

## HB263 INTRODUCED



1 HB263  
2 7DNPE2E-1  
3 By Representatives Oliver, Wood (D)  
4 RFD: Ways and Means General Fund  
5 First Read: 12-Feb-25



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SYNOPSIS:

Existing law provides for the deposit of all revenues from service charges paid by voice communications service providers and wireless 911 charges into a 911 Fund. Most of the revenues are distributed to local 911 districts, both on a monthly basis and as grants.

This bill would alter the basis upon which the monthly distribution to existing 911 districts is made.

This bill would allocate revenue to administer a statewide 911 voice and data system and provide for the use of any remaining funds to train public safety telecommunicators, pay for advisory services, or to fund grants for districts in financial hardship.

This bill would also make nonsubstantive, technical revisions to update the existing code language to current style.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to the 911 Fund; to amend Section 11-98-5.2,



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29 Code of Alabama 1975, to further provide for the distribution  
30 of monies to local 911 districts; to allocate revenue to  
31 administer a state 911 voice and data system and designate  
32 uses for remaining funds; and to make nonsubstantive,  
33 technical revisions to update the existing code language to  
34 current style.

35 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

36 Section 1. Section 11-98-5.2, Code of Alabama 1975, is  
37 amended to read as follows:

38 "§11-98-5.2

39 (a) Effective October 1, 2013, the 911 Fund shall be  
40 created as an insured interest-bearing account into which the  
41 911 Board shall deposit all revenues derived from the service  
42 charge levied on voice communications service providers under  
43 this chapter and all prepaid wireless 911 charges received  
44 from the department. The revenues deposited into the 911 Fund  
45 shall not be monies or property of the state and shall not be  
46 subject to appropriation by the Legislature. The 911 Board  
47 shall administer the fund and shall credit the 911 Fund all  
48 revenues received. The fund and revenues generated by the fund  
49 may only be used as provided in this chapter.

50 (b) Effective October 1, 2013, there shall first be  
51 deducted, no more than ~~one-time~~once during each calendar  
52 month, from the total amount of the statewide 911 charges paid  
53 over to the 911 Board during ~~such~~the month, a sum not to  
54 exceed one percent of the total amount, to be applied by the  
55 911 Board exclusively for payment of administrative expenses  
56 ~~therefore~~ incurred by it and, at the board's discretion, the



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57 awarding of additional operational grants to districts outside  
58 of the other distribution criteria in this subsection upon a  
59 showing of hardship. The balance of the total amount of the  
60 statewide 911 charges paid over to the 911 Board during each  
61 calendar month shall be deposited into the 911 Fund and shall  
62 be apportioned and distributed in accordance with ~~the~~  
63 ~~succeeding provisions~~ of this subsection.

64 (1) There shall be distributed each month among all  
65 ~~then existing~~ districts, from the monies ~~monies then~~ on  
66 deposit in the 911 Fund, an aggregate amount equal to ~~the sum~~  
67 ~~of a.~~ 80 percent of ~~the portion of the statewide 911 charges~~  
68 ~~remitted to the 911 Board with respect to the month by CMRS~~  
69 ~~providers and for prepaid wireless 911 charges, plus b. 100~~  
70 ~~percent of all other~~ statewide 911 charges remitted to the 911  
71 Board with respect to the month or an amount sufficient to  
72 satisfy the base distribution amount as defined in  
73 subdivisions (3) and (4), whichever is larger.

74 (2) There shall be paid each month to each ~~then~~  
75 ~~existing~~ district, out of the amount described in subdivision  
76 (1), one-twelfth of the sum of the base distribution amount  
77 defined, as applicable, in subdivisions (3) and (4), plus the  
78 per capita distribution amount defined in subdivision (5).

79 (3) The term "base distribution amount," as used in  
80 this section with respect to any district with a functioning  
81 911 system as of September 30, 2011, and except as otherwise  
82 provided in this subdivision and subdivision (4), means the  
83 highest dollar amount per ~~annum~~ year of emergency telephone  
84 service charges, excluding any fees received from the CMRS



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85 Fund, if any, received by the district during the five prior  
86 consecutive fiscal years ending on September 30, 2011;  
87 provided, that, if the district first levied any such service  
88 charge, or if the district by vote of the commissioners of the  
89 district, during the fiscal year ending on September 30, 2011,  
90 or seven months thereafter, increased the rate of the charge  
91 effective on or before January 1, 2013, then the total dollar  
92 amount of the emergency telephone service charges with respect  
93 to the fiscal year ending September 30, 2011, shall be ~~deemed~~  
94 ~~to be~~ the amount that would have been collected had the  
95 increased rate been in effect for the entire fiscal year  
96 ending September 30, 2011. Any vote of the commissioners  
97 authorizing an increase in fees under the preceding sentence  
98 may be contingent upon the enactment of Act 2012-293. No  
99 adjustment shall be made under the preceding sentence to take  
100 into account any increase in an emergency service charge  
101 adopted by a district after January 1, 2012, if such district  
102 shall have otherwise increased its emergency service charge  
103 since January 1, 2011. For any district established prior to  
104 September 30, 2011, but which initiated 911 service between  
105 September 30, 2011, and June 1, 2012, the base distribution  
106 amount shall be ~~deemed to be~~ the amount that would have been  
107 collected if the 911 charge imposed by the district on August  
108 1, 2012, had been in effect for the entire fiscal year. For  
109 any county or municipal district that was funding an E-911  
110 system on September 30, 2011, without a separate 911 fee, the  
111 base distribution amount shall be the product of: That amount  
112 determined by the board to be the county or municipality's



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113 total funding of its E-911 system for purposes of calculation  
114 of the initial statewide rate under ~~subsection (a)~~ of Section  
115 11-98-5 (a), multiplied by a fraction, the numerator of which  
116 is the total wireline 911 fees paid to all districts as of  
117 September 30, 2011, and the denominator of which is the total  
118 wireline and wireless 911 fees determined by the board to have  
119 been paid to all districts and the CMRS Board for the same  
120 period. Within 90 days of the effective date of any adjustment  
121 in the statewide 911 charge to increase the baseline 911  
122 revenues under ~~subdivision (2) of subsection (c) of~~ Section  
123 11-98-5 (c) (2), the base distribution amount shall be increased  
124 by an amount equal to the product of: a. the total amount  
125 distributed to the district in the immediately preceding  
126 fiscal year, multiplied by b. the rate of growth, determined  
127 as a percentage, in the CPI-U utilized by the 911 Board for  
128 the prior five-year period pursuant to ~~subdivision (2) of~~  
129 ~~subsection (c) of~~ Section 11-98-5 (c) (2).

130 (4)a. Any district that has, prior to March 1, 2011,  
131 entered into one or more contracts, including, without  
132 limitation, any lease, lease-purchase, or purchase agreement  
133 or contract, to acquire equipment utilized or to be utilized  
134 as part of a single, comprehensive, countywide radio system to  
135 be operated within the boundaries of the district, ~~may~~, no  
136 later than December 31, 2012, may provide the 911 Board a copy  
137 of a pro forma financial statement setting forth revenue and  
138 expense projections demonstrating the ability of the district  
139 to pay all principal and interest maturing or coming due with  
140 respect to any contracts, and any bonds or other obligations



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141 issued or incurred by the district to evidence the borrowing  
142 of money by the district in connection with the planning,  
143 acquisition, construction, and equipment of the countywide  
144 radio system, and other system costs. Such revenue projections  
145 shall set forth the district's annualized revenues that would  
146 be included in the base distribution amount as calculated in  
147 subdivision (3), for the fiscal year of the district ending on  
148 September 30, 2011, or any fiscal year thereafter during which  
149 the contracts, bonds, or other obligations are expected to be  
150 outstanding and unpaid, and the amount received by the  
151 district during the fiscal year ending September 30, 2011,  
152 from the CMRS Fund. The pro forma statement shall be  
153 accompanied by such supporting information as may be  
154 reasonably requested by the 911 Board, whose review shall be  
155 limited to the accuracy and reasonableness of the revenue and  
156 expense projections contained therein solely for the purposes  
157 of this subsection and which shall not extend to the approval  
158 or disapproval of any projects authorized by the district  
159 under existing law.

160           b. For a district meeting the requirements of this  
161 subdivision, the base distribution amount for the district,  
162 during any fiscal year or years in which the contracts, bonds,  
163 or other obligations outstanding and unpaid, shall be  
164 increased by the difference, if any, between the revenue  
165 projections shown in the pro forma financial statement and the  
166 base distribution amount as calculated under subdivision (3),  
167 and the district's per capita distribution amount, as defined  
168 in subdivision (5), shall be reduced by an amount equal to the



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169 difference, with the amount of the reduction added to the  
170 amount available for payment to other districts under  
171 subdivision (5).

172 (5) The term "per capita distribution amount," as used  
173 in this section with respect to any district, means the  
174 district's pro rata share, computed according to the  
175 distribution formula, of the amount described in subdivision  
176 (1) that remains after payment in full of the aggregate base  
177 distribution amounts required to be paid to all districts.

178 (6) Notwithstanding the preceding provisions of this  
179 subsection, there shall never be paid to any district, during  
180 any fiscal year, from the ~~moneys~~ monies deposited into the 911  
181 Fund, an amount less than the sum of the total dollar amount  
182 of the initial base distribution amount received by the  
183 district as calculated under subdivision (3) plus, without  
184 duplication, the amount received by the district from the CMRS  
185 Fund during the fiscal year ending September 30, 2011. For any  
186 county or municipal district that was funding an E-911 system  
187 on September 30, 2011, without a separate 911 fee, there shall  
188 never be paid from the ~~moneys~~ monies deposited into the 911  
189 Fund, during any fiscal year, an amount less than the sum of  
190 that amount determined by the board to be the county or  
191 municipality's funding of its E-911 system for purposes of  
192 calculation of the initial statewide rate under this section.

193 (7) a. Except as otherwise provided in subdivision (6),  
194 there shall be set aside and deposited each month, into a  
195 separate account, which may, but need not, form a part of the  
196 911 Fund, an amount equal to ~~20 percent of the portion of the~~ the





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197 remaining balance of the statewide 911 charges remitted to the  
198 911 Board with respect to the month~~by CMRS providers~~. All  
199 ~~moneys monies~~ in the separate account shall be used  
200 ~~exclusively~~ for the costs related to administering a statewide  
201 911 voice and data system in compliance with the technological  
202 requirements established by the FCC order and as provided in  
203 Section 11-98-4.1(e) (8); and for the payment of actual and  
204 direct costs incurred by CMRS providers in complying with  
205 wireless E-911 service requirements established by the FCC  
206 Order and complying with any rules or regulations adopted at  
207 any time by the FCC pursuant to the FCC Order; and the costs  
208 may include, without limitation, costs and expenses incurred  
209 in connection with designing, upgrading, purchasing, leasing,  
210 programming, installing, testing, or maintaining all necessary  
211 data, hardware, and software required in order to provide  
212 Phase II Enhanced 911, and the incremental costs of operating  
213 Phase II Enhanced 911.

214 b. After the requirements of paragraph a. are  
215 fulfilled, the remaining funds shall be allocated for one or  
216 more of the following purposes: (i) to fund the costs of all  
217 required training and certification of public safety  
218 telecommunicators; (ii) to fund the costs of advisory services  
219 provided to the districts; (iii) to fund a grant program for  
220 districts demonstrating financial hardship; or (iv) equally  
221 among the districts as determined by majority vote of the  
222 board. The board, by rule, shall establish the maximum balance  
223 to be carried over in the separate account at the conclusion  
224 of each fiscal year.



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225 (c) Each CMRS provider wishing to participate in the  
226 payments provided in subdivision (b) (7) ~~of subsection (b)~~ for  
227 expenses related to providing Phase II Enhanced 911 shall  
228 certify to the 911 Board that it does not then collect a  
229 cost-recovery or other similar separate charge from its  
230 customers. CMRS providers failing to provide the certification  
231 by October 1 are ineligible to receive any payments until such  
232 certificate is provided to the 911 Board. Any CMRS provider  
233 electing to collect cost-recovery or other similar separate  
234 charges at any time following its October 1 certification  
235 shall immediately notify the 911 Board and is ineligible to  
236 participate in the payments established in this subsection  
237 until ceasing the collection from its customers and providing  
238 the notice required herein. This requirement shall only apply  
239 to payments for expenses related to providing Phase II  
240 Enhanced 911.

241 (d) Any CMRS provider wishing to receive reimbursement  
242 of costs under the guidelines established by subsection (c)  
243 shall also comply with Section 11-98-7.

244 (e) In the event that there are wireless emergency  
245 telephone services that cannot be efficiently performed at the  
246 district level or there are expenses that cannot be properly  
247 allocated at the district level, the 911 Board may determine  
248 the smallest practical unit basis for joint implementation and  
249 provide reimbursements in accordance with this section."

250 Section 2. This act shall become effective on October  
251 1, 2025.