

Unofficial Draft Copy

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LC0445

**** Bill No. ****

Introduced By *****

By Request of the Energy and Telecommunications Interim Committee

A Bill for an Act entitled: "An Act generally revising 9-1-1 laws; establishing a 9-1-1 advisory council; establishing 9-1-1 advisory council and department of administration duties for 9-1-1 systems and services; granting the department rulemaking authority; clarifying local government and 9-1-1 district roles; providing definitions; updating terms to include next-generation 9-1-1; revising the allocation of 9-1-1 fees; requiring the department to update the allocation of 9-1-1 fees in accordance with the decennial census; establishing accounts for distribution of 9-1-1 funds; requiring that certain fees collected for 9-1-1 services be reallocated under certain circumstances; establishing a reallocation process; establishing a next-generation 9-1-1 infrastructure account; creating a next-generation 9-1-1 infrastructure grant program; providing criteria to the department of administration for awarding next-generation 9-1-1 infrastructure grants; establishing a 9-1-1 GIS mapping account; requiring the state library to award a contract for a GIS assessment; establishing a statewide 9-1-1 planning account; requiring the department to award a contract to develop a statewide 9-1-1 plan; establishing a private telecommunications provider and local government 9-1-1 grant program; providing priorities and criteria for the 9-1-1 grant program; transferring funds; amending sections 10-4-101, 10-4-103, 10-4-201, 10-4-301,

10-4-302, 10-4-313, and 17-7-502, MCA; repealing sections 10-4-102, 10-4-104, 10-4-111, 10-4-112, 10-4-113, 10-4-114, 10-4-115, 10-4-121, 10-4-125, and 10-4-126, 10-4-301, 10-4-302, 10-4-303, 10-4-311, 10-4-312, and 10-4-313, MCA; and providing effective dates and a termination date."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. 9-1-1 advisory council.** (1) There is a 9-1-1 advisory council.

(2) The council is composed of 17 members appointed by the governor. The members are:

(a) the director of the department or the director's designee, who serves as presiding officer of the council;

(b) a representative of the department of justice, Montana highway patrol;

(c) a representative of the Montana emergency medical services association;

(d) three representatives of Montana telecommunications providers;

(e) a representative of the Montana association of public safety communications officials;

(f) two public safety answering point managers, one serving a population less than 30,000 and one serving a population greater than 30,000;

(g) a representative of the department of military affairs, disaster and emergency services division;

(h) a representative of the Montana association of chiefs of police;

(i) a representative of the Montana sheriffs and peace officers association;

(j) a representative of the Montana state fire chiefs' association;

(k) a representative of the Montana state volunteer firefighters association;

(l) a representative of the Montana association of counties;

(m) a representative of the Montana league of cities and towns; and

(n) the state librarian or the state librarian's designee.

(3) The council is attached to the department for administrative purposes only, as provided in 2-15-121.

(4) The council shall, within its authorized budget, hold quarterly meetings.

(5) Council members shall serve without additional salary but are entitled to reimbursement for travel expenses incurred while engaged in council activities as provided for in 2-18-501 through 2-18-503.

NEW SECTION. Section 2. 9-1-1 advisory council duties -- consultation by department. The 9-1-1 advisory council shall:

(1) advise the department in its duty to allocate and distribute 9-1-1 fees in accordance with [section 7] and to update the allocation and distribution in accordance with rules adopted pursuant to [section 4(3)];

(2) provide recommendations to the department in determining grants awarded in accordance with [section 8];

(3) advise the department in the development of a statewide 9-1-1 plan; and

(4) advise the department on significant matters concerning 9-1-1 systems development and 9-1-1 services in the state of Montana, including rulemaking.

NEW SECTION. **Section 3. Department duties and powers -- 9-1-1 planning.** (1) There is a 9-1-1 program administered by the department.

(2) The department shall:

(a) allocate and distribute 9-1-1 fees;

(b) update the allocation and distribution of 9-1-1 fees in accordance with [section 7] and rules adopted pursuant to [section 4];

(c) provide grants in accordance with [section 8]. In awarding the grants the department shall review and approve requests for funding in accordance with [section 8].

(d) monitor the expenditure of program funds for:

(i) 9-1-1 purposes by local governments that host public safety answering points; and

(ii) allowable uses of grant funds by entities.

(e) establish a statewide 9-1-1 plan in accordance with subsection (3) and planning completed in accordance with [section 13];

(f) staff and fund the administrative costs of the 9-1-1

advisory council provided for in [section 1]; and

(g) accept federal funds granted by congress or by executive order and gifts, grants, and donations for the purposes of administering this chapter.

(3) A statewide 9-1-1 plan must include:

(a) to the maximum extent feasible the use of existing commercial communications infrastructure;

(b) 9-1-1 system standards and support efforts to migrate legacy technologies to next-generation 9-1-1 technologies when appropriate, and provide for the implementation of future 9-1-1 technologies. Any standards adopted by the department for legacy 9-1-1 technologies or principles adopted for baseline next-generation 9-1-1 technologies must be:

(i) flexible and graduated, while ensuring minimum service levels; and

(ii) based on industry standards.

(4) The department, in fulfilling its duties pursuant to subsection (2), may request necessary information from local governments. If a local government does not comply with the request, the department may withhold funding distributions as provided for in [section 5].

NEW SECTION. Section 4. Rulemaking authority. (1) Before July 1, 2018, the department shall adopt rules to implement the provisions of this chapter. The rules must include, but are not limited to:

(a) distribution procedures for funding authorized in

[section 7(1)];

(b) procedures for grant funding authorized in [section 8].

The rules for grant funding must include, but are not limited to:

(i) eligibility requirements for entities applying for grants;

(ii) criteria for awarding grants; and

(iii) reporting procedures for grant recipients;

(c) postdisbursement activities by the department to monitor the use of funding by entities including:

(i) reporting requirements; and

(ii) procedures for repayment of funds expended on activities determined not to meet eligibility requirements.

(2) Before January 1, 2019, the department shall adopt rules including, but not limited to:

(a) technology standards, based on industry standards and a statewide 9-1-1 plan pursuant to [section 13], to ensure public safety answering points meet minimum 9-1-1 services levels; and

(b) baseline next-generation 9-1-1 principles to facilitate the appropriate deployment of baseline next-generation 9-1-1.

(3) Before January 1, 2022, the department shall adopt rules for the allocation and distribution of funds in the account provided for in [section 6(2)(a)] in accordance with [section 7(2) and (3)] to local government entities that host public safety answering points.

(a) The rules adopted for allocation must be based on the official final decennial census figures and ensure that each local government entity that hosts a public safety answering

point receives funding. The allocation must account for:

(i) historic allocations provided to a local government entity that hosts a public safety answering point;

(ii) the population of counties, cities, or other government entities served by the public safety answering point;

(iii) population trends; and

(iv) other factors determined by the department, in consultation with the 9-1-1 advisory council, critical to the funding allocation.

(b) The department's allocation may not distribute funds in a manner that discourages public safety answering points from consolidating or combining.

(4) The department shall adopt rules in accordance with the Montana Administrative Procedure Act provided for in Title 2, chapter 4, to implement the provisions of this section.

NEW SECTION. Section 5. Local government entities and funding -- department delegation. (1) After the department determines baseline next-generation 9-1-1 principles in accordance with rules adopted pursuant to [section 4(2)] and a statewide 9-1-1 plan, the department shall delegate implementation to local government entities that host public safety answering points.

(2) If the department determines through its monitoring process that a local government entity that hosts a public safety answering point is not using funds in the manner prescribed in this chapter, or has failed to provide information required by

the department, the department may, after notice and hearing, suspend payment to the local government entity. The local government entity is not eligible to receive funds until the department determines that the local government is complying with department requirements or has provided the requested information.

(3) Nothing in this chapter prevents a local government entity that hosts a public safety answering point from exceeding legacy technology standards or baseline next-generation 9-1-1 principles.

NEW SECTION. Section 6. Establishment of 9-1-1 accounts.

(1) Beginning July 1, 2018, there is established in the state special revenue fund an account for fees collected for 9-1-1 services pursuant to 10-4-201.

(2) Funds in the account are statutorily appropriated to the department, as provided in 17-7-502. Except as provided in subsection (3), beginning July 1, 2018, funds that are not used for the administration of this chapter by the department are allocated as follows:

(a) 75% of the account must be deposited in an account for distribution to local government entities that host public safety answering points in accordance with [section 7] and rules adopted by the department in accordance with [section 4]; and

(b) 25% of the account must be deposited in an account for distribution in the form of grants to private telecommunications providers, local government entities that host public safety

answering points, or both in accordance with [section 8].

(3) Beginning July 1, 2018, all money received by the department of revenue pursuant to 10-4-201 must be paid to the state treasurer for deposit in the appropriate account.

(4) The accounts established in subsections (1) and (2) retain interest earned from the investment of money in the accounts.

NEW SECTION. Section 7. Distribution of 9-1-1 systems account by department. (1) Beginning July 1, 2018, and for each quarter after that until the first quarter of the 2023 fiscal year, the department shall distribute the total quarterly balance of the account provided for in [section 6(2)(a)] as follows:

(a) each local government entity that hosts a public safety answering point shall receive an allocation of the total quarterly balance of the account equal in proportion to the quarterly share received by the local government entity that hosts the public safety answering point during the 2017 fiscal year;

(b) each local government entity that hosts a public safety answering point shall receive an allocation. The allocation may vary from the amount distributed during the 2017 fiscal year based on the amount collected by the department of revenue in accordance with 10-4-201(1)(a).

(2) Beginning July 1, 2022, and in accordance with subsection (3), the department shall allocate and distribute the total quarterly balance of the account provided for in [section

6(2)(a)] based on rules adopted by the department in accordance with [section 4(3)].

(3) Within 1 year after the official final decennial census figures are available, the department shall update the rules establishing the quarterly allocation and distribution provided for in subsection (2) and allocate and distribute the quarterly balance for each quarter after that until the next update.

NEW SECTION. **Section 8. 9-1-1 grants.** (1) The department shall, in consultation with the 9-1-1 advisory council created pursuant to [section 1], award competitive grants annually using the account established pursuant to [section 6(2)(b)] for private telecommunications providers and for local government entities that host public safety answering points. Beginning July 1, 2018, grants must be awarded to private telecommunications providers, local government entities that host public safety answering points, or both in accordance with this section and rules adopted by the department in accordance with [section 4].

(2) Except as provided in subsection (3), grants may be awarded to private telecommunications providers and to local government entities that host public safety answering points for:

- (a) emergency telecommunications systems plans;
- (b) project feasibility studies or project plans;
- (c) the implementation, operation, and maintenance of 9-1-1 systems, equipment, devices, and data; and
- (d) the purchase of services that support 9-1-1 systems.

(3) In awarding grants, preference must be given to

applications on the following order of priority:

(a) requests by private telecommunications providers or by local government entities that host public safety answering points working with a private telecommunications provider; and

(b) requests by local government entities that host public safety answering points.

(4) Nothing in this section prevents a local government entity that hosts a public safety answering point from:

(a) providing grant money received by the local government entity that hosts a public safety answering point in accordance with this section to a private telecommunications provider for 9-1-1 purposes; or

(b) collaborating with another local government on a joint grant application.

NEW SECTION. Section 9. Baseline next-generation 9-1-1 account transfers. (1) After the department makes distributions for the final quarter of the 2017 fiscal year from the wireless enhanced 9-1-1 account, the department shall transfer:

(a) \$5 million into the next-generation 9-1-1 infrastructure account established in accordance with [section 10];

(b) \$80,000 into the 9-1-1 GIS mapping account established in accordance with [section 12]; and

(c) \$350,000 into the statewide 9-1-1 planning account established in accordance with [section 13].

(2) The allocations in subsection (1) may only be used in accordance with [sections 10 through 13].

NEW SECTION. **Section 10. Next-generation 9-1-1**

infrastructure account created -- source of funding -- use of account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the next-generation 9-1-1 infrastructure account.

(2) There must be deposited in the account:

(a) money received from legislative allocations;

(b) a transfer of money in accordance with [section 9(1)(a)] for the purposes of [section 11]; and

(c) a gift, donation, grant, legacy, bequest, or devise made for the purposes of [section 11].

(3) Except as provided in subsection (4), the account may be used only by the department to provide grants for next-generation 9-1-1 infrastructure as provided in [section 11] to a local government working with a private telecommunications provider.

(4) At the end of fiscal year 2019, any unexpended balance in the account must be transferred to the account established by the department in accordance with [section 6(2)(b)].

NEW SECTION. **Section 11. Next-generation 9-1-1**

infrastructure grants -- criteria -- rulemaking. (1) Money deposited in the next-generation 9-1-1 infrastructure account established in [section 10] may be expended by the department through a grant to a local government working with a private telecommunications provider for next-generation 9-1-1

infrastructure.

(2) For the purposes of [section 10] and this section:

(a) "ESInet" means an emergency services IP network. It includes the IP infrastructure upon which independent application platforms and core functional processes are deployed.

(b) "IP" means internet protocol or the method by which data are sent on the internet or a communications protocol, for computers connected to a network, especially the internet.

(c) "Next-generation 9-1-1 infrastructure" means a statewide ESInet, upgrades and replacement of existing selective routers with IP routers, and upgrades to all non-IP-capable public safety answering points for IP capability.

(3) In making grant awards under this section, the department shall give preference to local governments working with private telecommunications providers that the local government determines can most effectively implement infrastructure improvements.

(4) The department shall consult with and consider recommendations by the 9-1-1 advisory council established in accordance with [section 1] for awards made under this section.

(5) The department may adopt rules to administer the provisions of [section 10] and this section. The rules must ensure that all local governments are treated equitably and must include, but are not limited to, provisions regarding:

(a) applications;

(b) timelines;

(c) eligibility, including proof of eligibility;

(d) the procedure for establishing the priority of grant awards;

(e) the appeal process for grant applications that are denied; and

(f) disbursement of grant money to providers.

(7) Before September 1, 2018, the department shall report to the energy and telecommunications interim committee provided for in 5-5-230 on efforts to distribute grants in accordance with [section 10] and this section.

(8) Before September 1, 2019, the department shall produce a report summarizing the grants provided, how the grant money was spent, and the program data and information reported by grant recipients. The department shall provide the report to the energy and telecommunications interim committee provided for in 5-5-230.

NEW SECTION. **Section 12. 9-1-1 GIS mapping account created -- source of funding -- use of account.** (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the 9-1-1 GIS mapping fund.

(2) There must be deposited in the account:

(a) money received from legislative allocations;

(b) a transfer of money by the department in accordance with [section 9(1)(b)] for use in accordance with subsection (3); and

(c) any gift, donation, grant, legacy, bequest, or devise made for the purposes of subsection (3).

(3) The account may be used only by the state library

provided for in 22-1-102 in carrying out its land information and management duties to award a contract in accordance with 18-1-102 to assess the status of GIS adoption and operations in Montana as it pertains to next-generation 9-1-1.

(4) Before September 1, 2018, the state library shall produce a report summarizing the status of GIS adoption and operations in Montana as it pertains to next-generation 9-1-1, including policy and funding recommendations necessary to use GIS to advance next-generation 9-1-1. The state library shall provide the report to the energy and telecommunications interim committee provided for in 5-5-230.

(5) At the end of fiscal year 2019, any unexpended balance in the account must be transferred to the account established by the department in accordance with [section 6(2)(b)].

NEW SECTION. Section 13. Statewide 9-1-1 planning account created -- source of funding -- use of account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the statewide 9-1-1 planning account.

(2) There must be deposited in the account:

(a) money received from legislative allocations;

(b) a transfer of money in accordance with [section 9(1)(c)] for use in accordance with subsections (3) through (5); and

(c) any gift, donation, grant, legacy, bequest, or devise made for the purposes of subsections (3) through (5).

(3) The account may be used only by the department to award

a contract in accordance with 18-1-102 and after consulting with the 9-1-1 advisory council created in accordance with [section 1] to develop a statewide 9-1-1 plan.

(4) A statewide 9-1-1 plan must include proposed:

(a) priorities for 9-1-1 systems in Montana and plans for next-generation 9-1-1 technology deployment;

(b) potential formulas and methods to distribute 9-1-1 money;

(c) uniform standards relating to technology, next-generation 9-1-1 technology, and administration and operation of 9-1-1 systems in Montana;

(d) steps to promote collaboration among local governments and greater incentives for cooperation among local governments and public safety answering points to improve efficiency by developing interconnectivity of 9-1-1 systems through partnerships for enhancement, operation, and maintenance of the network;

(e) eligible uses for money received by local governments in accordance with this chapter;

(f) audits or other steps necessary to ensure program compliance from entities receiving disbursements in accordance with this chapter;

(g) necessary plans to include to the maximum extent feasible the use of existing commercial communications infrastructure; and

(h) additional changes needed to this chapter to migrate legacy 9-1-1 systems and to accommodate evolving, future 9-1-1

technologies.

(5) Before September 1, 2018, the 9-1-1 advisory council shall review the proposals and make its recommendations to the department on implementing the recommendations.

(6) At the end of fiscal year 2019, any unexpended balance shall be transferred to the account established by the department in accordance with [section 6(2)(b)].

Section 14. Section 10-4-101, MCA, is amended to read:

"10-4-101. Definitions. As used in this chapter, unless the context requires otherwise, the following definitions apply:

~~(1) "Allowable costs" means the actual costs associated with upgrading, purchasing, programming, installing, testing, operating, and maintaining data, hardware, and software necessary to comply with federal communications commission orders for the delivery of 9-1-1 calls and data as set forth in 47 CFR 20.18.~~

~~(2) "Basic 9-1-1 account" means the 9-1-1 emergency telecommunications account established in 10-4-301(1)(a).~~

~~(3) "Basic 9-1-1 service" means a telephone service meeting the standards established in 10-4-103 that automatically connects a person dialing the digits 9-1-1 to an established public safety answering point.~~

~~(4) "Basic 9-1-1 system" includes equipment for connecting and outswitching 9-1-1 calls within a telephone central office, trunking facilities from the central office to a public safety answering point, and equipment, as appropriate, that is used for transferring the call to another point, when appropriate, and~~

~~that is capable of providing basic 9-1-1 service.~~

(1) "9-1-1 system" means any telecommunications facilities, circuits, equipment, device, software, and associated contracted services for the transmission of emergency communications. A 9-1-1 system includes the transmission of emergency communications from persons requesting emergency services to a primary public safety answering point and communications systems for the direct dispatch, relay, transfer of emergency communications and the transmission of emergency communications to and from a public safety answering point to and from emergency service units.

~~(5)(2)~~ "Commercial mobile radio service" means:

(a) a mobile service that is:

(i) provided for profit with the intent of receiving compensation or monetary gain;

(ii) an interconnected service; and

(iii) available to the public or to classes of eligible users so as to be effectively available to a substantial portion of the public; or

(b) a mobile service that is the functional equivalent of a mobile service described in subsection ~~(5)(a)~~ (2)(a).

~~(6)(3)~~ "Department" means the department of administration provided for in Title 2, chapter 15, part 10.

~~(7) "Direct dispatch" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, provides for a decision as to the proper action to be taken and for dispatch of appropriate emergency service units.~~

(4) "Emergency communications" means the transmission of voice, video, or electronic data involving the safety of human life and protection of property from one device to another.

~~(8) "Emergency" means an event that requires dispatch of a public or private safety agency.~~

(9)(5) "Emergency services" means services provided by a public or private safety agency, including law enforcement, firefighting, ambulance or medical services, and civil defense services.

~~(10) "Enhanced 9-1-1 account" means the 9-1-1 emergency telecommunications account established in 10-4-301(1)(b).~~

~~(11) "Enhanced 9-1-1 service" means telephone service that meets the requirements for basic 9-1-1 service and that consists of selective routing with the capability of automatic number identification and automatic location identification at a public safety answering point enabling users of the public telecommunications system to request emergency services by dialing the digits 9-1-1.~~

~~(12) "Enhanced 9-1-1 system" includes customer premises equipment that is directly related to the operation of an enhanced 9-1-1 system, including but not limited to automatic number identification or automatic location identification controllers and display units, printers, and software associated with call detail recording, and that is capable of providing enhanced 9-1-1 service.~~

(13)(6) "Exchange access services" means:

(a) telephone exchange access lines or channels that

provide local access from the premises of a subscriber in this state to the local telecommunications network to effect the transfer of information; and

(b) unless a separate tariff rate is charged for the exchange access lines or channels, any facility or service provided in connection with the services described in subsection ~~(13)(a)~~ (6)(a).

~~(14) A "9-1-1 jurisdiction" means a group of public or private safety agencies who operate within or are affected by one or more common central office boundaries and who have agreed in writing to jointly plan a 9-1-1 emergency telephone system.~~

(7) "Local government" has the meaning as defined in 7-11-1002.

(8) "Next-generation 9-1-1" means a system composed of hardware, software, data, and operational policies and procedures that provides standardized interfaces from call and message services, processes all types of emergency calls, including nonvoice or multimedia messages, acquires and integrates additional data useful to emergency communications, delivers the emergency communications, messages, or both, and data to the appropriate public safety answering point and other appropriate emergency entities, supports data and communications needs for coordinated incident response and management, and provides a secure environment for emergency communications.

~~(15)(9)~~ (9) "Per capita basis" means a calculation made to allocate a monetary amount for each person residing within the jurisdictional boundary of a county according to the most recent

~~decennial census or population estimate compiled by the United States bureau of the census.~~

~~(16) "Phase I wireless enhanced 9-1-1" means a 9-1-1 system that automatically delivers number information to the public safety answering point for wireless calls.~~

~~(17) "Phase II wireless enhanced 9-1-1" means a 9-1-1 system that automatically delivers number information and location information to the public safety answering point for wireless calls.~~

~~(18) "Place of primary use" means the primary business or residential street address location at which an end-use customer's use of the commercial mobile radio service primarily occurs.~~

~~(19)~~(10) "Private safety agency" means any entity, except a public safety agency, providing emergency fire, ambulance, or medical services.

~~(20)~~(11) "Provider" means a public utility, a cooperative telephone company, or any other entity that provides ~~telephone exchange~~ telecommunications access services.

~~(21)~~(12) "Public safety agency" means ~~the state and any city, county, city-county consolidated government, municipal corporation, chartered organization, public district, or public authority located in whole or in part within this state that provides or has authority to provide emergency services~~ a functional division of a local government or the state that dispatches or provides law enforcement, firefighting, emergency medical services, or other emergency services.

~~(22)~~(13) "Public safety answering point" means a communications facility operated on a 24-hour basis that first receives ~~9-1-1 calls~~ emergency communications from persons in ~~a 9-1-1 service area~~ requesting emergency services and that may, as appropriate, directly dispatch ~~public or private safety~~ emergency services or transfer or relay ~~9-1-1 calls~~ the emergency communications to appropriate public safety agencies.

~~(23)~~(14) "Relay" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, notes the pertinent information from the caller and relays the information to the appropriate public safety agency, other agencies, or other providers of emergency services for dispatch of an emergency unit.

~~(24)~~(15) "Subscriber" means an end user who receives telephone exchange access services or who contracts with a wireless provider for commercial mobile radio services.

~~(25)~~(16) "Transfer" means a ~~9-1-1~~ service in which a public safety answering point, upon receipt of a telephone request for emergency services, directly transfers the request to an appropriate public safety agency or other ~~provider of emergency services~~ provider.

~~(26)~~ "~~Wireless enhanced 9-1-1~~" means either phase I wireless enhanced ~~9-1-1~~ or phase II wireless enhanced ~~9-1-1~~.

~~(27)~~ "~~Wireless enhanced 9-1-1 account~~" means the wireless enhanced ~~9-1-1 account established in 10-4-301~~.

~~(28)~~(17) "Wireless provider" means an entity, as defined in 35-1-113, that is authorized by the federal communications

commission to provide facilities-based commercial mobile radio service within this state."

{Internal References to 10-4-101:

2-17-506x 7-31-201x 7-31-203x 53-19-306x}

Section 15. Section 10-4-103, MCA, is amended to read:

"10-4-103. Emergency telephone system requirements. (1)

Every public and private safety agency in this state may establish or participate in a ~~basic or enhanced~~ 9-1-1 system.

(2) A ~~basic~~ 9-1-1 system must include:

(a) a 24-hour communications facility automatically accessible anywhere in the ~~9-1-1 jurisdiction's~~ public safety answering point's service area by dialing 9-1-1;

(b) direct dispatch of public and private safety services in the ~~9-1-1 jurisdiction~~ public safety answering point's service area or relay or transfer of 9-1-1 ~~calls~~ communications to an appropriate public or private safety agency; and

(c) a 24-hour communications facility equipped with at least two trunk-hunting local access circuits provided by the local telephone company's central office.;

~~(3) An enhanced 9-1-1 system must include, in addition to the requirements for a basic 9-1-1 system:~~

~~(a)~~ (d) automatic number identification that automatically identifies and displays the calling telephone number at the public safety answering point; and

~~(b)~~ (e) automatic location identification that automatically identifies and displays the ~~address~~ location of the calling

telephone at the public safety answering point.

~~(4)~~(3) The primary emergency telephone number within the state is 9-1-1, but a public safety answering point shall maintain both a separate seven-digit secondary emergency number for use by the telephone company operator and a separate seven-digit nonemergency number."

{Internal References to 10-4-103:

10-4-101a 10-4-104r 10-4-111r 10-4-112r
10-4-121r 10-4-126r}

Section 16. Section 10-4-201, MCA, is amended to read:

"10-4-201. Fees imposed for 9-1-1 services. (1) Except as provided in 10-4-202:

(a) for ~~basic~~ 9-1-1 services, a fee of ~~25~~ 75 cents a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services, wireless telephone service, or other ~~9-1-1~~ emergency telecommunications accessible services for the administration of 9-1-1 programs in accordance with [section 7]; and

~~(b) for enhanced 9-1-1 services, a fee of 25 cents a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services, wireless telephone service, or other 9-1-1 accessible services; and~~

~~(c) for wireless enhanced 9-1-1 services, a fee of 50~~ 25 cents a month per access line or subscriber in the state is imposed on the amount charged for telephone exchange access services, wireless telephone service, or other ~~9-1-1~~ emergency

telecommunications accessible services for the grants provided in accordance with [section 8].

(2) The subscriber paying for exchange access line services is liable for the fees imposed by this section.

(3) The provider shall collect the fees. The amount of the fees collected by the provider is considered payment by the subscriber for that amount of fees.

(4) Any return made by the provider collecting the fees is prima facie evidence of payments by the subscribers of the amount of fees indicated on the return."

{ Internal References to 10-4-201:

| | | | |
|-------------|-----------|-----------|------------|
| 10-4-202x | 10-4-203x | 10-4-204x | 10-4-211x |
| 10-4-301r | 10-4-302r | 10-4-311r | 15-53-129x |
| 35-18-503x} | | | |

Section 17. Section 10-4-301, MCA, is amended to read:

"10-4-301. Establishment of emergency telecommunications accounts. (1) There are established in the state special revenue fund in the state treasury:

(a) an account for all fees collected for basic 9-1-1 services pursuant to 10-4-201(1) (a);

(b) an account for all fees collected for enhanced 9-1-1 services pursuant to 10-4-201(1) (b); and

(c) an account for all fees collected for wireless enhanced 9-1-1 services pursuant to 10-4-201(1) (c). The money is allocated as follows:

(i) 50% of the account must be deposited in an account for distribution to the 9-1-1 jurisdictions; and

(ii) 50% of the account must be deposited in an account for distribution to wireless providers or must be deposited in accordance with]section 9].

(2) All money received by the department of revenue pursuant to 10-4-201 must be paid to the state treasurer for deposit in the appropriate account. An amount equal to 2.74% of the money received pursuant to 10-4-201 must be deposited in an account in the state special revenue fund to be used for the administration of this chapter. Any remaining funds at the end of a fiscal year must be equally distributed to each of the four accounts provided for in subsection (1).

(3) The accounts established in subsection (1) retain interest earned from the investment of money in the accounts.

(4) After payment of refunds pursuant to 10-4-205, the balance of the respective accounts must be used for the purposes described in part 1 of this chapter.

(5) The distribution of funds in the 9-1-1 emergency telecommunications accounts described in subsection (1), as required by 10-4-302, 10-4-311, and 10-4-313, is statutorily appropriated, as provided in 17-7-502, to the department.

(6) Expenditures for actual and necessary expenses required for the efficient administration of the plan must be made from appropriations made for that purpose."

{*Internal References to 10-4-301:*
10-4-101a 10-4-313r 17-7-502a}

Section 18. Section 10-4-302, MCA, is amended to read:

"10-4-302. Distribution of basic 9-1-1 account by department. (1) The department shall make quarterly distributions of the entire basic 9-1-1 account. The distributions must be made for the costs incurred during the preceding calendar quarter by each provider of telephone service in the state for:

(a) collection of the fees imposed by 10-4-201; and

(b) modification of central office switching and trunking equipment for emergency telephone service only; ~~and~~

~~(c) conversion of pay station telephones required by 10-4-121.~~

(2) Payments under subsection (1) may be made only after application by the provider to the department for costs incurred in subsection (1). The department shall review all applications relevant to subsection (1) for appropriateness of costs claimed by the provider. If the provider contests the review, payment may not be made until the amount owed the provider is made certain.

(3) After all amounts under subsections (1) and (2) have been paid, the balance of the account must be allocated to cities and counties on a per capita basis. However, each county must be allocated a minimum of 1% of the balance of the counties' share of the account. A 9-1-1 jurisdiction whose 9-1-1 service area includes more than one city or county is eligible to receive operating funds from the allocation for each city or county involved. The department shall distribute to the accounting entity designated by a 9-1-1 jurisdiction with an approved final plan the proportional amount for each city or county served by the 9-1-1 jurisdiction. The department shall provide a report

indicating the proportional share derived from the individual city's or county's allocation with each distribution to a 9-1-1 jurisdiction.

(4) If the department through its monitoring process determines that a 9-1-1 jurisdiction is not adhering to an approved plan, is not using funds in the manner prescribed in 10-4-303, or has failed to provide information as provided in 10-4-102(3), the department may, after notice and hearing, suspend payment to the 9-1-1 jurisdiction. The jurisdiction is not eligible to receive funds until the department determines that the jurisdiction is complying with the approved plan and fund usage limitations or has provided the requested information."

{*Internal References to 10-4-302:*
10-4-102r 10-4-301ar 10-4-303r}

Section 19. Section 10-4-313, MCA, is amended to read:

"10-4-313. Distribution of wireless enhanced 9-1-1 account by department. (1) Except as provided in [section 9] and subsection (2) of this section, the department shall make quarterly distribution of the portion of the wireless enhanced 9-1-1 account for allowable costs described in 10-4-301(1)(c)(ii) incurred by each wireless provider in each 9-1-1 jurisdiction as follows:

(a) For each fiscal year through the fiscal year ending June 30, 2019:

(i) 84% of the balance of the account must be allocated to

the wireless providers providing wireless enhanced 9-1-1 in each county on a per capita basis. The wireless provider in each county must be allocated a minimum of 1% of the balance of the counties' share of the account.

(ii) the balance of the account must be allocated evenly to the wireless providers providing wireless enhanced 9-1-1 in counties with 1% or less of the total population of the state; and

(iii) prior to distribution, the amounts allocated under subsections (1)(a)(i) and (1)(a)(ii) must be adjusted to ensure that a wireless provider does not receive less than the amount allocated to wireless providers providing wireless enhanced 9-1-1 in counties with 1% or less of the total population of the state.

(b) For fiscal years beginning after June 30, 2019, 100% of the balance of the account must be allocated to the wireless providers providing wireless enhanced 9-1-1 in each county on a per capita basis. Each county must be allocated a minimum of 1% of the balance of the counties' share of the account.

(c) If the department is unable to fully reimburse a wireless provider under subsection (1)(a) in any quarter, the department shall in the subsequent quarter pay from the allocation under subsection (1)(a) to wireless providers any unpaid balances from the previous quarter. If the amount available is insufficient to pay all previous unpaid balances, the department shall repeat the process of paying unpaid balances that remain unpaid for as many quarters as necessary until all unpaid balances are fully paid. The department shall review all

invoices for appropriateness of costs claimed by the wireless provider. If the wireless provider contests the review, payment may not be made until the amount owed to the wireless provider is determined.

(d) A wireless provider shall submit an invoice for cost recovery according to the allowable costs.

(e) The department shall determine the percentage of overall subscribers, based on billing addresses, within the 9-1-1 jurisdiction for each wireless provider seeking cost recovery by dividing the wireless provider's subscribers by the total number of subscribers in that 9-1-1 jurisdiction. The percentage must be applied to the total wireless provider funds for that 9-1-1 jurisdiction, and each wireless provider shall receive distribution based on the provider's percentage. To receive cost recovery, wireless providers shall submit subscriber counts to the department on a quarterly basis. The subscriber count must be provided for each 9-1-1 jurisdiction in which the wireless provider receives cost recovery within 30 calendar days following the end of each quarter. The department shall recalculate distribution percentages on a quarterly basis.

(f) If the department determines that a wireless provider has submitted costs that exceed allowable costs or are not submitted in the manner prescribed in 10-4-115, the department may, after giving notice to the wireless provider, suspend or withhold payment from the wireless enhanced 9-1-1 account.

(2) (a) Except as provided in subsection (3) and after the distribution for the final quarter of each fiscal year is made

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pursuant to subsection (1), the department, within 45 days of the end of the final quarter of each fiscal year, shall:

(i) determine an amount equal to 50% of the total balance included in the account under 10-4-301(1)(c)(ii); and

(ii) except as provided in subsection (2)(b), distribute the amount determined in accordance with subsection (2)(a)(i) to wireless providers to reimburse the unpaid balances carried over by wireless providers pursuant to subsection (1)(c).

(b) If the amount determined pursuant to subsection (2)(a)(i) is insufficient to reimburse all wireless providers in full in accordance with subsection (2)(a)(ii), the department shall proportionately, based on outstanding balances, distribute the money to each wireless provider that has an unpaid balance carried over pursuant to subsection (1)(c).

(3) Funds may not be reallocated in accordance with subsection (2) if the county contains less than 1% of the state population.

(4) ~~Any~~ Except as provided in [section 9], any reallocated funds not distributed in accordance with subsection (2) must be returned to the account established under 10-4-301(1)(c).

(5) The department shall make quarterly distribution of the portion of the wireless enhanced 9-1-1 account described in 10-4-301(1)(c)(i) to each 9-1-1 jurisdiction as follows:

(a) for each fiscal year through the fiscal year ending June 30, 2019:

(i) 84% of the balance of the account must be allocated to cities and counties on a per capita basis. However, each county

must be allocated a minimum of 1% of the balance of the counties' share of the account.

(ii) the balance of the account must be allocated evenly to the counties with 1% or less than 1% of the total population of the state; and

(iii) prior to distribution, the amounts allocated under subsections (5)(a)(i) and (5)(a)(ii) must be adjusted to ensure that a county does not receive less than the amount allocated to counties with 1% or less of the total population of the state; and

(b) for fiscal years beginning after June 30, 2019, 100% of the balance of the account must be allocated to cities and counties on a per capita basis. However, each county must be allocated a minimum of 1% of the balance of the counties' share of the account."

{Internal References to 10-4-313:3}

Section 20. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be

listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; ~~10-4-301~~ [section 6]; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-433; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-517; 20-9-520; 20-9-534; 20-9-622; 20-9-905; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; 22-3-1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213; 44-13-102; 50-1-115; 53-1-109; 53-6-1304; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-150; 76-13-416; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 81-1-112; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that

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have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019; pursuant to sec. 16, Ch. 58, L. 2011, the inclusion of 30-10-1004 terminates June 30, 2017; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates June 30, 2019; pursuant to sec. 13, Ch. 339, L. 2011, the inclusion of 81-1-112 and 81-7-106 terminates June 30, 2017; pursuant to sec. 11(2), Ch. 17, L. 2013, the inclusion of 17-3-112 terminates on occurrence of contingency; pursuant to sec. 5, Ch. 244, L. 2013, the inclusion of 22-1-327 terminates July 1, 2017; pursuant to sec. 27, Ch. 285, L. 2015, and sec. 1, Ch. 292, L. 2015, the inclusion of 53-9-113 terminates June 30, 2021; pursuant to sec.

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6, Ch. 291, L. 2015, the inclusion of 50-1-115 terminates June 30, 2021; pursuant to sec. 28, Ch. 368, L. 2015, the inclusion of 53-6-1304 terminates June 30, 2019; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on occurrence of contingency; pursuant to sec. 5, Ch. 422, L. 2015, the inclusion of 17-7-215 terminates June 30, 2021; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117 terminates June 30, 2025; pursuant to sec. 10, Ch. 427, L. 2015, the inclusion of 37-50-209 terminates September 30, 2019; and pursuant to sec. 33, Ch. 457, L. 2015, the inclusion of 20-9-905 terminates December 31, 2023.)"

{ *Internal References to 17-7-502:*

| | | | |
|------------|------------|------------|------------|
| 2-17-105 | 5-11-120 | 5-11-407 | 5-13-403 |
| 7-4-2502 | 10-1-108 | 10-1-1202 | 10-1-1303 |
| 10-2-603 | 10-3-203 | 10-3-310 | 10-3-312 |
| 10-3-314 | 10-4-301 | 15-1-121 | 15-1-218 |
| 15-35-108 | 15-36-332 | 15-37-117 | 15-39-110 |
| 15-65-121 | 15-70-101 | 15-70-433 | 15-70-601 |
| 16-11-509 | 17-1-508 | 17-3-106 | 17-3-112 |
| 17-3-212 | 17-3-222 | 17-3-241 | 17-6-101 |
| 17-7-215 | 17-7-501 | 18-11-112 | 19-3-319 |
| 19-6-404 | 19-6-410 | 19-9-702 | 19-13-604 |
| 19-17-301 | 19-18-512 | 19-19-305 | 19-19-506 |
| 19-20-604 | 19-20-607 | 19-21-203 | 20-8-107 |
| 20-9-517 | 20-9-520 | 20-9-534 | 20-9-622 |
| 20-9-905 | 20-26-617 | 20-26-1503 | 22-1-327 |
| 22-3-116 | 22-3-117 | 22-3-1004 | 23-4-105 |
| 23-5-306 | 23-5-409 | 23-5-612 | 23-7-301 |
| 23-7-402 | 30-10-1004 | 37-43-204 | 37-50-209 |
| 37-51-501 | 39-71-503 | 41-5-2011 | 42-2-105 |
| 44-4-1101 | 44-12-213 | 44-13-102 | 50-1-115 |
| 53-1-109 | 53-6-1304 | 53-9-113 | 53-24-108 |
| 53-24-206 | 60-11-115 | 61-3-415 | 69-3-870 |
| 75-1-1101 | 75-5-1108 | 75-6-214 | 75-11-313 |
| 76-13-150 | 76-13-416 | 77-1-108 | 77-2-362 |
| 80-2-222 | 80-4-416 | 80-11-518 | 81-1-112 |
| 81-7-106 | 81-10-103 | 82-11-161 | 85-20-1504 |
| 85-20-1505 | 85-25-102 | 87-1-603 | 90-1-115 |
| 90-1-205 | 90-1-504 | 90-3-1003 | 90-6-331 |
| 90-9-306 | | | |

NEW SECTION. **Section 21. {standard} Repealer.** The

following sections of the Montana Code Annotated are repealed:

10-4-102. Department of administration duties and powers.

10-4-104. Agreements among safety agencies for rendering emergency services.

10-4-111. Submission of preliminary plans for 9-1-1 jurisdictions -- review -- cost estimates.

10-4-112. Submission and approval of final plans -- exception.

10-4-113. Requirement for approval of final plan -- department to insure compliance.

10-4-114. Rulemaking authority.

10-4-121. Pay phones to be converted to allow emergency calls without charge.

10-4-125. Submission of revised plan for conversion from basic 9-1-1 to enhanced 9-1-1.

10-4-126. Dedicated 9-1-1 telephone facilities to be provided -- capabilities.

{ Internal References to 10-4-102: 10-4-111 10-4-112 10-4-125
10-4-302
Internal References to 10-4-104: None.
Internal References to 10-4-111: 10-4-126
Internal References to 10-4-112: None.
Internal References to 10-4-113: 10-4-112
Internal References to 10-4-114: None.
Internal References to 10-4-121: 10-4-302
Internal References to 10-4-125: None.
Internal References to 10-4-126: None. }

NEW SECTION. **Section 22. {standard} Repealer.**

10-4-115. Submission of phase I and phase II wireless notification by wireless provider.

- 10-4-301. Establishment of emergency telecommunications accounts.
- 10-4-302. Distribution of basic 9-1-1 account by department.
- 10-4-303. Limitation on use of basic 9-1-1 funds.
- 10-4-311. Distribution of enhanced 9-1-1 account by department.
- 10-4-312. Limitation on use of enhanced 9-1-1 funds.
- 10-4-313. Distribution of wireless enhanced 9-1-1 account by department.

| | | | |
|------------------------------------|----------|----------|----------|
| { Internal References to 10-4-115: | 10-4-313 | | |
| Internal References to 10-4-301: | 10-4-101 | 10-4-313 | 17-7-502 |
| Internal References to 10-4-302: | 10-4-102 | 10-4-301 | 10-4-303 |
| Internal References to 10-4-303: | 10-4-302 | | |
| Internal References to 10-4-311: | 10-4-301 | 10-4-312 | |
| Internal References to 10-4-312: | 10-4-311 | | |
| Internal References to 10-4-313: } | | | |

NEW SECTION. Section 23. Transfer of funds. (1) After the distribution of 9-1-1 funds in accordance with Title 10, chapter 4, part 3, for the final quarter of the 2018 fiscal year, the department of administration shall transfer any balance remaining in the accounts in 10-4-301(1)(a), 10-4-301(1)(b), and 10-4-301(1)(c)(i) into the account established in [section 6(2)(a)].

(2) After the distribution of 9-1-1 funds in accordance with Title 10, chapter 4, part 3, for the final quarter of the 2018 fiscal year, the department of administration shall transfer any balance remaining in the account in 10-4-301(1)(c)(ii) into the account established in [section 6(2)(b)].

NEW SECTION. Section 24. {standard} Codification instruction. (1) [Sections 1 through 5] are intended to be codified as an integral part of Title 10, chapter 4, part 1, and

the provisions of Title 10, chapter 4, part 1, apply to [sections 1 through 5].

(2) [Sections 6 through 13] are intended to be codified as an integral part of Title 10, chapter 4, part 3, and the provisions of Title 10, chapter 4, part 3, apply to [sections 6 through 12].

NEW SECTION. **Section 25. {standard} Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

NEW SECTION. **Section 26. {standard} Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. **Section 27. {standard} Effective dates.** (1) Except as provided in subsection (2), [this act] is effective upon passage and approval.

(2) [Sections 14 through 16, 20, and 22]] are effective July 1, 2018.

NEW SECTION. **Section 28. {standard} Termination.** [Sections 9 through 13] terminate October 1, 2019.

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