

“811 PUBLIC AWARENESS FUND”

NMOC is hosting a PRC workshop on funding public awareness and education specifically to discuss how and what level of funding should be required in New Mexico for the operation of NMOC. The work shop will explore ideas to fund public awareness and education and NMOC will propose the following concept:

The concept of the “811 Public Awareness Fund” in many ways is very similar to the “911 Emergency Fund”. Both 911 and 811 have similar characteristics; while 911 is reactive in nature, 811 is proactive. 911 receives its funding through a state statute that establishes a 911 fund for cities and counties to solicit funds from to purchase equipment for 911 services and to operate 911 emergency services. The funds are collected in the form of a \$0.51 fee per month per telephone customer by the telephone carriers and submitted to the Taxation and Revenue Department. Each telephone carrier can collect up to 1% of the revenues collected, or \$50, whichever is greater to fund the cost of collecting the fee. The funds cannot be used for any other purpose than 911, and a report is submitted to the legislature to inform the legislature how well the fund is doing and recommends if the fee amount needs to be adjusted up or down.

The concept of the “811 Fund” is to collect \$0.01 per customer per month from every utility service: water, sewer, telephone, gas, electric, and cable TV whose customer base is 5,000 customers or larger. (The 5,000 base number comes from the fact that 5,000 customers X \$0.01 = \$50.00. So it makes sense if a utility was going to collect 1% of the revenues or \$50, whichever is greater, that there should be at least 5,000 customers before requiring the smaller utilities to collect the funds). The funds would be collected from the utilities by the Taxation and Revenue Department and provided to the PRC to be used strictly for public awareness and education programs.

The PRC would contract with an agency using the existing procurement process to administer the fund. The agency would prepare an annual budget showing how the funds would be spent, the number of people affected by the effort, the targeted audiences and problem categories, forms of advertisement and education media to be used, and any appropriate measures. Once the funds were spent, the agency would provide the PRC a written report annually showing where and how the money was spent, receipts, audit report, and any recommendations to the PRC/legislature to adjust the fund upward or downward. The PRC would provide a written report to the legislature every 5 years summarizing the impact of the funds spent and any adjustment to the fund, upward or downward.

Like the 911 fund, the 811 fund could not be used by the state for any other purpose. This prevents the temptation to move budget money around from one stated purpose to

another. The size of the fund is estimated to be between \$500,000 and \$700,000 per year. (2 million customers X \$0.01 X 12 mo/yr X 2.5 utilities/customer= \$600,000) This might seem like a lot of money, but in the world of advertising it diminishes very quickly. You could spend several million dollars and perhaps reach a majority of the population, but unless you spend every year you will lose those you reached and miss the new comers in the market place. Our estimates are that it would take a minimum of \$500,000 to \$700,000 per year focused on target audiences to achieve a sustainable awareness/learning curve for the general population of New Mexico. The population mix changes each year, consistent with the death and birth rates requiring a reoccurring sustainable advertising effort to inform the general public.

811 is a public safety, health and welfare issue. The more infrastructures that are buried underground the more exposure for a catastrophic incident. The only sure way to help prevent such a happening is to make the general population aware of the potential danger and to enforce the current law. Public awareness and education is not enough to cause people to change behavior. They have to feel there are short term consequences of violating the law as well as the consequences of an incident. Then everyone is better served. Having an 811 fund working in collaboration with the enforcement objectives and the reporting information will help provide the focus on targeted areas where behavioral change is needed. Enforcement, education/public awareness, and the one-call process are like a three legged stool. If any one leg is missing, the stool will not stand by itself. The 811 fund allows the opportunity to strengthen how these legs hold up the stool.

Finally, there are some who would contend the one-call membership should bear the costs of public awareness and advertising. There are approximately 400 members in one call. Of those 400 members, about 25 pay for 90% of the operating costs of the one call center. They receive about a million tickets a year. So the cost per ticket is increased by about \$0.70 ($\$700,000.00/1,000,000=\0.70) just for public awareness and advertising. The current cost of a ticket is approximately \$1; therefore this would be a 70% increase. But the members also pay to have the tickets located and marked. One . call is a free service to the excavator, but most importantly it is for the benefit of all New Mexicans. So why should 25 companies have to pay for something that serves all the people? If we spread the costs across the utility customer bases at \$0.01 per utility service per month, the cost per customer per month is minimal. One. call members should be responsible for the operating costs of the one-call center without much argument. But general public awareness and public safety are public issues and would be better served as a public cost rather than as a member cost.