



## Bill Draft 2009-TD-25: 911 Board Proposed Changes.

2009-2010 General Assembly

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<b>Committee:</b>	House Select Committee on the Use of 911 Funds	<b>Date:</b>	March 16, 2010
<b>Introduced by:</b>		<b>Prepared by:</b>	Heather Fennell
<b>Analysis of:</b>	2009-TD-25		Committee Counsel

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**SUMMARY:** *Draft 2009-TD-25 makes several changes to the statutes governing the 911 Fund including:*

- *Authorizes the Board to adopt standards for PSAP operations.*
- *Authorizes the Board to raise the fee it retains for administrative expenses.*
- *Revises the funding base amount for PSAPs to reflect current expenditures.*
- *Allows the Board to make additional expenditures to PSAPs for additional operating and capital expenses.*
- *Allows the Board to fund statewide 911 projects.*
- *Expands the use of the 911 Fund to include telecommunicator furniture and instructor fees.*
- *Expands the use of the 911 Fund for certain radio communications equipment if the PSAP has funds remaining after funding the current uses under the Act.*
- *Allows PSAPs to use existing fund balances for up to 25% of the cost of additional radio communications equipment for the 2010 fiscal year.*
- *Authorizes the Board to fund grants for PSAP consolidations.*

**BILL ANALYSIS:** Bill draft 2009-TD-25 makes various changes to Article 3 of Chapter 62A as requested by the 911 Board to make clarifying and administrative changes, and to expand the use of the 911 Fund.

**Board Authority and Administrative Fees:** The draft authorizes the Board to adopt new standards for PSAP operations and clarifies that the Board cannot adopt standards for telecommunications service providers to deliver 911 voice and data. The draft also authorizes the Board to increase the administrative fee from 1% to up to 2% of the total service charges remitted to the Board for increased costs to the Board.

**Fund distribution to PSAPs:** The draft provides that PSAPs may receive distributions from the 911 Fund in one of three ways: monthly distributions, additional distributions, and grants.

1. *Monthly distributions.* PSAPs will receive a monthly base amount based on the non-capital expenditures reported to the Board for the fiscal year ending June 30, 2009. The Board must collect PSAP expenditure data and amend the PSAP base amount each fiscal year for the two years following the effective date of this act. The Board must adjust the base amount at least once every two years thereafter.
2. *Additional distributions.* PSAPs may request additional distributions for operating and capital expenditures. PSAPs requesting additional expenditures must comply information and documentation requested by the Board.

# Bill

Page 2

3. *Grants.* The PSAP Grant program remains unchanged from the prior Act.

**Fund use by PSAPs:** The use of the 911 Fund by eligible PSAPs is amended in the following three ways:

1. *Permanent, effective July 1, 2010.* PSAPs may use the fund for telecommunicator equipment. The draft also amends the fund uses for training by allowing expenses for training related to PSAP operation and not allowing expenses of lodging for training instructors.
2. *Temporary, fiscal year 2010.* For fiscal year 2010 only, PSAPs with existing fund balances may seek Board approval to use the Fund for up to 25% of the cost of certain radio communications equipment. The expenditures must be made in fiscal year 2010 or 2011. Eligible radio communication expenses include base station transmitters, towers, microwave links, and antennae. Radio communications devices used by emergency responders are not eligible expenses.
3. *Permanent, effective July 1, 2011.* Effective July 1, 2011, PSAPs compliant with the Board's operation requirements that have funds remaining from 911 distributions after paying for eligible expenses may also use the fund for the lease, purchase, or maintenance of radio communications equipment including the necessary software and hardware. Radio communication devices used by emergency responders, base station transmitters, towers, microwave links, and antennae are not eligible expenses.

**Statewide 911 Projects:** The Board is authorized to use the Fund for projects that have statewide benefits for the 911 system. To be eligible, the Board must determine a project meets all the following requirements:

1. The project is consistent with the 911 plan.
2. The project is cost effective and efficient when compared with the aggregated costs incurred by primary PSAPs.
3. The project is an eligible expense under G.S. 62A-46(c) or (c1).
4. The project will have statewide benefit for 911 service.

**PSAP Consolidation:** For fiscal year 2010, the Board is authorized to allow one-time grants for consolidation of PSAPs. The eligible expenses include construction costs.

**EFFECTIVE DATE:** The temporary expansion of fund use for radio communication equipment is effective for fiscal year 2010 only. The limited expansion of fund use for radio communication is effective July 1, 2011. The remainder of the act is effective when it becomes law.

2009-TD-25-SMTD-149 v2