

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: House Bill 1691 (Fifth Edition)

SHORT TITLE: Use of 911 Funds.

SPONSOR(S): Representatives Bryant, Faison, Sager, and West

FISCAL IMPACT

Yes ()

No (X)

No Estimate Available ()

FY 2010-11

FY 2011-12

FY 2012-13

FY 2013-14

FY 2014-15

REVENUES: No General Fund Impact, Local Funding Interchangeable

EXPENDITURES:

POSITIONS
(cumulative):

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:

EFFECTIVE DATE: July 1, 2010 unless otherwise noted.

BILL SUMMARY: House Bill 1691 makes the following changes to the statutes governing Emergency Telephone Service:

- Provides that "public safety answering points" (PSAP)—the public safety agency that receives incoming 911 calls and dispatches public safety agencies in response—receiving distributions from the Fund and telecommunications service providers may not have more than one position on the Board.
- Removes one CMRS provider, and one NENA position from the Board.
- Requires the individuals representing cities and counties on the Board to be from a locality that has a primary PSAP.
- Adds two positions to the Board - a fire chief and a Rescue or Emergency Medical Services Chief.
- Prohibits Board members from serving more than two terms.
- Expands Board authority over 911 operational standards and responsibilities.
- Allows each Board to increase the percentage of funds retained for administrative expenses to 2% from 1%.

- Authorizes the 911 Board to determine the monthly distributions to eligible PSAPs.
- Expands the use of the 911 Fund to dispatch equipment located within the building where the PSAP is located.
- Authorizes the 911 Board to implement statewide projects for the benefit of 911 service.

Section 11 of the bill reallocates the local portion of the taxes received under G.S. 105-164.44 I, a subsection defining the city and county portion of video programming and telecommunication service taxes.

ASSUMPTIONS AND METHODOLOGY:

This bill does not have any immediate fiscal impact for the State, as it simply redistributes and expands the use of the 911 Board's current revenue. Section 4 does allow the Board to adjust rates in the future, if the current rate produces revenue in excess of or insufficient for the amount needed to cover costs. However, it is impossible to determine when and what adjustments might occur. Individual Public Safety Answering Points (PSAPs) may see changes in funding, depending on the distribution formula that the 911 Board develops.

Section 11 of the bill has no General Fund impact. This proposal reallocates two million dollars in local taxes originally designated as discretionary funds under G.S. 105-164.44I towards funding for public, educational, and government (PEG) channels. Original local revenue projections under G.S. 105-164.44 I equaled \$75.3 million in FY 08-09. Actual local revenue for the 2008-09 fiscal year equaled \$80.3 million, five million dollars above the projected amount. In that vein, Section 11 redirects an additional two million towards funding PEG channels. If the 107 channels certified by the North Carolina Department of Revenue in March 2010 remains constant, the per PEG channel funding amount will increase by roughly \$18, 691 for a total of \$37,383 annually.

SOURCES OF DATA:

NC Dept. of Revenue, "Video Programming Distribution, Quarter: 1/1/2010 - 3/31/2010," Published March 2010, Available at: http://www.dornrc.com/publications/video_distribution_3-10.pdf.

TECHNICAL CONSIDERATIONS: None

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