



HOUSE BILL 730: Next Generation 911

2015-2016 General Assembly

Committee: Senate Finance
Introduced by: Rep. Saine
Analysis of: Fourth Edition

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SUMMARY: *House Bill 730 amends the statutes governing 911 service to provide a reserve fund for the implementation of next generation 911 service, and makes other conforming changes to the statutes governing the 911 Fund. The bill also includes a technical change to a provision in H117 that clarifies the sales tax treatment of certain motorsports equipment.*

CURRENT LAW: Article 3 of Chapter 62A provides funding for the statewide 911 system. Local 911 services are operated by local governments. The public safety agencies that receive incoming 911 calls and dispatch public safety agencies in response are known as "public safety answering points" (PSAPs).

A fee to support the 911 service is imposed on each voice connection that is capable of connecting to 911 service. The fee is remitted to the 911 Board. G.S. 62A-46(a) authorizes the 911 Board to determine the monthly distributions to eligible PSAPs. The distribution amount is based on a formula adopted by the Board. The distributions may only be used for certain eligible purchases to provide 911 service by the PSAP including:

- The lease, purchase, or maintenance of emergency telephone equipment, including necessary computer hardware, software and database provisioning, addressing, and nonrecurring costs of establishing a 911 system.
- Reasonable expenditures for training of 911 personnel.

BILL ANALYSIS:

911 Changes

House Bill 730 would amend Article 3 of Chapter 62A in

Section 1 would create a Next Generation 911 Reserve Fund to fund the implementation of next generation 911. The 911 Board would be required to reserve 10% of all 911 fees the Board receives to the Next Generation 911 Reserve Fund.

- The Fund could be used for statewide 911 projects, or to directly fund PSAP implementation of next generation 911 systems.
- The 911 Board is granted an exemption from the public bidding requirements to provide a single data system to serve PSAPs.
- The 911 Board must report to Gov Ops each year on how funds in the Reserve Fund are spent.

Section 2 authorizes the 911Board to establish cooperative purchasing agreements for procuring goods and services.

Section 3 amends the limitation of liability provision to provide it applies to next generation 911 technology and specifically applies to the release of subscriber information, the use of 911 service, and any other matters related to 911 service.

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This section also amends the standard of proof required in a civil action arising out of an act or omission for an individual with assigned job duties as a 911 or public safety telecommunicator or dispatcher. Under current law a plaintiff is required to prove his or her case by a preponderance of the evidence in a civil action against a 911 or public safety telecommunicator or dispatcher. This section would provide that the standard of proof required would be by clear and convincing evidence.

"The clear and convincing evidence standard is greater than a preponderance of the evidence standard required in most civil cases, and requires evidence which should fully convince."¹ It is "evidence which, in its character and weight, establishes what the plaintiff seeks to prove in a clear and convincing fashion."²

This same change was made in S.L. 2015-71, which was enacted on June 11, 2015. However, the provision in this bill limits the revision in the standard of proof to only the acts and omissions committed by specific list of individuals – a PSAP, and the officers, directors, employees, vendors, agents, and authorizing government entity of the PSAP. S.L. 2015-71 applies to all individuals with assigned job duties as a 911 or public safety telecommunicator or dispatcher.

Section 4 makes conforming change throughout the statutes to remove the term "voice" where it is no longer needed. This change allows the implementation of new technology in the 911 system. However, the 911 fee will only be applied to a communications service capable of connecting to the 911 service through a voice connection.

Technical change for sales tax on motorsports equipment:

Section 5 makes a technical change to a provision in H117 that clarifies the sales tax treatment of certain motorsports equipment.

In the conference report adopted by both houses for House Bill 117, the General Assembly codified the current administrative practice by exempting from sales and use tax a transmission, engine, or rear-end gears purchase, leased, or rented by a professional motorsports racing team or a related member of a team for use in competition in a sanctioned race series. The conference report did not fully capture the legislative intent. This provision clarifies the exemption to ensure the legislative intent is achieved. The sales tax exemption will sunset January 1, 2020, as agreed upon in the conference report for House Bill 117.

EFFECTIVE DATE: The 911 changes in this act are effective January 1, 2016. The technical change for motorsports is effective when this bill becomes law.

¹ *Schenk v. HNA Holdings, Inc.*, 170 N.C. App. 555, 560, 613 S.E.2d 503, *disc. review denied*, 360 N.C. 177, 626 S.E.2d 649 (2005).

² N.C. Pattern Jury Instruction 810.96.