

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**HOUSE BILL 1755  
Committee Substitute Favorable 5/4/07**

Short Title: Coordinate Statewide Enhanced 911 System.

(Public)

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Sponsors:

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Referred to:

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April 19, 2007

A BILL TO BE ENTITLED

1  
2 AN ACT TO MODERNIZE AND IMPROVE THE ADMINISTRATION OF THE  
3 STATE'S 911 SYSTEM THROUGH A STATEWIDE 911 EMERGENCY  
4 LOCATING BOARD, ENSURING THAT ALL VOICE SERVICES  
5 CONTRIBUTE TO THE 911 SYSTEM, AND PROVIDING PARITY IN THE  
6 QUALITY OF SERVICE AND THE LEVEL OF 911 CHARGES ACROSS VOICE  
7 COMMUNICATIONS SERVICE PROVIDERS.

8       Whereas, maintaining an efficient Enhanced 911 system across the State  
9 benefits all citizens and not just certain localities; and

10       Whereas, the Wireless 911 Board has successfully administered the statewide  
11 wireless Enhanced 911 system for many years; and

12       Whereas, local governments have administered a similar wireline Enhanced  
13 911 system for their local jurisdictions; and

14       Whereas, the average monthly 911 service charges paid to local governments  
15 by local exchange company customers exceeds the average monthly 911 service charges  
16 paid to the Wireless 911 Board by wireless company customers, thereby creating an  
17 unfair competitive advantage for wireless companies; and

18       Whereas, some VoIP-enabled providers do not currently support the  
19 Enhanced 911 system by collecting 911 service charges; and

20       Whereas, the consolidation of the State's Enhanced 911 system under a single  
21 board with a uniform 911 service charge will improve the integration of the State's 911  
22 system, enhance efficiency and accountability, and create a level competitive playing  
23 field among voice communications technologies; Now, therefore,

24 The General Assembly of North Carolina enacts:

25       **SECTION 1.** G.S. 62A-1 through G.S. 62A-12 are repealed.

26       **SECTION 2.** G.S. 62A-21 reads as rewritten:

27       "**§ 62A-21. Definitions.**

28       ...

- 1 (6) ~~"Eligible PSAPs" means those public safety answering points that have~~  
2 ~~opted to provide wireless Enhanced 911 service and have submitted~~  
3 ~~written notice to their CMRS providers and to the Wireless 911~~  
4 ~~Board, provide or operate 911 or Enhanced 911 systems.~~
- 5 (6a) "Enhanced 911 State plan" means a document prepared, maintained,  
6 and updated by the 911 Board that provides for all aspects of the  
7 State's integrated Enhanced 911 system, including the Board's  
8 determination of permitted uses of moneys from the 911 Fund and the  
9 amounts disbursed from the Fund to voice communications service  
10 providers and PSAPs.
- 11 (6b) "Enhanced 911 system" means an emergency telephone system that  
12 provides the user of the voice communications service connection with  
13 911 system service and, in addition, with respect to wireless 911  
14 service, directs 911 calls to appropriate PSAPs by selective routing  
15 based on the geographical location from which the call originated and  
16 provides the capability for ANI (or Pseudo-ANI) and ALI features, in  
17 accordance with the requirements of the FCC Order.
- 18 (6c) "Exchange access facility" means the access from a subscriber's  
19 premises to the telephone system of a service supplier. The term  
20 includes service supplier provided access lines, PBX trunks, and  
21 centrex network access registers, as defined by tariffs of telephone  
22 companies as approved by the North Carolina Utilities Commission.  
23 The term does not include service supplier owned and operated  
24 telephone pay station lines, or Wide Area Telecommunications Service  
25 (WATS), Foreign Exchange (FX), or incoming only lines.
- 26 ...
- 27 (10) "Proprietary information" means customer lists and other related  
28 information, technology descriptions, technical information, or trade  
29 secrets, including the term "trade secrets" as defined by the North  
30 Carolina Trade Secrets Protection Act, G.S. 66-152, and the actual or  
31 developmental costs of ~~wireless~~ Enhanced 911 systems that are  
32 developed, produced, or received internally by a ~~CMRS~~ voice  
33 communications service provider or by a ~~CMRS~~ voice  
34 communications service provider's employees, directors, officers, or  
35 agents.
- 36 ...
- 37 (13a) ~~"Shared resources" means any element that is used for both receiving~~  
38 ~~wire line 911 calls and wireless 911 calls and is an eligible expense~~  
39 ~~under G.S. 62A-8 and G.S. 62A-25.~~
- 40 (13b) "Subscriber" means a person who subscribes to a ~~CMRS~~ voice  
41 communications service or prepaid wireless service.
- 42 (13c) "Voice communications service" means a service that includes: (i) the  
43 transmission, conveyance, or routing of real-time, two-way  
44 communications to a point or between or among points by or through

1            any electronic, radio, satellite, cable, optical, microwave, wireline,  
 2            wireless, or other medium or method now in existence or hereafter  
 3            devised, regardless of the protocol used for the transmission or  
 4            conveyance, and (ii) the ability to receive and terminate voice calls to  
 5            and from the public switched telephone network. The term also  
 6            includes interconnected VoIP service as defined by the FCC in 47  
 7            C.F.R. § 9.3. "Voice communications service" does not include data  
 8            lines.

9            (13d) "Voice communications service provider" means any person or entity  
 10            that provides voice communications service as defined in this Article.  
 11            The term does not include any person or entity that resells voice  
 12            communications service and was assessed the 911 service charge by its  
 13            resale supplier.

14            (13e) "VoIP provider" means an interconnected VoIP service as defined by  
 15            the FCC in 47 C.F.R. § 9.3.

16            (14) ~~"Wireless 911 system"~~ "911 system" means an emergency telephone  
 17            system that provides the user of a ~~CMRS~~ voice communications  
 18            service connection the ability to reach a PSAP by dialing the digits 911  
 19            and complements a ~~wireless-an~~ Enhanced 911 system.

20            (14a) ~~"Wireless Enhanced 911 State plan" means a document prepared,~~  
 21            ~~maintained, and updated by the Wireless 911 Board that provides for~~  
 22            ~~all aspects of the State's integrated wireless Enhanced 911 system,~~  
 23            ~~including the Board's determination of permitted uses of moneys from~~  
 24            ~~the Wireless Fund and the amounts disbursed from the Fund to CMRS~~  
 25            ~~providers and PSAPs.~~

26            (15) ~~"Wireless Enhanced 911 system" means an emergency telephone~~  
 27            ~~system that provides the user of the CMRS connection with wireless~~  
 28            ~~911 service and, in addition, directs 911 calls to appropriate PSAPs by~~  
 29            ~~selective routing based on the geographical location from which the~~  
 30            ~~call originated and provides the capability for ANI (or Pseudo ANI)~~  
 31            ~~and ALI features, in accordance with the requirements of the FCC~~  
 32            ~~Order.~~

33            (16) ~~"Wireless Fund"~~ "911 Fund" means the ~~Wireless Emergency~~  
 34            Telephone System North Carolina 911 Fund required to be established  
 35            and maintained pursuant to G.S. 62A-22(c)."

36            **SECTION 3.** G.S. 62A-22 reads as rewritten:

37            **"§ 62A-22. Wireless-911 Emergency Locating Board.**

38            (a) There is created a ~~Wireless 911 Board~~ 911 Emergency Locating Board  
 39            ("Board"), consisting of ~~13-17~~ members as follows:

40            (1) ~~Two-Four~~ members appointed by the Governor, one upon the  
 41            recommendation of the North Carolina League of ~~Municipalities~~  
 42            ~~and~~ Municipalities, one upon the recommendation of the North  
 43            Carolina Association of County ~~Commissioners;~~ Commissioners, one

- 1            representing a VoIP provider, and one representing the North Carolina  
2            chapter of the National Emergency Number Association (NENA);  
3            (2) ~~Five~~Six members appointed by the General Assembly upon the  
4            recommendation of the Speaker of the House of Representatives, one  
5            of whom shall be a sheriff, ~~three~~two representing CMRS providers  
6            licensed to do business in North ~~Carolina~~and Carolina, one  
7            representing the North Carolina Chapter of the Association of Public  
8            Safety Communications Officials (~~APCO~~);(APCO), and two  
9            representing local exchange carriers licensed to do business in North  
10           Carolina, one of whom shall represent a local exchange carrier with  
11           less than 50,000 access lines;  
12           (3) ~~Five~~Six members appointed by the General Assembly upon the  
13           recommendation of the President Pro Tempore of the Senate, one of  
14           whom shall be a chief of police, two representing CMRS providers  
15           licensed to do business in North Carolina, ~~one~~two representing local  
16           exchange carriers licensed to do business in North ~~Carolina~~Carolina,  
17           one of whom shall represent a local exchange carrier with less than  
18           200,000 access lines, and one representing the North Carolina Chapter  
19           of the National Emergency Number Association (NENA); and  
20           (4) The State Chief Information Officer or the Chief Information Officer's  
21           designee, who shall serve as the chair.

22           A quorum of the Board shall consist of ~~seven~~nine members. The Board shall meet  
23           upon the call of the chair.

24           ...

25           (c) There is established with the Treasurer the ~~Wireless-911~~ Fund into which the  
26           Board shall deposit all revenues derived from the service charge levied on exchange  
27           access facility, VoIP, and CMRS connections in the State and collected pursuant to  
28           G.S. 62A-23. The ~~Wireless-911~~ Fund shall be a separate fund restricted to the uses set  
29           forth in this Article.

30           (d) **(Effective until July 1, 2007)** Consistent with the provisions of G.S. 143-3.2,  
31           the Board shall disburse the revenues remitted to the ~~Wireless-911~~ Fund in the manner  
32           set forth in G.S. 62A-25. The Board shall establish procedures for disbursement of these  
33           revenues and advise the ~~CMRS-voice communications service~~ providers and eligible  
34           ~~counties-PSAPs~~ of ~~such~~the procedures within 60 days after all members are appointed  
35           pursuant to G.S. 62A-22(a).

36           (d) **(Effective July 1, 2007)** Consistent with the provisions of  
37           G.S. 143B-426.40G, the Board shall disburse the revenues remitted to the ~~Wireless-911~~  
38           Fund in the manner set forth in G.S. 62A-25. The Board shall establish procedures for  
39           disbursement of these revenues and advise the ~~CMRS-voice communications service~~  
40           providers and eligible ~~counties-PSAPs~~ of ~~such~~the procedures within 60 days after all  
41           members are appointed pursuant to G.S. 62A-22(a).

42           ...."

43           **SECTION 4.** G.S. 62A-22.1 reads as rewritten:

44           "**§ 62A-22.1. Powers and duties of the Board.**

1 The ~~Wireless~~ 911 Board shall have the following powers and duties:

- 2 (1) To levy a monthly ~~wireless~~ Enhanced 911 service charge on each  
 3 ~~CMRS connection~~ voice communications service connection in the  
 4 amount provided in G.S. 62A-23. The service charge is not a tax.
- 5 (2) To make and enter into contracts and agreements necessary or  
 6 incidental to the performance of its duties and powers under this  
 7 Article, including purchase agreements that are paid with funds from  
 8 the administrative fee allowed under G.S. 62A-26 and other moneys  
 9 appropriated to or received by the Board for the ~~wireless~~ Enhanced  
 10 911 system.
- 11 (3) To accept gifts, grants, or other ~~moneys~~ moneys, and to make grants  
 12 for purposes of furthering the intent of this Article.
- 13 (4) To develop a comprehensive ~~wireless~~—Enhanced 911  
 14 ~~telecommunications~~ State plan for communicating Enhanced 911 call  
 15 information across networks and among PSAPs. In constructing and  
 16 periodically updating the plan, the Board shall monitor trends and  
 17 advances in ~~wireless~~—Enhanced 911 ~~telecommunications~~—voice  
 18 communications service technology, investigate and utilize  
 19 development of other resources within the State as part of the ~~wireless~~  
 20 Enhanced 911 State plan, including GIS mapping and Voice over  
 21 Internet Protocol (VoIP), and formulate strategies for the efficient and  
 22 effective delivery of ~~wireless~~—Enhanced 911 ~~telecommunications~~  
 23 ~~services~~ voice communications service.
- 24 ...
- 25 (6) To advocate for issues related to ~~wireless~~—Enhanced 911 system  
 26 functions, features, and operations to improve the delivery of ~~wireless~~  
 27 Enhanced 911 services to residents of and visitors to the State.
- 28 (6a) To audit PSAPs to ensure that revenues received from the 911 Fund  
 29 are being used in accordance with the provisions of this Article.
- 30 (6b) To undertake its duties in a manner that is competitively and  
 31 technologically neutral as to all voice communications service  
 32 providers.

33 ...."

34 **SECTION 5.** G.S. 62A-23 reads as rewritten:

35 "**§ 62A-23. Amount of service charge.**

36 (a) The rate of the monthly ~~wireless~~—Enhanced 911 service charge shall be set at  
 37 seventy cents (70¢) per month per each ~~CMRS~~—voice communications service  
 38 connection capable of accessing 911 beginning October 1, ~~2005~~ 2007. The service  
 39 charge shall have uniform application and shall be imposed throughout the ~~State~~ State  
 40 as a charge to end user customers.

41 (b) The Board may adjust the service charge on July 1 of every even-numbered  
 42 year year, but the service charge shall not exceed the amount set in subsection (a) of this  
 43 section. The Board is to set the service charge at such a rate as to ensure full recovery  
 44 for ~~CMRS~~—voice communications service providers and for primary PSAPs, over a

1 reasonable period of time, of the costs allowed in ~~G.S. 62A-25(b)~~ G.S. 62A-25(a) and  
2 (e) and associated with developing and maintaining a ~~wireless~~ Enhanced 911 system.  
3 If necessary to ensure full recovery of costs for both ~~CMRS~~ voice communications  
4 service providers and eligible primary PSAPs over a reasonable period of time, the  
5 Board may annually adjust the allocation percentages set forth in G.S. 62A-25(a) and  
6 G.S. 62A-25(b), or reallocate funds comprising the ~~Wireless-911~~ Fund, provided,  
7 however, that any adjustment or reallocation shall be consistent with the requirements  
8 of the FCC Order.

9 (b1) The service charge shall also be imposed upon prepaid wireless telephone  
10 service subscribers. ~~CMRS~~ Voice communications service providers of prepaid wireless  
11 telephone service shall collect and remit to the Board the service charge under one of  
12 the following methods:

13 (1) The ~~CMRS~~ voice communications service provider shall collect, on a  
14 monthly basis, the service charge from each active prepaid wireless  
15 telephone service customer whose account balance is equal to or  
16 greater than the amount of the service charge; or

17 (2) The ~~CMRS~~ voice communications service provider shall divide the  
18 total earned prepaid wireless telephone service revenue received by the  
19 ~~CMRS~~ voice communications service provider with respect to each  
20 active prepaid wireless telephone service customer in the State within  
21 the monthly 911 reporting period by fifty dollars (\$50.00) and multiply  
22 the quotient by the service charge amount.

23 ~~(e) The service charge shall not exceed eighty cents (80¢) per month.~~

24 (d) The Board may adopt other rules and procedures as may be necessary to  
25 effect the provisions of this act but may not regulate any other aspect of the provision of  
26 ~~wireless~~ Enhanced 911 service, such as technical standards.

27 (e) No other State agency or local government may levy any additional surcharge  
28 or fee relating to the provision of ~~wireless-911~~ service or Enhanced 911 service."

29 **SECTION 6.** G.S. 62A-24 reads as rewritten:

30 "**§ 62A-24. Management of funds.**

31 (a) Except for prepaid wireless telephone service, each ~~CMRS~~ voice  
32 communications service provider, as a part of its monthly billing process, shall collect  
33 from its subscribers the ~~wireless~~ Enhanced 911 service charge described in  
34 ~~G.S. 62A-23~~ G.S. 62A-23(a). The ~~CMRS~~ voice communications service provider may  
35 list the service charge as a separate entry on each bill. If a ~~CMRS~~ voice communications  
36 service provider receives a partial payment for a monthly bill from a subscriber, the  
37 provider shall apply the payment first against the amount the subscriber owes the  
38 provider.

39 (b) A ~~CMRS~~ voice communications service provider has no obligation to take  
40 any legal action to enforce the collection of the service charges for which any subscriber  
41 is billed. However, a collection action may be initiated by the Board or a local  
42 governmental unit, and reasonable costs and attorneys' fees associated with that  
43 collection action may be ~~awarded~~ assessed against the subscriber. Upon the request of a  
44 PSAP or the 911 Board, the voice communications service provider shall provide to the

1 911 Board the name, address, and telephone number of any telephone subscriber who  
2 has disclosed to the voice communications service provider their refusal to pay the 911  
3 service charge.

4 (c) Each ~~CMRS~~ voice communications service provider shall be entitled to  
5 deduct a ~~one percent (1%)~~ an administrative fee from the total service charges  
6 collected. collected that is equal to one percent (1%) or fifty dollars (\$50.00) per month,  
7 whichever is greater.

8 (d) All service charges collected by the ~~CMRS~~ voice communications service  
9 providers, less the administrative fee described in subsection (c) of this section, are to be  
10 remitted to the ~~Wireless~~ 911 Fund, not later than 30 days after the end of the calendar  
11 month in which such service charges are collected.

12 (e) The fiscal officer to whom 911 distributions are made under G.S. 62A-25  
13 shall deposit the funds in a special revenue fund, as defined in G.S. 159-26(b)(2). The  
14 special revenue fund shall be known as the Emergency Telephone System Fund, and the  
15 fiscal officer may invest money in the Fund in the same manner that other money of the  
16 local government may be invested. The fiscal officer shall deposit any income earned  
17 from the invested money in the Emergency Telephone System Fund. Moneys deposited  
18 into the Fund shall be used only as permitted in G.S. 62A-25."

19 **SECTION 7.** Article 2 of Chapter 62A of the General Statutes is amended  
20 by adding the following new section to read:

21 **"§ 62A-24.1. Nature of funds.**

22 The General Assembly finds that for purposes of Section 5(3) of Article III of the  
23 North Carolina Constitution, the funds maintained in and distributed from the 911 Fund  
24 is local revenue and not a State expenditure, and therefore the Governor may not reduce  
25 or withhold distributions from the 911 Fund."

26 **SECTION 8.** G.S. 62A-25 reads as rewritten:

27 **"§ 62A-25. Use of funds. 911 Fund; uses.**

28 (a) Fifty-three percent (53%) of the funds ~~in the Wireless~~ remitted by CMRS  
29 providers to the 911 Fund established in G.S. 62A-22(c) shall be used to reimburse  
30 CMRS providers, in response to sworn invoices submitted to the Board, for the actual  
31 costs incurred by the CMRS providers in complying with the wireless 911 requirements  
32 established by the FCC Order and any rules and regulations which are or may be  
33 adopted by the FCC pursuant to the FCC Order, including costs and expenses incurred  
34 for designing, upgrading, purchasing, leasing, programming, installing, testing, or  
35 maintaining all necessary data, hardware, and software required in order to provide such  
36 service as well as the recurring and nonrecurring costs of operating such service. All  
37 costs and expenses must be commercially reasonable.

38 (a1) Sworn invoices shall be presented by CMRS providers in connection with  
39 any request for reimbursement under this section. In no event shall any invoice for  
40 reimbursement be approved for the payment of costs that are not related to compliance  
41 with the wireless Enhanced 911 service requirements established by the FCC Order and  
42 any rules and regulations which are or may be adopted by the FCC pursuant to the FCC  
43 Order.

1       (a2) In no event shall any invoice for reimbursement be approved for payment of  
2 costs of any CMRS provider exceeding the lesser of one hundred percent (100%) of the  
3 eligible costs allowed under G.S. 62A-25(e) or one hundred twenty-five percent (125%)  
4 of the service charges remitted by the CMRS provider unless prior approval for the  
5 expenditures is received from the Board. If the total amount of invoices submitted to the  
6 Board and approved for payment exceeds the amount in the 911 Fund in any month,  
7 CMRS providers that have invoices approved for payment shall receive a pro rata share  
8 of the 911 Fund, based on the relative amount of their approved invoices available that  
9 month, and the balance of the payments will be carried over to the following month or  
10 months and shall include interest at a rate equal to the rate earned by the 911 Fund until  
11 all of the approved payments are made.

12       (b) ~~Forty-seven percent (47%) of the funds in the Wireless~~remitted by CMRS  
13 providers to the 911 Fund established in G.S. 62A-22(c) shall be used to make monthly  
14 distributions to eligible primary PSAPs ~~(the "PSAP Fund").~~(the "PSAP Fund"), as  
15 provided in subsection (b2) of this section. ~~Money from the PSAP Fund shall be used~~  
16 ~~only to pay for the lease, purchase, or maintenance of emergency telephone equipment~~  
17 ~~for the wireless Enhanced 911 system, including necessary computer hardware,~~  
18 ~~software and database provisioning, nonrecurring costs of establishing a wireless~~  
19 ~~Enhanced 911 system, and expenses related to shared resources. For purposes of this~~  
20 ~~section, shared resources expenses are limited to those expenses identified in this~~  
21 ~~section and G.S. 62A-8 and shall not exceed an amount determined reasonable by the~~  
22 ~~Board. Money from the PSAP Fund shall also be used to pay the rates associated with~~  
23 ~~the local telephone companies' charges related to the operation of the wireless Enhanced~~  
24 ~~911 system. The PSAP Fund shall be distributed as follows:~~

25       (1) ~~Fifty percent (50%) of it shall be divided equally among the total~~  
26 ~~number of eligible primary PSAPs in North Carolina. However,~~  
27 ~~monthly distribution shall be made only to those eligible primary~~  
28 ~~PSAPs that have complied with the provisions of this Article.~~  
29 ~~Distribution to each eligible primary PSAP will begin the month~~  
30 ~~following its compliance with the provisions of this Article. All~~  
31 ~~monies remaining in this portion of the PSAP Fund on June 30 of each~~  
32 ~~year will then be evenly distributed to each of the eligible primary~~  
33 ~~PSAPs.~~

34       (2) ~~The other fifty percent (50%) shall be divided pro rata among the~~  
35 ~~eligible primary PSAPs based on the population served by the PSAP.~~  
36 ~~However, monthly distribution shall be made only to those primary~~  
37 ~~PSAPs that have complied with the provisions of this Article.~~  
38 ~~Distribution to each eligible primary PSAP will begin the month~~  
39 ~~following its compliance with the provisions of this Article. The~~  
40 ~~population data to be used shall be the latest certified county and~~  
41 ~~official municipal estimates of population published by the Office of~~  
42 ~~State Budget and Management. All monies remaining in this portion of~~  
43 ~~the PSAP Fund on June 30 of each year will then be distributed to each~~



1 of the eligible primary PSAPs based on the population served by the  
2 primary PSAP.

3 (b1) The funds remitted by exchange access facility providers and VoIP providers  
4 to the 911 Fund shall be used to make monthly distributions to primary eligible PSAPs  
5 as provided in subsection (b2) of this section.

6 (b2) The Board shall distribute from the 911 Fund funds remitted under  
7 subsection (b) of this section by CMRS providers, under subsection (b1) by exchange  
8 access facility providers and VoIP providers, and under this Article by other voice  
9 communications service providers only as follows:

10 (1) Each eligible primary PSAP shall receive the same amount of funds  
11 the PSAP collected in the fiscal year ending June 30, 2006, from the  
12 total funds available for distribution to PSAPs that was reported to the  
13 State Treasurer, Local Government Division, as being in the special  
14 revenue fund known as the Emergency Telephone System Fund.

15 (2) A percentage of any additional funds remitted by voice  
16 communications service providers shall be divided pro rata among  
17 eligible primary PSAPs based upon the population served by the  
18 PSAPs, and a percentage shall be distributed to primary eligible  
19 PSAPs in rural and other high-cost areas to provide facility and service  
20 enhancements.

21 (b3) Funds in the 911 Fund available for primary eligible PSAPs (the "PSAP  
22 Fund") shall be used only to pay for:

23 (1) The lease, purchase, or maintenance of emergency telephone  
24 equipment, including necessary computer hardware, software and  
25 database provisioning, addressing, and nonrecurring costs of  
26 establishing a 911 system.

27 (2) Reasonable expenditures required to provide in-State training of 911  
28 personnel regarding the maintenance and operation of the 911 system.  
29 Allowable training expenses include the cost of instructors,  
30 certifications, training associated with quality assurance and  
31 improvement programs, including emergency medical, fire, or law  
32 enforcement. Training shall be provided within the State of North  
33 Carolina unless the training is unavailable in the State, or the PSAP is  
34 able to document that the training costs would be less by traveling  
35 out-of-state. Training specific to the receipt of 911 calls shall be  
36 allowed only for intake and related call taking quality assurance and  
37 improvement. Instructor certification costs and course required  
38 prerequisites, including physicals, psychological exams, and drug  
39 testing are not allowable expenditures.

40 (3) Rates associated with the service supplier's 911 service and other  
41 service supplier recurring charges. The PSAP providing 911 service  
42 shall be responsible to the voice communications service provider for  
43 all 911 installation, service, equipment, operation, and maintenance  
44 charges owed to the voice communications service provider, and any

1 taxes due on 911 service provided by a voice communications service  
2 provider shall be billed to the PSAP providing the service. A PSAP  
3 may contract with a service supplier on terms agreed to by the PSAP  
4 and the service supplier.

5 (b4) Funds in the PSAP Fund shall not be used to pay for the lease or purchase of  
6 real estate, cosmetic remodeling of emergency dispatch centers, hiring or compensating  
7 dispatchers, or the purchase of mobile communications vehicles, ambulances, fire  
8 engines, or other emergency vehicles.

9 ~~(e) Sworn invoices shall be presented by CMRS providers in connection with~~  
10 ~~any request for reimbursement under this section. In no event shall any invoice for~~  
11 ~~reimbursement be approved for the payment of costs that are not related to compliance~~  
12 ~~with the wireless Enhanced 911 service requirements established by the FCC Order and~~  
13 ~~any rules and regulations which are or may be adopted by the FCC pursuant to the FCC~~  
14 ~~Order.~~

15 ~~(d) In no event shall any invoice for reimbursement be approved for payment of~~  
16 ~~costs of any CMRS provider exceeding the lesser of one hundred percent (100%) of the~~  
17 ~~eligible costs allowed under G.S. 62A-25(b) or one hundred twenty five percent (125%)~~  
18 ~~of the service charges remitted by such CMRS provider unless prior approval for such~~  
19 ~~expenditures is received from the Board. If the total amount of invoices submitted to the~~  
20 ~~Board and approved for payment exceeds the amount in the Wireless Fund in any~~  
21 ~~month, CMRS providers that have invoices approved for payment shall receive a pro~~  
22 ~~rata share of the Wireless Fund, based on the relative amount of their approved invoices~~  
23 ~~available that month, and the balance of the payments will be carried over to the~~  
24 ~~following month or months and shall include interest at a rate equal to the rate earned by~~  
25 ~~the Wireless Fund until all of the approved payments are made.~~

26 ~~(e) In January-July of each year every participating PSAP will submit to the~~  
27 ~~Board a copy of its governing agency's approved budget detailing the PSAP's revenues~~  
28 ~~and expenditures associated with the operation of its wireless Enhanced 911 system.~~  
29 ~~PSAPs must comply with all requests by the Board for financial information related to~~  
30 ~~the operation of the wireless Enhanced 911 system. The PSAP budget shall identify~~  
31 ~~revenues and expenditures for eligible expense reimbursements as provided in~~  
32 ~~G.S. 62A-25(b), in this Article and rules adopted by the 911 Board.~~

33 ~~(f) On February 15, 2000, 2009, and every two years thereafter the 911 Board~~  
34 ~~shall report to the Joint Legislative Commission on Governmental Operations and the~~  
35 ~~Revenue Laws Study Committee. The report shall contain complete information~~  
36 ~~regarding receipts and expenditures of all funds received by the 911 Board during the~~  
37 ~~period covered by the report as well as the status of wireless Enhanced the 911 systems~~  
38 ~~in North Carolina at the time of the report. The first report shall cover the period from~~  
39 ~~the formation of the Board to December 31, 1999. Each succeeding report shall cover~~  
40 ~~the two-year period of time from the ending date of the previous report.~~

41 ...."

42 **SECTION 9.** G.S. 62A-25.1 reads as rewritten:

43 **"§ 62A-25.1. Unauthorized use of funds.**

1 The Board shall give written notice of violation to any ~~CMRS~~ voice communications  
2 service provider or PSAP found by the Board to be using moneys from the ~~Wireless-911~~  
3 Fund for purposes not authorized by this Article. Upon receipt of notice, the ~~CMRS~~  
4 voice communications service provider or PSAP shall cease making any unauthorized  
5 expenditures. The ~~CMRS~~ voice communications service provider or PSAP may petition  
6 the Board for a hearing on the question of whether the expenditures were unauthorized,  
7 and the Board shall grant the request within a reasonable period of time. If, after the  
8 hearing, the Board concludes the expenditures were in fact unauthorized, the Board may  
9 require the ~~CMRS~~ voice communications service provider or PSAP to refund the  
10 moneys improperly spent within 90 days, and the moneys shall be deposited into the  
11 ~~Wireless-911~~ Fund. If a ~~CMRS~~ voice communications service provider or PSAP does  
12 not cease making unauthorized expenditures or refuses to refund improperly spent  
13 moneys, the Board may suspend funding to the provider or PSAP until corrective action  
14 is taken."

15 **SECTION 10.** G.S. 62A-26 reads as rewritten:

16 "**§ 62A-26. Administrative fee.**

17 The Board shall be entitled to deduct a one percent (1%) administrative fee from the  
18 total service charges remitted by the ~~CMRS~~ voice communications service providers for  
19 its expenses."

20 **SECTION 11.** G.S. 62A-27 reads as rewritten:

21 "**§ 62A-27. Provision of wireless services.**

22 In accordance with the FCC Order, no CMRS provider shall be required to provide  
23 wireless Enhanced 911 service until such time as (i) the provider receives a request for  
24 such service from the administrator of a PSAP that is capable of receiving and utilizing  
25 the data elements associated with the service; (ii) funds are available pursuant to  
26 G.S. 62A-24; and (iii) the local exchange carrier is able to support the wireless  
27 Enhanced 911 system."

28 **SECTION 12.** G.S. 62A-28 reads as rewritten:

29 "**§ 62A-28. Audit.**

30 The State Auditor may perform audits pursuant to Article 5A of Chapter 147 of the  
31 General Statutes to ensure that funds in the ~~Wireless-911~~ Fund are being managed in  
32 accordance with the provisions of this Article and shall perform an audit at least every  
33 two years. The State Auditor shall provide the audit to the Board when it meets to  
34 consider adjusting the service charge pursuant to G.S. 62A-23. The cost of audits shall  
35 be reimbursed to the State Auditor by the Board."

36 **SECTION 13.** G.S. 62A-29 reads as rewritten:

37 "**§ 62A-29. Customer records.**

38 Each CMRS provider shall provide its 10,000 number groups to the PSAPs upon  
39 request. This information shall remain the property of the disclosing CMRS provider  
40 and shall be used only in providing emergency response services to 911 calls. ~~CMRS~~  
41 Voice communications service provider connection information obtained by PSAP  
42 personnel for public safety purposes is not public information under Chapter 132 of the  
43 General Statutes. No person shall disclose or use, for any purpose other than for the

1 ~~wireless~~-911 calling system, information contained in the database of the telephone  
2 network portion of a ~~wireless~~-911 calling system established pursuant to this Article."

3 **SECTION 14.** G.S. 62A-30 reads as rewritten:

4 "**§ 62A-30. Proprietary information.**

5 All proprietary information submitted to the Board or the State Auditor shall be  
6 retained in confidence. Proprietary information submitted pursuant to this Article shall  
7 not be subject to disclosure under Chapter 132 of the General Statutes, or otherwise  
8 released to any person other than to the submitting ~~CMRS~~-voice communications  
9 service provider, the Board, and the independent, third-party auditor retained pursuant  
10 to ~~G.S. 62A-26~~, G.S. 62A-22.1 and G.S. 62A-28 without the express permission of the  
11 submitting ~~CMRS~~-voice communications service provider. Further, proprietary  
12 information shall constitute trade secrets as defined by the North Carolina Trade Secrets  
13 Protection Act, Article 24 of Chapter 66 of the General Statutes. General information  
14 collected by the Board or the State Auditor shall be released or published only in  
15 aggregate amounts that do not identify or allow identification of numbers of subscribers  
16 or revenues attributable to an individual ~~CMRS~~-voice communications service  
17 provider."

18 **SECTION 15.** G.S. 62A-31 reads as rewritten:

19 "**§ 62A-31. Limitation of liability.**

20 A CMRS provider, local exchange company, VoIP provider, service supplier, or  
21 their employees, directors, officers, or agents, except in cases of wanton or willful  
22 misconduct, shall not be liable for any damages in a civil action resulting from death or  
23 injury to any person or from damage to property incurred by any person in connection  
24 with developing, adopting, implementing, maintaining, or operating any ~~wireless~~-911  
25 system or ~~wireless~~-Enhanced 911 system. This section shall not apply to actions arising  
26 out of the operation or ownership of a motor vehicle."

27 **SECTION 16.** G.S. 62A-32 reads as rewritten:

28 "**§ 62A-32. Misuse of ~~wireless~~-911 system; penalty.**

29 ~~Wireless~~-911 emergency telephone service shall be used solely for emergency  
30 communications by the public. Any person who knowingly uses or attempts to use  
31 wireless emergency telephone service or information for a purpose other than obtaining  
32 public safety assistance, or who knowingly uses or attempts to use ~~wireless~~-911  
33 emergency telephone service in an effort to avoid any ~~CMRS~~-voice communications  
34 service charges, is guilty of a Class 3 misdemeanor. If the value of the ~~CMRS~~-voice  
35 communications service charge or service obtained in a manner prohibited by this  
36 section exceeds one hundred dollars (\$100.00), the person is guilty of a Class 1  
37 misdemeanor."

38 **SECTION 17.** Any fund balance in the Emergency Telephone System Fund  
39 or required to be remitted by a service supplier to the local fiscal officer for deposit to  
40 the fund, collected pursuant to Article 1 of Chapter 62A prior to the effective date of  
41 this act, shall be transferred to the General Fund of the governing entity to be used for  
42 any lawful purpose. Any local governing entity is not relieved of any prior obligation  
43 incurred for uses authorized by G.S. 62A-8.

44 **SECTION 18.** This act is effective when it becomes law.