



HOUSE BILL 506: 911 Fund Distribution

2015-2016 General Assembly

Committee:	House Local Government, if favorable, Finance	Date:	April 16, 2015
Introduced by:	Reps. Boles, McNeill	Prepared by:	Kelly Tornow Committee Counsel
Analysis of:	First Edition		

SUMMARY: *House Bill 506 would (1) provide for an appeal of a distribution denial by the 911 Board, (2) expand the scope of eligible expenses for 911 Fund distributions, and (3) require the Legislative Research Commission to study the structure, operations, and functions of the 911 Board.*

CURRENT LAW: Article 3 of Chapter 62A provides for the statewide 911 system.

G.S. 62A-46(a) authorizes the 911 Board to determine the monthly distributions to eligible public safety answering points (PSAPs). The distribution amount is based on a formula adopted by the Board. The Board must notify each PSAP of the estimated distributions by December 31st of each year, and notify each PSAP of the actual amount of distributions by June 1 of each year.

- **Base amount formula:** The Board must establish a formula to determine each PSAP's base amount. The formula must consider certain information including population, area served, and cost history.
- **Additional distributions:** The Board may increase the distribution to a PSAP above its base amount if the PSAP receives less than its eligible costs in any fiscal year. The Board may not distribute less than the base amount.
- **Reconsideration:** The Board must provide a procedure for a PSAP to request a reconsideration of its distribution or eligible expenses.
- **Carry forward:** A PSAP may carry forward distributions for eligible expenditures for capital outlay, capital improvements, or equipment replacement. If more than 20% of the average yearly amount distributed to the PSAP in the prior two years is carried forward, the Board may use the amount to lower the PSAP's annual distributions.

G.S. 62A-46(c) provides that distributions from the 911 Fund can be used for dispatch equipment located exclusively within the building where the PSAP or backup PSAP is located, excluding the costs of base station transmitters, towers, microwave links and antennae used to dispatch emergency call information from the PSAP.

BILL ANALYSIS: Section 1 of the bill would require any decision by the 911 Board denying a distribution for expenses incurred by a PSAP to be in writing and include the reason for the denial, a statement notifying the PSAP of the right to appeal or request reconsideration of the denial, and information about the procedure for filing an appeal or requesting reconsideration of the denial.

Section 1 would also allow PSAPs to use funds for base station transmitters, towers, microwave links, antennae, and all other transmission equipment located on or otherwise attached to any tower used to dispatch emergency call information from the PSAP.

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House Bill 506

Page 2

Section 2 would require the Legislative Research Commission to study the structure, operations, and functions of the 911 Board and report its findings to the Joint Legislative Commission on Governmental Operations no later than January 31, 2015.

EFFECTIVE DATE: This act becomes effective July 1, 2015.

BACKGROUND: Prior to 2007, North Carolina local government entities collected a 911 service charge from subscribers of local telephone providers, and the Wireless 911 Board collected a monthly service charge from subscribers of wireless providers. In 2007, the local 911 service charge was eliminated, and a new statewide administrative system was adopted for collection and distribution of the 911 service charge.