

**TESTIMONY OF
DARIN ANDERSON, DIVISION DIRECTOR OF STATE RADIO
DEPARTMENT OF EMERGENCY SERVICES – DIVISION OF STATE RADIO
BEFORE THE
SENATE AGRICULTURE AND VETERANS AFFAIRS COMMITTEE
10 JANUARY 2025
IN SUPPORT OF SENATE BILL 2114**

Chairman Luick, Vice Chair Myrdal, Members of the Committee: Thank you for the opportunity to speak on this important matter today. For the record my name is Darin Anderson, Director of State Radio within the Department of Emergency Services.

Under NDCC 37-17.3-08, DES – State Radio (SR) is responsible for hosting, housing, and managing the state’s message switch. This system serves as the connection to the The National Law Enforcement Telecommunications System (NLETs). NLETs is the law enforcement query system and is one of critical importance for law enforcement and public safety agencies. The system allows law enforcement and public safety personnel the ability to search vehicle registration information like license plates and Vehicle Identification Numbers (VIN). Driver’s license information, wants/warrants, and missing persons can also be searched. Law enforcement and public safety personnel can also search hunting and fishing licenses. On average, in North Dakota, there are over 7 million transactions per month.

The current law requires county and city law enforcement and dispatch centers accessing NLETs to pay fees based on a schedule determined by their population. These fees are levied on a per-terminal basis as follows:

- Counties with a population less than 5,000 pay \$40/month.
- Counties with populations between 5,000 and 10,000 pay \$80/month.
- Counties with populations between 10,000 and 15,000 pay \$120/month.
- Counties with populations between 15,000 and 25,000 pay \$160/month.
- Counties with populations over 25,000 pay \$200/month.

Historically, state general-funded law enforcement agencies have not incurred these fees. The initial intent of the legislature in 2009 was that the NLETs fees cover 50% of the actual costs incurred by the division to provide the NLETs service. This evidently remained the intent in 2017 when the flat fee structure was enacted, with those fees representing approximately 50% of actual costs at the time.

Since 2017, fluctuations in costs have created challenges in maintaining financial balance. Such changes hinder budget predictability and force State Radio to absorb reductions in both its general and special funds when overall budget cuts are mandated, or when actual costs associated with providing the NLETs service rise.

It is essential to note the proposed NLETs fee structure change is separate from other existing fees, such as the 9-1-1 phone surcharge and the State Radio County Fee. These funding streams address different aspects of emergency communications services around the state and

with SR. The proposed adjustment to NLETs fees is intended to ensure equitable contributions from users while maintaining operational agility for State Radio.

The proposed solution outlined in SB 2114 is to transition from the current flat fee structure to a percentage-based billing model. This adjustment maintains the existing population thresholds, but aligns rates more closely with actual cost fluctuations, allowing State Radio to respond more effectively to changes in expenses.

The proposed rates are calculated to match the current published 25-27 biennium NLETs fees with minimal financial impact on counties and other stakeholders. The adjusted fees per terminal would be:

- \$40.60 for counties under 5,000 population (vs. current \$40.00).
- \$81.20 for counties between 5,000 and 10,000 population (vs. current \$80.00).
- \$121.80 for counties between 10,000 and 15,000 population (vs. current \$120.00).
- \$162.40 for counties between 15,000 and 25,000 population (vs. current \$160.00).
- \$203.00 for counties over 25,000 population (vs. current \$200.00).

This approach ensures minimal disruption to local law enforcement budgets while creating a more sustainable framework for NLETs funding.

Per the fiscal note submitted; agency estimates for the 2025-27 biennium equate to approximately \$7,800 in additional special fund revenue, and an increase in expenditures for the counties of roughly \$4,900 and the cities of \$2,900 for the two-year period.

SB 2114 represents a practical and necessary step toward ensuring the financial stability and operational efficiency of the NLETs system. Transitioning to a percentage-based fee structure addresses longstanding challenges associated with fluctuating costs and rigid funding models. This change will benefit State Radio, local law enforcement agencies, and the public by maintaining the high-quality, responsive services that NLETs provides.

The proposed adjustment is a forward-thinking approach to modernizing the funding structure while preserving the financial equity and predictability essential for effective law enforcement operations. It is respectfully recommended the committee support SB 2114.