

**House Select Committee  
on the  
Use of 911 Funds**

A meeting of the House Select Committee on the Use of 911 Funds was called to order by Representative Bryant at 2:00 pm on January 26, 2010, in Room 421 Legislative Office Building.

Members present included Co-Chair Representative Angela Bryant; Co-Chair Representative Lucy Allen; Representative Lorene Coates; Representative Bill Faison; Representative Efton Sager; Representative Roger West.

Staff present included Heather Fennell; Gayle Moses; Peter Capriglione; Steve Rose; Karlynn O'Shaughnessy; Bill Patterson; and Committee Clerk Susan Whitehead.

Representative Bryant welcomed everyone, and asked members and staff to introduce themselves. She thanked the Sergeant-at-Arms for their assistance.

Heather Fennell reviewed the purpose of the committee:

The Committee may examine the use of the 911 Funds by Public Safety Answering Points (PSAPs). In conducting its study, the committee may:

1. Consider expanding the uses of the 911 Funds by PSAPs to provide a funding mechanism to account for the broad spectrum of needs of the PSAPS.
2. Consider expanding the uses of the 911 Funds by PSAPs to provide flexibility to local governments.
3. Consider any report submitted by the North Carolina 911 Board on the use of the 911 Fund.
4. Examine funding needs of the PSAPs, including all of the following:
  - a. The lease or purchase of an additional communications tower, a multi-site simulcast system, microwave connectivity between the sites, a site monitoring and alarm system, and grounding and lightning protection.
  - b. Equipment for radio and telephone system upgrades, equipment for reverse 911, and street sign maintenance.
  - c. The lease, purchase, operation, and maintenance of consoles and communications equipment owned or operated by the PSAP and physically located within and for the use of the PSAP and radio or microwave towers and equipment with lines that terminate in the PSAP.
5. Consider other relevant issues it deems appropriate.

Steve Rose, Heather Fennell and Gayle Moses made a PowerPoint presentation on the history of 911 service in the US and North Carolina. The presentation is Attachment 1.

Representative Bryant invited questions and discussion on the history of 911 service.

Steve Rose stated that none of the proposed local bills were passed during the last legislative session.

Representative Faison stated that in order to put Mr. Rose's comment into context, everyone needed to know that Representative Coates chairs the Utilities Committee and Representative Faison was chair of a subcommittee where the local bills were heard. It was concluded by the subcommittee that this is a matter that should be studied. All of the bills were rolled into this study committee.

Representative Allen would like to understand how slide #6 Use of Local Fund-62A-8 differentiates emergency equipment (which is eligible to be paid for) and emergency dispatch (which is NOT eligible to be paid for). Steve Rose clarified that there would have to be a database link with the phone company because they knew the address of every landline telephone number. In addition you would need the hardware to display the address to the dispatcher and hardware to handle/prioritize multiple calls simultaneously. This was the cutoff of funds. The view at the time in 1989 is that everything else is what the police department already provided. Ultimately this was a policy decision.

Dwight Allen, Allen Law Offices, PLLC and representing telephone cooperatives, was a chief negotiator in 1989. There was already an operational 911 service with a dispatch system in place, and in 1989 there was an effort to improve the 911 service in NC i.e. Enhanced 911 service. This was a new technology that would identify location, name of person and ID specific information. A way had to be found to buy the equipment and the rural areas had to create addresses with street names and numbers. Some rural counties did not have the funds to do this and the telephone industry did not want to put an extra tax on phone bills to pay for this. It was recognized that this new Enhanced 911 was needed across the state, so the agreement made between phone companies, government, legislature and emergency operations was that local county governments would be responsible for the funding mechanism to handle the incoming call. The counties would continue to do the dispatch as a county function and would not expect telephone companies to come in and fund dispatch. This is why incoming calls were covered and emergency function was not covered.

Representative Bryant introduced Mr. Richard Taylor, Executive Director of the 911 Board and former Executive Director of the Wireless 911 Board. Mr. Taylor made a PowerPoint presentation which is attached to these minutes (Attachment 2).

Representative Faison requested clarification. As he understands, Mecklenburg County is collecting and spending \$.70 and Wake County is collecting \$.25 and spending closer to \$.50. It seems that Mecklenburg County is on target and Wake County is under-billing. Please help Representative Faison understand why determining the price of 911 in our state is so difficult when it just seems that Wake County needs to raise their fee. Mr. Taylor responded that it is no longer a local matter, it is up to the 911 Board to

adjust. Mr. Taylor stated that the distribution of funds is set up by statute and the 911 Board will not ask to have that changed until a method and model can be developed to determine the funds needed to sustain the service. That will be determined by the study.

Representative Bryant stated that in 2007 the compromise was that all fees that had been determined locally would remain the same, but a \$.70 service charge would be imposed on each active voice communications service connection that is capable of accessing the 911 system. This compromise would allow for transition time until the state 911 Board determined a statewide plan.

Representative Bryant asked that on one of the slides it mentions that the monthly distribution of the funds to primary PSAPs would be determined by the PSAPs base amount and the PSAP's per capita share of the amount designated by the 911 Board. Mr. Taylor stated that any excess 911 Funds that the board collects can be distributed on a per capita basis if necessary or can be used for grants for the 911 centers. It has not been done yet on a per capita basis but has been distributed by one-time grants.

The 911 Board contracted with Intrado who surveyed/visited all 911 centers and took an inventory. The 911 Board was unable to determine from Intrado's information the cost of 911 for the state of North Carolina. The 911 Board then contracted with the East Carolina University School of Business to make this determination and their findings will be released by March 1, 2010. This will help to define a new funding model that will give everyone in the state the same service. Once the amount of money to fund 911 in the state is determined, the recommendations of the 911 Study Group will be enacted, some of which require legislative authority.

Representative Bryant stated that in one slide, the 911 Board could not set technical standards, yet the recommendations from the 911 Study Group wanted to "2. Establish operational standards". Would this require new authority for the 911 Board? Mr. Taylor confirmed that new authority would be needed.

Representative Allen asked Mr. Taylor to explain the remark he made "that anyone could establish a PSAP". Mr. Taylor stated that prior to 2008, anyone could set up a 911 center, but there was no requirement the center had to provide 911 service.

Representative Bryant asked if the 911 Board has the authority to establish effective purchasing procedures and specifications. Mr. Taylor stated that it was questionable if new authority would be needed.

Representative Allen asked if some of the recommendations from the 911 Study Group would be enacted. Mr. Taylor stated that the 911 Board was waiting on the East Carolina Study and they would evaluate recommendations at that time.

Representative Faison stated that Mr. Taylor had given a presentation about five months ago and at that time the 911 Board was doing a questionnaire and the

information was to be assimilated; after that, , the 911 Board would decide if and to what extent the use of 911 funds would be expanded. The results were to be released in October. Now, today, Mr. Taylor has presented a reasonable and insightful analysis of the problem of the funding and of where the funds could be spent and that the board is still cogitating. It seems that the 911 Board has not made any meaningful progress since meeting with his subcommittee last summer. Mr. Taylor stated that a lot of progress has been made, yet several items have been discovered. Most important is that many places could not answer the questionnaire because the definition of provided services was not uniform. East Carolina has most of the data and they have gone back to do one-on-ones.

Representative Faison stated that the feedback from the legislators was that although they want the expansion, they all agreed that we were acting reasonably and appropriately by bringing this to a study. This would give the 911 Board time to come up with an appropriate plan.

It did not seem to Representative Faison that the 911 Board is any closer to resolution, only that the problems are better understood and defined. At this time, it seems that there is no end date that would allow this committee to come back with a recommendation when the legislature reconvenes in May. Mr. Taylor stated that he had informed Representative Coates of the delay. The 911 Board wants to act and expand cautiously and for the right reasons.

Representative Bryant stated that this committee's charter lasts until January 2011. This Use of 911 Funds Study Committee will have long and short term goals, and there will be findings. The East Carolina University study delay may limit our goals, but we will be able to use the study information. The Use of 911 Funds Study Committee will continue to meet after the short session.

Jason Barber, 911 Director for Johnston County and member of the 911 Board, confirmed that Mr. Taylor has pushed the board. The board is frustrated with the delay of the study because they do not know what it costs to operate 911 in North Carolina. Just in Johnston County, insufficient funds are being collected to spend on what is currently allowed. Expanding the use of funds is not going to help Johnston County because they do not even have enough money to buy anything.

Representative Bryant stated that this is because of the original compromise agreement where counties are stuck with their old rate and a need for new expenditures.

Representative Faison stated that last summer there was a concern that the Governor would try to raid part of the 911 Fund as a way to balance the budget. Mr. Taylor stated that the 911 Fund grants gave away as much money as possible so as not to be a target of budget cuts. Currently there is approximately \$14 to \$15 million in the wireless fund.

Representative Bryant asked Mr. Taylor to define “excess funds” as it pertains to this grant program. Excess revenue is money left over once all of the wireless carriers submitted their costs and invoices to pay for wireless Phase I. After the 911 Board pays what the statute requires them to pay then any additional money is to be used for per capita distribution or grant fund. The 911 Board chose to do grants. The 911 Board took \$3 million out of the PSAP fund and \$13 million out of the carrier fund to finance the \$16 million in grants.

Representative Bryant stated that at the next meeting the committee would be hearing from counties as to what they would like to have funded. During this meeting, the Use of 911 Funds study committee would hear more about the tier funding and expanded funding.

The next meeting will be February 23 at 10:00 am. There will be a meeting on April 20 at 2:00 pm. The March meeting dates are yet to be determined. Members are asked to tour their local PSAP or a tour at the Franklin County facility can be arranged.

There being no further business, the meeting was adjourned.

Respectfully submitted,

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Representative Angela Bryant

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Representative Lucy Allen

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Susan H. Whitehead