
FISCAL TOPICS

Fiscal Services Division

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Public Safety Answering Point Funding

Background

The Iowa 911 system consists of 111 public safety answering points (PSAPs) administered by local joint 911 service boards, which are established by cities and counties, or the Department of Public Safety (DPS). A PSAP is a 24-hour communications facility that receives 911 emergency calls and directly dispatches emergency response services. The wireline 911 system was first launched in 1988, with the wireless 911 system launching in 1998.

The Iowa 911 system has completed the transition to a statewide Next Generation 911 (NG911) system, allowing emergency communications to utilize internet protocol-based technologies, enhanced location services, geographic information systems (GIS), and improved interoperability among emergency response agencies. Additional information on the 911 program, including 911 documents and reports, are available on the Department of Homeland Security and Emergency Management (HSEMD) [website](#).

911 Service Fund

Each joint 911 service board manages a 911 Service Fund, which receives deposits from the wireline surcharge. The Fund may be used for recurring and nonrecurring costs that are directly attributable to the receipt and disposition of 911 calls. Pursuant to Iowa Code section [34A.2\(5\)\(d\)\(2\)](#), the Fund cannot be used for the costs of other emergency services or expenditures on buildings or certain personnel. The Fund balance at the end of each fiscal year is carried into the next year.

The repayment of bonds issued by the joint 911 service board is the priority of the Fund, followed by actual recurring costs, and finally, nonrecurring costs. The Fund receives revenue primarily from the wireline 911 surcharge and may also receive supplemental funding from local governments and other authorized sources. Costs exceeding surcharge revenue are the responsibility of the joint 911 service board and participating political subdivisions.

Statewide NG911 Network Cost Reimbursement Requirement

2025 Iowa Acts, chapter [159](#) (FY 2026 Standing Appropriations Act), authorized the 911 Program Manager within the HSEMD to seek reimbursement from local joint 911 service boards for reasonable costs associated with operation and maintenance of the statewide NG911 network. In accordance with Iowa Code section [34A.12](#), local 911 service boards are required to remit assessed amounts within 30 days.

Wireline Surcharge

Pursuant to Iowa Code section [34A.7](#), there is a \$1 wireline surcharge included on the monthly phone bill of each wireline phone subscriber. The wireline surcharge is collected by telecommunications providers and deposited quarterly into the 911 Service Fund of the service area where the wireline phone subscriber is registered. Telecommunications providers may retain 1.0% of the surcharge collected as compensation for the billing and collection of the surcharge.

More Information

Department of Homeland Security and Emergency Management: [homelandsecurity.iowa.gov](https://www.homelandsecurity.iowa.gov)
LSA Staff Contact: Nathan Moore (515.725.0155) nathan.moore@legis.iowa.gov

Pursuant to [605 IAC 10.10](#), the following entities are exempt from the surcharge:

- Federal agencies.
- Native American tribes, for access lines on the tribe's reservation.
- Enrolled members of a Native American tribe who do not receive 911 service, for access lines on the reservation.
- Telecommunications providers, for official station testing lines.
- Individual wireline subscribers who own more than 100 lines in a 911 service area, to the extent that they are not required to pay the surcharge on more than 100 lines.

911 Emergency Communications Fund

The 911 Program Manager of the HSEMD manages the 911 Emergency Communications Fund, which receives deposits from the emergency communications surcharge and the prepaid wireless 911 surcharge. The Fund may also receive federal grants from the National 911 Office. The 911 Service Fund is exempt from reversion requirements in Iowa Code section [8.33](#). As a result, appropriations made to the Fund will not revert to the Fund from which they were appropriated. The unexpended balance remains in the 911 Service Fund to be carried forward to the next year. Iowa Code section [34A.7A](#) requires expenditures from the Fund are made in a specified priority order.

Administration

An annual appropriation by the General Assembly from the Fund for implementation, support, and maintenance of the functions of the Director and Program Manager and to employ the Auditor of State to perform an annual audit of the Fund.

PSAP Allocations

Sixty percent of quarterly surcharge revenue is distributed to PSAPs. Each PSAP receives a minimum of \$1,000 per quarter from the allocation. These funds may be used only for costs associated with the receipt and disposition of 911 calls with 65.0% of the allocation based on the square mileage of each PSAP's service area and 35.0% of the allocation based on the number of wireless calls taken by each PSAP.

Wireless Carrier Reimbursement — Sunset

From July 1, 2013, through June 30, 2026, 10.0% of surcharge revenues were to be allocated to wireless carriers to reimburse costs associated with providing Enhanced 911 Phase I services, including caller identification and location information. Beginning in FY 2027, this statutory reimbursement requirement is eliminated.

Next Generation 911 Infrastructure

The Fund supports the following statewide NG911 infrastructure initiatives:

- NG911 network service providers.
- 911 call processing equipment and call transport services.
- Automatic Location Identification (ALI) databases.
- GIS development and maintenance grants for local 911 authorities.

Catastrophic Reserve Fund

The Program Manager may allocate revenues to the Catastrophic Reserve Fund, which is used to repair or replace PSAP equipment following catastrophic equipment failures. The reserves may contain up to 12.5% of annual surcharge revenues, and balances carry forward to future fiscal years.

Public Awareness and Educational Programs

Up to \$100,000 per fiscal year may be used for programs related to 911 education for the public; education for personnel responsible for the maintenance, operation, and upgrading of local 911 systems; and the expenses of members of the 911 Communications Council for travel, monthly meetings, and training.

Equal Distribution of Remaining Funds

Any remaining unobligated moneys are distributed equally among all PSAPs for eligible 911-related expenditures.

Emergency Communications Surcharge

Pursuant to Iowa Code section 34A.7A, a statewide emergency communications surcharge of \$1 per month is imposed on each wireless originating service number. Wireless service providers collect the surcharge and remit revenues quarterly to the 911 Emergency Communications Fund. Providers may retain 1.0% of collections for billing and collection costs.

Prepaid Wireless 911 Surcharge

Iowa Code section [34A.7B](#) establishes a baseline surcharge on each purchase of prepaid wireless telecommunications services, but allows for an adjusted rate, which is currently set at \$0.51 per retail transaction. The surcharge is deposited into the 911 Emergency Communications Fund. Retailers may elect not to collect the surcharge on transactions of \$5 or less or involving 10 minutes or less of prepaid service. Retailers and telecommunications providers may retain 3.0% of collected surcharges, and the Department of Revenue may retain up to 2.0% of receipts to administer collection and remittance activities.

Related Statutes and Administrative Rules

Iowa Code chapter [34A](#)

Iowa Administrative Code [605—10](#)

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