

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1561

Short Title: Wireless 911 Grant Fund.

(Public)

Sponsors: Representatives Underhill; and Faison.

Referred to: Public Utilities, if favorable, Appropriations.

April 18, 2007

A BILL TO BE ENTITLED

AN ACT ESTABLISHING THE MANNER IN WHICH COMMERCIAL MOBILE
RADIO SERVICE (CMRS) PROVIDERS AND RESELLERS MAY REFUSE
REIMBURSEMENT FROM THE WIRELESS 911 FUND FOR COSTS
INCURRED FOR COMPLYING WITH THE WIRELESS 911 REQUIREMENTS
AND AUTHORIZING THE WIRELESS 911 BOARD TO ESTABLISH A FUND
TO PROVIDE GRANTS TO CMRS PROVIDERS AND RESELLERS AND
PUBLIC SAFETY ANSWERING POINTS TO IMPROVE THE WIRELESS 911
SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 62A-22.1(3) reads as rewritten:

"(3) To accept gifts, grants, or other ~~moneys-moneys~~, and to make grants under G.S. 62A-25.2 for purposes of furthering the intent of this Article."

SECTION 2. G.S. 62A-24 reads as rewritten:

"§ 62A-24. Management of funds.

...

(b) A CMRS provider has no obligation to take any legal action to enforce the collection of the service charges for which any subscriber is billed. However, a collection action may be initiated by the Board and reasonable costs and attorneys' fees associated with that collection action may be awarded. Each CMRS provider shall annually submit a report to the Board listing the amount of uncollected service charges and the name and address of the subscriber.

(c) Each CMRS provider shall be entitled to deduct a one percent (1%) ~~administrative-fee~~ from the total service charges ~~collected~~collected for expenses associated with the collection of the service charges.

...."

SECTION 3. G.S. 62A-25 reads as rewritten:

"§ 62A-25. Use of funds.

1 (a) Fifty-three percent (53%) of the funds in the Wireless Fund established in
2 G.S. 62A-22(c) shall be used to reimburse CMRS providers, except CMRS providers
3 who elect not to request reimbursement under subsection (h) of this section, in response
4 to sworn invoices submitted to the Board, for the actual costs incurred by the CMRS
5 providers in complying with the wireless 911 requirements established by the FCC
6 Order and any rules and regulations which are or may be adopted by the FCC pursuant
7 to the FCC Order, including costs and expenses incurred for designing, upgrading,
8 purchasing, leasing, programming, installing, testing, or maintaining all necessary data,
9 hardware, and software required in order to provide such service as well as the recurring
10 and nonrecurring costs of operating such service. All costs and expenses must be
11 commercially reasonable.

12 ...

13 (h) A CMRS provider or reseller may elect not to request reimbursement under
14 subsection (a) of this section by providing written notice to the Board, and the CMRS
15 provider or reseller shall not request reimbursement for costs incurred by the CMRS
16 provider or reseller after the date of the notice. A CMRS provider or reseller may
17 revoke an election not to request reimbursement from the Wireless Fund by providing
18 written notice to the Board, and the effective date of the notice shall be at least 90 days
19 following the date of the notice. A CMRS provider or reseller who begins service after
20 June 30, 2007, shall provide written notice to the Wireless 911 Board not later than 60
21 days following their initial service provision date stating whether the CMRS provider or
22 reseller will request reimbursement from the Wireless Fund. A CMRS provider or
23 reseller who begins service after June 30, 2007, shall collect and remit the wireless
24 Enhanced 911 service charges as provided in G.S. 62A-24.

25 (i) The Board may identify and reallocate funds remitted under G.S. 62A-24 to a
26 Grant Fund administered under G.S. 62A-25.2 if all of the following conditions are met:

- 27 (1) The Board has not received a request for reimbursement from the
28 CMRS provider or reseller who remitted the funds.
- 29 (2) The reallocation will not impair cost recovery by CMRS providers or
30 PSAPs.
- 31 (3) The reallocation will not impair the Board's ability to fulfill its
32 management or administrative obligations under this Article.
- 33 (4) The reallocation will not result in the insolvency of the Wireless Fund.
- 34 (5) The reallocation will be made only once each calendar year."

35 **SECTION 4.** Article 2 of Chapter 62A of the General Statutes is amended
36 by adding the following new section to read:

37 "**§ 62A-25.2. Grant Fund.**

38 (a) Grant Fund established. – The Board shall establish a Grant Fund within the
39 Wireless Fund upon the identification and reallocation of funds as provided in
40 G.S. 62A-25(i) for the purpose of making grants to CMRS providers or resellers and
41 PSAPs under this Article. Any CMRS provider or reseller or PSAP may apply for a
42 grant on a form and in the manner prescribed by the Board. A grant application may be
43 approved if the Board determines: (i) the costs estimated in the application are
44 reasonable and have been or will be incurred for the purpose of promoting a cost-

1 effective and efficient wireless 911 or wireless Enhanced 911 system; (ii) the expenses
2 to be incurred by the applicant are consistent with the Board's statewide Enhanced 911
3 Plan; (iii) there are sufficient funds available in the fiscal year in which grant funds will
4 be distributed; and (iv) the grant will promote public health and safety, and therefore is
5 in the public interest. The grant agreement between the Board and a CMRS provider or
6 reseller or PSAP shall include the purpose of the grant, the time frame for implementing
7 the project or program funded by the grant, the amount of the grant, which may vary
8 among grantees, and a provision for repaying grant funds if the grantee fails to comply
9 with any of the terms of the grant.

10 (b) Grants to CMRS providers or resellers. – The Board may make grants under
11 this section to CMRS providers or resellers as provided in subsection (a) of this section,
12 and may establish other terms and conditions that the Board deems appropriate to carry
13 out the purposes of this Article. Any CMRS provider or reseller is eligible to receive a
14 grant under this section, including a CMRS provider or reseller who elects not to seek
15 reimbursement under G.S. 62A-25(h). A CMRS provider or reseller may use grant
16 funds for Phase I or Phase II compliance, but shall limit expenditures of grant funds to
17 only those goods or services that are identified as eligible expenses under
18 G.S. 62A-25(a). The Board shall publish one or more notices each fiscal year
19 advertising the availability of grants from the Grant Fund and detailing the application
20 process, including the deadline for submitting applications, any required documents
21 specifying costs, either incurred or anticipated, and evidence demonstrating the need for
22 the grant. Any grant funds awarded to CMRS providers or resellers under this section
23 shall be in addition to any funds reimbursed under G.S. 62A-25(a), unless the CMRS
24 provider or reseller has elected not to request reimbursement under G.S. 62A-25(h).

25 (c) Grants to PSAPs. – The Board may make grants under this section to PSAPs
26 as provided in subsection (a) of this section, and may establish other terms and
27 conditions that the Board deems appropriate to carry out the purposes of this Article. In
28 awarding grants under this subsection, the Board may consider the number of wireless
29 911 calls answered by each PSAP applicant, the number of wireless phone users served
30 by each PSAP applicant, and any other method deemed appropriate by the Board. A
31 PSAP shall limit expenditures of grant funds to only those goods or services that are
32 identified as eligible expenses under G.S. 62A-25(b). A PSAP may use grant funds for:
33 (i) necessary network equipment, computer hardware and software, database equipment,
34 and telephone equipment located within the PSAP; (ii) advisory services or training for
35 the PSAP as authorized by G.S. 62A-22.1(5); (iii) network costs for delivery of calls
36 from a wireless provider to the PSAP; (iv) collection and maintenance of data used by
37 the PSAP, including data to identify a caller and the caller's location, and (v) relaying
38 messages regarding wireless emergency 911 telephone calls via data communications
39 from the PSAP to other emergency call centers that dispatch the appropriate emergency
40 service providers. The Board shall publish one or more notices each fiscal year
41 advertising the availability of grants from the Grant Fund and detailing the application
42 process, including the deadline for submitting applications, any required documents
43 specifying costs, either incurred or anticipated, and evidence demonstrating the need for

1 the grant. Any grant funds awarded to PSAPs under this section shall be in addition to
2 any funds reimbursed under G.S. 62A-25(b)."

3 **SECTION 5.** This act is effective when it becomes law.