 Act provides transparency and legislative oversight so this never happens again. Accountability is not optional when public safety is at stake.

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