

**§ 143B-1406. Fund distribution to PSAPs.**

(a) Monthly Distribution. – The 911 Board must make monthly distributions to primary PSAPs from the 911 Fund. A PSAP is not eligible for a distribution under this section unless it complies with the requirements of this Part, provides enhanced 911 service, and received distributions from the 911 Board in the 2008-2009 fiscal year. The Board may reduce, suspend, or terminate distributions under this subsection if a PSAP does not comply with the requirements of this Part. The Board must comply with all of the following:

- (1) Administration. – The Board must notify PSAPs of the estimated distributions no later than December 31 of each year. The Board must determine actual distributions no later than June 1 of each year. The Board must determine a method for establishing distributions that is equitable and sustainable and that ensures distributions for eligible operating costs and anticipated increases for all funded PSAPs. The Board must establish a formula to determine each PSAP's base amount. The formula must be determined and published to PSAPs in the first quarter of the fiscal year preceding the fiscal year in which the formula is used. The Board may not change the funding formula for the base amount more than once every year.
- (2) Reports. – The Board must report to the Joint Legislative Commission on Governmental Operations and the Revenue Laws Study Committee within 45 days of a change in the funding formula. The report must contain a description of the differences in the old and new formulas and the projected distributions to each PSAP from the new formula.
- (3) Formula. – The funding formula established by the Board must consider all of the following:
  - a. The population of the area served by a PSAP.
  - b. PSAP reports and budgets, disbursement histories, and historical costs.
  - c. PSAP operations, 911 technologies used by the PSAP, compliance with operating standards of the 911 Board, level of service a PSAP delivers dispatching fire, emergency medical services, law enforcement, and Emergency Medical Dispatch.
  - d. The tier designation of the county in which the PSAP is located as designated in G.S. 143B-437.08.
  - e. Any interlocal government funding agreement to operate a regional PSAP, or between a primary PSAP and a secondary PSAP, if the secondary PSAP was in existence as of June 1, 2010, receives funding under the agreement, and is within the service area of the primary PSAP.
  - e1. Any expenditure authorized by the 911 Board for statewide 911 projects or the next generation 911 system.
  - f. Any other information the Board considers relevant.
- (4) Additional distributions. – In the first quarter of the Board's fiscal year, the Board must determine whether payments to PSAPs during the preceding fiscal year exceeded or were less than the eligible costs incurred by each PSAP during the fiscal year. If a PSAP receives less than its eligible costs in any fiscal year, the Board may increase a PSAP's distribution in the following fiscal year above the base amount as determined by the formula to meet the estimated eligible costs of the PSAP as determined by the Board. The Board may not distribute less than the base amount to each PSAP except as provided in subsection (c) of this section. The Board must provide a procedure for a PSAP to request a reconsideration of its distribution or eligible expenses.

(b) Percentage Designations. – The 911 Board must determine how revenue that is allocated to the 911 Fund for distribution to primary PSAPs and is not needed to make the base amount distribution required by subdivision (a)(1) of this section is to be used. The 911 Board must designate a percentage of the remaining funds to be distributed to primary PSAPs on a per capita basis and a percentage to be allocated to the Accounts established in G.S. 143B-1407. If the 911 Board does not designate an amount to be allocated to the Accounts, the 911 Board must distribute all of the remaining funds to regional or primary PSAPs on a per capita basis. The 911 Board may not change the percentage designation more than once each fiscal year.

(c) Carryforward. – A PSAP may carry forward distributions for eligible expenditures for capital outlay, capital improvements, or equipment replacement if shown pursuant to subsection (f) of this section. The 911 Board may allow a PSAP to carry forward a greater amount without changing the PSAP's distribution. Amounts carried forward to the next fiscal year from distributions made by the 911 Board may not be used to lower the distributions in subsection (a) of this section, unless either of the following is true:

- (1) The amount is greater than twenty percent (20%) of the average yearly amount distributed to the PSAP in the prior two years.
- (2) The amount in subsection (a) of this section is modified based upon the Board's expenditures for statewide 911 projects or the PSAP's migration to a next generation 911 network.

(d) Use of Funds. – A PSAP that receives a distribution from the 911 Fund may not use the amount received to pay for the lease or purchase of real estate, cosmetic remodeling of emergency dispatch centers, hiring or compensating telecommunicators, or the purchase of mobile communications vehicles, ambulances, fire engines, or other emergency vehicles. Distributions received by a PSAP may be used only to pay for the following:

- (1) The lease, purchase, or maintenance of:
  - a. Emergency telephone equipment, including necessary computer hardware, software, and database provisioning.
  - b. Addressing, provided that addressing shall not be paid following the earlier of July 1, 2021, or compliance with subsection (e1) of this section.
  - c. Telecommunicator furniture.
  - d. Dispatch equipment located exclusively within a building where a PSAP or back-up PSAP is located, excluding the costs of base station transmitters, towers, microwave links, and antennae used to dispatch emergency call information from the PSAP or back-up PSAP.
  - e. Emergency medical, fire, and law enforcement pre-arrival instruction software.
- (1a) Any costs incurred by a city or county that operates a PSAP to comply with the terms of an intergovernmental support agreement if all of the following apply:
  - a. The city or county, or both, have an intergovernmental support agreement under 10 U.S. Code Section 2679, with a major military installation as defined in G.S. 143-215.115 that operates a PSAP.
  - b. The intergovernmental support agreement permits the parties to serve as a back-up PSAP or secondary PSAP for each other's 911 system.
  - c. The costs aid the PSAP operated by the city or county to establish and maintain the maximum amount of next generation 911 system compatibility with the PSAP operated by the major military installation.
- (2) Repealed by Session Laws 2019-200, s. 7(f), effective August 21, 2019.

- (3) Expenditures for in-State training of 911 personnel regarding the maintenance and operation of the 911 system. Allowable training expenses include the cost of transportation, lodging, instructors, certifications, improvement programs, quality assurance training, training associated with call taking, and emergency medical, fire, or law enforcement procedures, and training specific to managing a PSAP or supervising PSAP staff. Training outside the State is not an eligible expenditure unless the training is unavailable in the State or the PSAP documents that the training costs are less if received out-of-state. Training specific to the receipt of 911 calls is allowed only for intake and related call taking quality assurance and improvement. Instructor certification costs and course required prerequisites, including physicals, psychological exams, and drug testing, are not allowable expenditures.
- (4) Charges associated with the service supplier's 911 service and other service supplier recurring charges. The PSAP providing 911 service is responsible to the communications service provider for all 911 installation, service, equipment, operation, and maintenance charges owed to the communications service provider. A PSAP may contract with a communications service provider on terms agreed to by the PSAP and the provider. Service supplier 911 service and other recurring charges supplanted by the State ESInet costs paid by the Board shall not be paid from distributions to PSAPs following the earlier of July 1, 2021, or compliance with subsection (e1) of this section.

(e) Local Fund. – The fiscal officer of a PSAP to whom a distribution is made under this section must deposit the funds in a special revenue fund, as defined in G.S. 159-26(b)(2), designated as the Emergency Telephone System Fund. The fiscal officer may invest money in the Fund in the same manner that other money of the local government may be invested. Income earned from the invested money in the Emergency Telephone System Fund must be credited to the Fund. Revenue deposited into the Fund must be used only as permitted in this section.

(e1) State NG911 Emergency Service IP Network (ESInet). –

- (1) No later than July 1, 2021, the Board and local governments operating primary PSAPs shall develop and fully implement NG911 transition plans to migrate PSAPs to the State ESInet. To the extent practicable, the migration of PSAPs will be implemented on a sequential region-by-region basis for those PSAPs served by each legacy 911 selective router. The Board may extend the implementation date for a primary PSAP for good cause. For purposes of this section, "good cause" means an event or events reasonably beyond the ability of the Board to anticipate or control.
- (2) All communications service providers required to provide access to 911 service shall route the 911 calls of their subscribers to ESInet points of interconnection designated by the Board. The Board shall identify points of interconnection no later than July 1, 2019. The Board shall establish ESInet points of interconnection in a manner that minimizes cost to the communications service providers to the extent practicable while still achieving necessary 911 service and ESInet objectives.
- (3) The State ESInet service provider shall receive the 911 calls delivered by the communications service provider at the designated ESInet points of interconnection and deliver the calls to the appropriate PSAP. The State ESInet service provider shall not charge a communications service provider to connect to the State ESInet point of interconnection nor for the delivery of the 911 calls to the PSAP.

(f) Compliance. – A PSAP, or the governing entity of a PSAP, must comply with all of the following in order to receive a distribution under this section:

- (1) A county or municipality that has one or more PSAPs must submit in writing to the 911 Board information that identifies the PSAPs in the manner required by the FCC Order.
- (2) A participating PSAP must annually submit to the 911 Board a copy of its governing agency's proposed or approved budget detailing the revenues and expenditures associated with the operation of the PSAP. The PSAP budget must identify revenues and expenditures for eligible expense reimbursements as provided in this Part and rules adopted by the 911 Board.
- (3) A PSAP must be included in its governing entity's annual audit required under the Local Government Budget and Fiscal Control Act. The Local Government Commission must provide a copy of each audit of a local government entity with a participating PSAP to the 911 Board.
- (4) A PSAP must comply with all requests by the 911 Board for financial information related to the operation of the PSAP.
- (4a) On or before July 1, 2019, each primary PSAP dispatching emergency medical services shall develop policies and procedures for implementing an Emergency Medical Dispatch program approved by the Office of Emergency Medical Services. Emergency medical dispatch instructions must be offered by a telecommunicator who has completed an emergency medical dispatch course approved by the Office of Emergency Medical Services.
- (5) A primary PSAP must have a plan and means for 911 call-taking in the event 911 calls cannot be received and processed in the primary PSAP. This subdivision does not require a PSAP to construct an alternative facility to serve as a back-up PSAP.
- (5a) On or before July 1, 2020, each PSAP shall deploy equipment, products, and services necessary or appropriate to enable the PSAP to receive and process calls for emergency assistance sent via text messages in a manner consistent with FCC Order 14-118 and any other FCC order that affects the deployment of text-to-911.
- (5b) Persons employed as telecommunicators who are not required to be certified by the North Carolina Sheriffs' Education and Training Standards Commission shall successfully complete all of the following:
  - a. A minimum of 40 hours in a nationally recognized training course for 911 telecommunicators or a basic telecommunicator course offered by the North Carolina Sheriffs' Education and Training Standards Commission within one year of the date of their employment for any person beginning employment after July 1, 2019, or a substantially similar minimum training acceptable to the telecommunicator's employer.
  - b. A nationally recognized emergency medical dispatch course or an emergency medical dispatch course approved by the Office of Emergency Medical Services not later than July 1, 2020, or if employed subsequent to July 1, 2020, within six months of the date of employment.
- (6) A primary PSAP must comply with the rules, policies, procedures, and operating standards for primary PSAPs adopted by the 911 Board.

(g) Application to Cherokees. – The Eastern Band of Cherokee Indians is an eligible PSAP. The Tribal Council of the Eastern Band is the local governing entity of the Eastern Band  
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for purposes of this section. The Tribal Council must give the 911 Board information adequate to determine the Eastern Band's base amount. The 911 Board must use the most recent federal census estimate of the population living on the Qualla Boundary to determine the per capita distribution amount.

(h) Every local government shall participate in a 911 system. The establishment and operation of regional PSAPs shall be a coordinated effort among local governments, local government agencies, and the Board. Nothing in this Article prohibits or discourages in any way the formation of regional PSAPs.

(i) Application to Major Military Installations. – If a PSAP is a party to an intergovernmental support agreement under 10 U.S. Code Section 2679 which includes a PSAP operated by a major military installation, as defined in G.S. 143-215.115, the 911 Board shall treat the population of the major military installation as part of the population of the PSAP and shall treat the intergovernmental support agreement under 10 U.S. Code Section 2679 as an interlocal agreement under sub-subdivision (a)(3)e. of this section for purposes of funding any city or county that is a party to the intergovernmental support agreement under the funding formula under subdivision (a)(3) of this section. (2007-383, s. 1(a); 2008-134, ss. 1(b), (c); 2010-158, ss. 7(a)-(d); 2011-291, s. 2.18; 2014-66, s. 1.3; 2015-219, s. 1; 2015-241, s. 7A.3(2); 2015-261, ss. 1(e), 4(e); 2019-200, s. 7(f); 2020-69, s. 5.2; 2020-78, s. 12.4(a).)