HOUSE FILE 2439 BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2408) (SUCCESSOR TO HSB 627)

A BILL FOR

- 1 An Act relating to the distribution and permissible
- 2 expenditures of the emergency communications service
- 3 surcharge and the duties of the E911 communications council.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 34A.7A, subsection 2, Code 2016, is 2 amended to read as follows:

3 2. Moneys collected pursuant to subsection 1 and section 4 34A.7B, subsection 2, shall be deposited in a separate E911 5 emergency communications fund within the state treasury 6 under the control of the program manager. Section 8.33 shall 7 not apply to moneys in the fund. Moneys earned as income, 8 including as interest, from the fund shall remain in the fund 9 until expended as provided in this section. Moneys in the fund 10 shall be expended and distributed in the following priority 11 order:

12 a. An amount as appropriated by the general assembly to the 13 director shall be allocated to the director and program manager 14 for implementation, support, and maintenance of the functions 15 of the director and program manager and to employ the auditor 16 of state to perform an annual audit of the E911 emergency 17 communications fund.

18 b. (1) The program manager shall allocate to each joint 19 E911 service board and to the department of public safety a 20 minimum of one thousand dollars per calendar quarter for each 21 public safety answering point within the service area of the 22 department of public safety or joint E911 service board that 23 has submitted an annual written request to the program manager 24 in a form approved by the program manager by May 15 of each 25 year.

26 (2) The amount allocated under this paragraph "b" shall be
27 sixty percent of the total amount of surcharge generated per
28 calendar quarter allocated as follows:

29 (a) Sixty-five percent of the total dollars available for
30 allocation shall be allocated in proportion to the square miles
31 of the service area to the total square miles in this state.
32 (b) Thirty-five percent of the total dollars available for
33 allocation shall be allocated in proportion to the wireless
34 E911 calls taken at the public safety answering point in
35 the service area to the total number of wireless E911 calls

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1 originating in this state.

(c) Notwithstanding subparagraph divisions (a) and (b), the minimum amount allocated to each joint E911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint E911 service board.

8 (3) The funds allocated in this paragraph "b" shall be used 9 for emergency communication equipment utilized by the public 10 safety answering points for the implementation and maintenance 11 of E911 services.

12 b. c. From July 1, 2013, until June 30, 2026, the program 13 manager shall allocate ten percent of the total amount of 14 surcharge generated to wireless carriers to recover their costs 15 to deliver E911 phase 1 services. If the allocation in this 16 paragraph is insufficient to reimburse all wireless carriers 17 for such carrier's eligible expenses, the program manager 18 shall allocate a prorated amount to each wireless carrier 19 equal to the percentage of such carrier's eligible expenses as 20 compared to the total of all eligible expenses for all wireless 21 carriers for the calendar quarter during which such expenses 22 were submitted. When prorated expenses are paid, the remaining 23 unpaid expenses shall no longer be eligible for payment under 24 this paragraph.

25 *e*. <u>d</u>. The program manager shall reimburse communications 26 service providers on a calendar quarter basis for carriers' 27 eligible expenses for transport costs between the selective 28 router and the public safety answering points related to the 29 delivery of wireless E911 phase 1 services <u>and the integration</u> 30 of an internet protocol-enabled next generation 911 network.

31 *d. e.* The program manager shall reimburse wire-line 32 carriers and third-party E911 automatic location information 33 database providers on a calendar quarterly basis for the 34 costs of maintaining and upgrading the E911 components and 35 functionalities beyond the input to the E911 selective router,

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2 information database.

e. (1) The program manager shall allocate to each joint E911 service board and to the department of public safety a minimum of one thousand dollars per calendar quarter for each public safety answering point within the service area of the department of public safety or joint E911 service board that has submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.
11 (2) The amount allocated under this paragraph "e" shall be forty-six percent of the total amount of surcharge generated apper calendar quarter allocated as follows:

14 (a) Sixty-five percent of the total dollars available for 15 allocation shall be allocated in proportion to the square miles 16 of the service area to the total square miles in this state. 17 (b) Thirty-five percent of the total dollars available for 18 allocation shall be allocated in proportion to the wireless 19 E911 calls taken at the public safety answering point in 20 the service area to the total number of wireless E911 calls

21 originating in this state.

22 (c) Notwithstanding subparagraph divisions (a) and (b), the 23 minimum amount allocated to each joint E911 service board and 24 to the department of public safety shall be no less than one 25 thousand dollars for each public safety answering point within 26 the service area of the department of public safety or joint 27 E911 service board.

28 (3) The funds allocated in this paragraph "e" shall be
29 used for communication equipment utilized by the public safety
30 answering points for the implementation and maintenance of E911
31 services.

32 <u>f.</u> The department of homeland security and emergency 33 management may, in a reserve account established within the 34 E911 emergency communications fund, credit each fiscal year 35 an amount of up to twelve and one-half percent of the annual

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1 emergency communications service surcharge collected pursuant 2 to subsection 1 and the prepaid wireless E911 surcharge 3 collected pursuant to section 34A.7B, subsection 2. However, 4 the moneys contained in such reserve account shall not exceed 5 twelve and one-half percent of the total surcharges collected 6 for each fiscal year. Moneys credited to the reserve account 7 shall only be used by the department for the purpose of 8 repairing or replacing equipment in the event of a catastrophic 9 equipment failure, as determined by the director. If moneys remain in the fund after fully paying 10 *f*, *g*, (1) 11 all obligations under paragraphs "a", "b", "c", "d", and "e", 12 and "f", the remainder may be accumulated in the fund as a 13 carryover operating surplus. shall be expended and distributed 14 in the following priority order: (i) The E911 communications council may provide a grant 15 (a) 16 to any public safety answering point agreeing to consolidate. 17 For purposes of this subparagraph division, "consolidate" means 18 the consolidation of all public safety answering point systems, 19 functions, enhanced 911 service areas, and physical facilities 20 of two or more public safety answering points, resulting in the 21 consolidated public safety answering point being responsible 22 for all call answering and dispatch functions for the combined 23 enhanced 911 service area, or the consolidation of two or 24 more public safety answering points utilizing shared services 25 technology to combine public safety answering point systems, 26 including but not limited to 911 call processing equipment, 27 computer-aided dispatch, mapping, radio, and logging recorders. 28 Such a grant to a public safety answering point shall not 29 exceed one-half of the projected cost of consolidation, or two 30 hundred thousand dollars, whichever is less. (ii) The grant program established in this subparagraph 31 32 division shall expire on June 30, 2022. 33 (iii) The director, in consultation with the program 34 manager and the E911 communications council, shall adopt rules 35 governing the eligibility for and the E911 communications

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1 council's distribution of grants to public safety answering
2 points pursuant to this subparagraph division.

3 (b) The program manager, in consultation with the E911 4 communications council, shall allocate an amount, not to exceed 5 one hundred thousand dollars per fiscal year, for development 6 of public awareness and educational programs related to the 7 use of 911 by the public, educational programs for personnel 8 responsible for the maintenance, operation, and upgrading of 9 local E911 systems, and the expenses of members of the E911 10 communications council for travel, monthly meetings, and 11 training.

12 (c) The program manager shall allocate remaining 13 surplus shall be used to fund future network and public 14 safety answering point improvements for moneys equally to 15 public safety answering points. Funds allocated under this 16 subparagraph division shall be used for the following costs:

(i) Costs related to the receipt and disposition of 911 calls, including hardware and software for an internet protocol-enabled next generation <u>911</u> network, and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager in consultation with the E911 communications council.

25 (ii) Costs related to access the state's interoperable 26 communications system.

27 (2) Notwithstanding section 8.33, any moneys remaining in 28 the fund at the end of each fiscal year shall not revert to the 29 general fund of the state but shall remain available for the 30 purposes of the fund.

31 g. h. The director, in consultation with the program
32 manager and the E911 communications council, shall adopt
33 rules pursuant to chapter 17A governing the distribution of
34 the surcharge collected and distributed pursuant to this
35 subsection. The rules shall include provisions that all joint

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LSB 6014HZ (4) 86 gh/rj E911 service boards and the department of public safety which
 answer or service wireless E911 calls are eligible to receive
 an equitable portion of the receipts.

4 Sec. 2. Section 34A.15, Code 2016, is amended by adding the 5 following new subsection:

NEW SUBSECTION. 3A. The council may provide grants, subject 6 7 to available moneys in the E911 emergency communications fund, 8 to public safety answering points agreeing to consolidate 9 pursuant to section 34A.7A, subsection 2, paragraph "g'. 10 Sec. 3. STUDY OF CONSOLIDATION OF PUBLIC SAFETY ANSWERING 11 POINTS. The department of homeland security and emergency 12 management shall conduct a study to determine how public safety 13 answering points can be consolidated to achieve operational 14 and cost efficiencies. The study shall also review sections 15 34A.7 and 34A.7A to determine the most efficient method 16 of distributing surcharge revenues to support a network of 17 consolidated public safety answering points. The department 18 shall submit a report containing the results of the study no 19 later than January 15, 2017.

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EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

23 This bill relates to the distribution and permissible 24 expenditures of the E911 emergency communications service 25 surcharge.

26 Under current Code section 34A.7A, a monthly surcharge 27 is imposed on all communications service providers in Iowa. 28 Moneys collected pursuant to the surcharge are deposited in 29 a fund and are distributed by the E911 program manager in a 30 priority order as listed in Code section 34A.7A(2), paragraphs 31 "a" through "f".

32 The bill establishes a higher priority of funding for 33 the contents of Code section 34A.7A(2), paragraph "e", which 34 relates to funding to be provided to joint E911 service boards 35 and to the department of public safety (DPS), and increases the

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1 amount of moneys allocated for funding under this paragraph 2 from 46 percent to 60 percent of the total amount of surcharge 3 generated. The bill also specifies that the funds allocated to 4 such joint E911 boards and to DPS shall be used for "emergency" 5 communication equipment to receive and dispose of 911 calls.

6 The bill requires the program manager to reimburse 7 communications service providers for transport costs related to 8 the delivery of E911 phase 1 services and the integration of an 9 internet protocol-enabled next generation 911 network.

10 The bill provides that the department of homeland security 11 and emergency management may credit each fiscal year an amount 12 of up to 12.5 percent of the annual surcharges in a reserve 13 account established within the E911 emergency communications 14 fund. However, such reserve account cannot exceed 12.5 15 percent of the total surcharges collected for each fiscal year. 16 Moneys credited to the reserve account may only be used by the 17 department to repair or replace equipment in the event of a 18 catastrophic equipment failure, as determined by the director 19 of the department.

20 The bill establishes a new priority order relating to the 21 distribution of any moneys remaining after fully paying all 22 prioritized obligations under the previous paragraphs. First 23 in this priority order is an amount allocated to the E911 24 communications council to provide grants to public safety 25 answering points agreeing to consolidate, as defined in 26 the bill, which are not to exceed one-half of the cost of 27 consolidation, or \$200,000, whichever is less. Such grants may 28 be provided until June 30, 2022. Second in this priority order 29 is an amount, not to exceed \$100,000 per year, to be allocated 30 only for the development of public awareness and educational 31 programs relating to the use and maintenance of E911 systems 32 and not for the expenses of members of the E911 communications 33 travel for meetings and training. Third in this priority order 34 is for any remaining moneys to be allocated equally to public 35 safety answering points for costs related to access the Iowa

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1 interoperable communications system and costs related to the 2 receipt and disposition of 911 calls, including hardware and 3 software for an internet protocol-enabled next generation 911 4 network.

5 The bill provides the E911 communications council with the 6 authority to provide grants to consolidating public safety 7 answering points under Code section 34A.15.

8 The bill requires the department of homeland security and 9 emergency management to conduct a study to determine the most 10 efficient method to consolidate public safety answering points. 11 The department must submit a report containing the results of 12 the study no later than January 15, 2017.

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