

Amendment - 1st Reading-white - Requested by: Neil Duram - (H) Energy, Technology and Federal Relations

- 2023
68th Legislature 2023

Drafter: Julie Johnson, 406-444-4024

HB0597.001.001

1 HOUSE BILL NO. 597
2 INTRODUCED BY N. DURAM

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ALLOCATIONS FROM THE 9-1-1 ACCOUNT;
5 PROVIDING FOR A TRANSFER OF FUNDS; AMENDING ~~SECTION SECTIONS 10-4-106, 10-4-107, 10-4-~~
6 ~~108, 10-4-201,~~ 10-4-304, MCA; ~~REPEALING SECTION 10-4-306, MCA;~~ AND PROVIDING AN EFFECTIVE
7 DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 **Section 1.** Section 10-4-106, MCA, is amended to read:

12 **"10-4-106. 9-1-1 advisory council duties -- consultation by department.** The 9-1-1 advisory
13 council shall:

14 (1) advise the department in its duty to allocate and distribute 9-1-1 fees in accordance with 10-4-
15 305 and to update the allocation and distribution in accordance with rules adopted pursuant to 10-4-108(3);

16 ~~(2) provide recommendations to the department in determining grants awarded in accordance with~~
17 ~~10-4-306;~~

18 ~~(3)~~(2) advise the department in the development of a statewide 9-1-1 plan; and

19 ~~(4)~~(3) advise the department on significant matters concerning 9-1-1 systems development and 9-1-1
20 services in the state of Montana, including rulemaking."

21
22 **Section 2.** Section 10-4-107, MCA, is amended to read:

23 **"10-4-107. Department duties and powers -- 9-1-1 planning.** (1) There is a 9-1-1 program
24 administered by the department.

25 (2) The department shall:

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

27 (b) update the allocation and distribution of 9-1-1 fees in accordance with 10-4-305 and rules

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1 adopted pursuant to 10-4-108;

2 ~~(e) provide grants in accordance with 10-4-306. In awarding the grants, the department shall review~~
3 ~~and approve requests for funding in accordance with 10-4-306.~~

4 ~~(d)(c)~~ monitor the expenditure of program funds for:

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

6 (ii) allowable uses of grant funds by entities;

7 ~~(e)(d)~~ establish a statewide 9-1-1 plan in accordance with subsection (3);

8 ~~(f)(e)~~ staff and fund the administrative costs of the 9-1-1 advisory council established in 10-4-105;

9 ~~(g)(f)~~ accept federal funds granted by congress or by executive order and gifts, grants, and

10 donations for the purposes of administering this chapter; and

11 ~~(h)(g)~~ establish allowable uses of funds by local and tribal governments that host public safety
12 answering points that receive distributions pursuant to 10-4-305 and ensure that funds are expended only for
13 allowable uses.

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

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

16 and

17 (b) 9-1-1 system standards and support efforts to migrate legacy technologies to next-generation
18 9-1-1 technologies when appropriate and to provide for the implementation of future 9-1-1 technologies. Any
19 standards adopted by the department for legacy 9-1-1 technologies or principles adopted for baseline next-
20 generation 9-1-1 technologies must be:

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

22 (ii) based on industry standards.

23 (4) The department, in fulfilling its duties pursuant to subsection (2), may request necessary
24 information from local and tribal governments. If a local or tribal government does not comply with the request,
25 the department may withhold funding distributions as provided for in 10-4-109."

26

27 **Section 3.** Section 10-4-108, MCA, is amended to read:

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1 **"10-4-108. Rulemaking authority.** (1) The department shall adopt rules to implement the provisions
2 of this chapter. The rules must include but are not limited to:
3 (a) distribution procedures for funding authorized in 10-4-305(1);
4 ~~(b) procedures for grant funding authorized in 10-4-306. The rules for grant funding must include but~~
5 ~~are not limited to:~~
6 ~~(i) eligibility requirements for entities applying for grants;~~
7 ~~(ii) criteria for awarding grants; and~~
8 ~~(iii) reporting procedures for grant recipients.~~
9 ~~(c)~~(b) postdisbursement activities by the department to monitor the use of funding by entities,
10 including:
11 (i) reporting requirements; and
12 (ii) procedures for repayment of funds expended on activities determined not to meet eligibility
13 requirements.
14 (2) The department shall adopt rules including but not limited to:
15 (a) technology standards, based on industry standards and a statewide 9-1-1 plan, to ensure that
16 public safety answering points meet minimum 9-1-1 services levels; and
17 (b) baseline next-generation 9-1-1 principles to facilitate the appropriate deployment of baseline
18 next-generation 9-1-1.
19 (3) (a) Before January 1, 2022, the department shall adopt rules for the allocation and distribution
20 of funds in the account provided for in 10-4-304(2)(a) in accordance with 10-4-305(2) and (3) to local and tribal
21 government entities that host public safety answering points.
22 (b) The rules adopted for allocation must be based on the official final decennial census figures
23 and must ensure that each local and tribal government entity that hosts a public safety answering point receives
24 funding. The allocation must account for:
25 (i) historic allocations provided to a local or tribal government entity that hosts a public safety
26 answering point;
27 (ii) the population of counties, cities, Indian reservations, or other government entities served by

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1 the public safety answering point;
2 (iii) population trends; and
3 (iv) other factors determined by the department, in consultation with the 9-1-1 advisory council
4 provided for in 10-4-105, critical to the funding allocation.
5 (c) The department's allocation may not distribute funds in a manner that discourages public safety
6 answering points from consolidating or combining.
7 (4) The department shall adopt rules in accordance with the Montana Administrative Procedure Act
8 provided for in Title 2, chapter 4, to implement the provisions of this section."
9

10 **Section 4.** Section 10-4-201, MCA, is amended to read:
11 **"10-4-201. Fees imposed for 9-1-1 services.** (1) Except as provided in 10-4-202 [and for the
12 purpose of 10-4-304(5)]:
13 (a) for 9-1-1 services, which do not include prepaid wireless services included in subsection (1)(c),
14 a fee of 75 cents a month per access line on each subscriber in the state is imposed for the administration of 9-
15 1-1 programs in accordance with 10-4-305;
16 (b) a fee of 25 cents a month per access line on each subscriber as defined in 10-4-101(21)(a) in
17 the state is imposed for the ~~grants-allocations~~ provided in accordance with ~~10-4-306~~ 10-4-304(2)(b); and
18 (c) for prepaid wireless 9-1-1 services, a fee of \$1 per transaction in the state is imposed on
19 charges for prepaid wireless services.
20 (2) The subscriber paying for an access line or prepaid wireless service is liable for the fees
21 imposed by this section.
22 (3) (a) Except as provided in subsection (3)(b), the provider shall collect the fees. The amount of
23 the fees collected by the provider is considered payment by the subscriber for that amount of fees.
24 (b) For the purposes of collecting the fee imposed in subsection (1)(c), the seller shall collect the
25 fee in accordance with this chapter. The amount of the fees collected by the seller is considered payment by
26 the subscriber for that amount of fees.
27 (4) Any return made by the provider or seller collecting the fees is prima facie evidence of

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1 payments by the subscribers of the amount of fees indicated on the return. (Bracketed language in subsection
2 (1) terminates July 1, 2031--sec. 8, Ch. 200, L. 2021.)"

3
4 **Section 5.** Section 10-4-304, MCA, is amended to read:

5 **"10-4-304. (Temporary) Establishment of 9-1-1 accounts.** (1) There is established in the state
6 special revenue fund an account for fees collected for 9-1-1 services pursuant to 10-4-201.

7 (2) Except as provided in subsection (5), funds in the account are statutorily appropriated to the
8 department, as provided in 17-7-502. Except as provided in subsection (3), funds that are not used for the
9 administration of this chapter by the department, ~~used for public safety radio communications~~, if allowable, or
10 transferred in accordance with ~~subsection-subsections~~ (5) and (6) are allocated as follows:

11 (a) 75% of the account must be deposited in an account for distribution to local and tribal
12 government entities that host public safety answering points in accordance with 10-4-305 and with rules
13 adopted by the department in accordance with 10-4-108; ~~and~~ and

14 ~~(b) 25% 7% of the account must be deposited in an account for distribution in the form of grants to~~
15 ~~private telecommunications providers, local or tribal government entities that host public safety answering~~
16 ~~points, or both in accordance with 10-4-306; and~~

17 ~~(c) 18% of the account must be deposited in an account for use by the department for a statewide~~
18 ~~next generation 9-1-1 system.~~

19 (b) the remainder of the account must be distributed in the following manner:

20 (i) first priority is given to grants to private providers for reimbursement of 9-1-1 system related
21 expenses; and

22 (ii) the remainder of unobligated or uncommitted funds in the account must be deposited in an
23 account for the department for a statewide next-generation 9-1-1 system.

24 (3) All money received by the department of revenue pursuant to 10-4-201 must be paid to the
25 state treasurer for deposit in the appropriate account.

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

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1 (5) Each fiscal year from July 1, 2021, through June 30, 2030, the state treasurer shall transfer
2 \$450,000 from the account established in subsection (1) to the 9-1-1 GIS mapping account established in 10-4-
3 310 by August 15 of each fiscal year.

4 ~~(6) On July 1, 2023, the state treasurer shall transfer the unexpended and unencumbered balance~~
5 ~~from the account established in subsection (2)(b)(i) into the account established in subsection (2)(e) (2)(b)(ii).~~
6 (Terminates July 1, 2031--sec. 8, Ch. 200, L. 2021.)

7 **10-4-304. (Effective July 2, 2031) Establishment of 9-1-1 accounts.** (1) Beginning July 1, 2018,
8 there is established in the state special revenue fund an account for fees collected for 9-1-1 services pursuant
9 to 10-4-201.

10 (2) Funds in the account are statutorily appropriated to the department, as provided in 17-7-502.
11 Except as provided in subsection (3), beginning July 1, 2018, funds that are not used for the administration of
12 this chapter by the department or used for public safety radio communications, if allowable, are allocated as
13 follows:

14 (a) 75% of the account must be deposited in an account for distribution to local and tribal
15 government entities that host public safety answering points in accordance with 10-4-305 and with rules
16 adopted by the department in accordance with 10-4-108; and

17 ~~(b) 25% of the account must be deposited in an account for distribution in the form of grants to~~
18 ~~private telecommunications providers, local or tribal government entities that host public safety answering~~
19 ~~points, or both in accordance with 10-4-306.~~

20 (b) the remainder of the account must be distributed in the following manner:

21 (i) first priority is given to grants to private providers for reimbursement of 9-1-1 system related
22 expenses; and

23 (ii) the remainder of unobligated or uncommitted funds in the account must be deposited in an
24 account for the department for a statewide next-generation 9-1-1 system.

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

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

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1 of money in the accounts."

2

3 **NEW SECTION. Section 6. Repealer.** The following section of the Montana Code Annotated is
4 repealed:

5 10-4-306. 9-1-1 grants.

6

7 **NEW SECTION. Section 7. Effective date.** [This act] is effective July 1, 2023.

8

- END -