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Sponsors:

Referred to:

February 28, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE MISCELLANEOUS AND TECHNICAL CHANGES TO THE
3 STATUTES RELATING TO THE DEPARTMENT OF INFORMATION TECHNOLOGY;
4 AMEND VARIOUS STATUTES RELATING TO STATE AGENCY CYBERSECURITY;
5 AND AMEND VARIOUS STATUTES RELATING TO THE EMERGENCY
6 TELEPHONE SERVICE AND THE 911 BOARD.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 143B-1350 reads as rewritten:

9 "**§ 143B-1350. Procurement of information technology.**

10 ...

11 (c) The Department shall, subject to the provisions of this Part, do all of the following
12 with respect to State information technology procurement:

13 ...

14 (3) Establish standardized, consistent processes, specifications, and standards that
15 shall apply to all information technology to be purchased, licensed, or leased
16 by State agencies and relating to information technology personal services
17 contract requirements for State agencies, ~~including, but not limited to,~~
18 ~~requiring convenience contracts to be rebid prior to termination without~~
19 ~~extensions.~~agencies.

20 ...

21 (5) Establish procedures to permit State agencies and local government entities to
22 use multiple award schedule contracts and other cooperative purchasing
23 agreements.

24 ...

25 (f1) Multiple-Award Schedule Contracts. – The procurement of information technology
26 may be conducted using multiple award schedule contracts. Contracts awarded under this
27 subsection shall be periodically updated as directed by the State CIO to include the addition or
28 deletion of particular vendors, goods, services, or pricing.

29"

30 **SECTION 2.** G.S. 143B-1362 reads as rewritten:

31 "**§ 143B-1362. Personal services contracts subject to Article.**

32 (a) Requirement. – Notwithstanding any other provision of law, information technology
33 personal services contracts for executive branch agencies shall be subject to the same



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1 requirements and procedures as information technology service contracts, except as provided in
2 this section.

3 (b) Certain Approvals Required. – Notwithstanding any provision of law to the contrary,
4 no information technology personal services contract, nor any contract that provides personnel
5 to perform information technology functions regardless of the cost of the contract, may be
6 established or renewed without written approval from the Department of Information Technology
7 and the Office of State Budget and Management. ~~Technology.~~ To facilitate compliance with this
8 requirement, the Department of Information Technology shall develop and document ~~the~~
9 following:

10 (1) ~~Standards for determining whether it is more appropriate for an agency to hire~~
11 ~~an employee or use the services of a vendor.~~

12 (2) ~~A~~ process to monitor all State agency information technology personal services
13 contracts, as well as any other State contracts providing personnel to perform information
14 technology functions.

15 (3) ~~A~~ functions and a process for obtaining approval of contractor positions.

16 (c) ~~Creation of State Positions in Certain Cases.~~—The Department of Information
17 Technology shall review current information technology personal services contracts on an
18 ongoing basis and determine if each contractor is performing a function that could more
19 appropriately be performed by a State employee. Where the determination is made that a State
20 employee should be performing the function, the Department of Information Technology shall
21 work with the impacted agency and the Office of State Human Resources to identify or create
22 the position.

23 (d) ~~Compliance Audits Required.~~—The Department of Information Technology shall
24 conduct periodic audits of State agencies that are subject to this Article to determine the degree
25 to which those agencies are complying with the rules and procedures that govern information
26 technology personal services contracts.

27 (e) Reporting Required. – The Department of Information Technology shall report
28 biennially to the Joint Legislative Oversight Committee on Information Technology and the
29 Fiscal Research Division on all of the following:

30 (1) ~~Its progress toward standardizing information technology personal services~~
31 ~~contracts.~~

32 (2) ~~The~~ number of information technology service contractors in each State agency,
33 the cost for each, and the comparable cost, including benefits, of a State employee serving in that
34 capacity rather than a contractor.

35 (3) ~~The results of the compliance audits conducted pursuant to subsection (d) of~~
36 ~~this section.~~

37 (f) Information Technology Personal Services Contract Defined. – For purposes of this
38 section, the term "personal services contract" means a contract for services provided by a
39 professional individual as an independent contractor on a temporary or occasional basis.

40 (g) ~~Rules Required.~~—The Department of Information Technology shall adopt rules
41 consistent with this section."

42 **SECTION 3.** G.S. 143-787(d) reads as rewritten:

43 "(d) The ~~Office of the State~~ Chief Information Officer shall ensure that the Section is
44 provided with all necessary access to the Government Data Analytics Center and all other
45 information technology services."

46 **SECTION 4.** G.S. 143B-1420(a) reads as rewritten:

47 "(a) Council Established. – The North Carolina Geographic Information Coordinating
48 Council ("Council") is established to develop policies regarding the utilization of geographic
49 information, GIS systems, and other related technologies. The Council shall be responsible for
50 the following:

51 (1) Strategic planning.

- 1 (2) Resolution of policy and technology issues.
 2 (3) Coordination, direction, and oversight of State, local, and private GIS efforts.
 3 (4) Advising the Governor, the General Assembly, and the State Chief
 4 Information Officer as to needed directions, responsibilities, and funding
 5 regarding geographic information.

6 The purpose of this statewide geographic information coordination effort shall be to further
 7 cooperation among State, federal, and local government agencies; academic institutions; and the
 8 private sector to improve the quality, access, cost-effectiveness, and utility of North Carolina's
 9 geographic information and to promote geographic information as a strategic resource in the
 10 State. The Council shall be located in the ~~Office of the Governor~~ Department of Information
 11 Technology for organizational, budgetary, and administrative purposes."

12 **SECTION 5.** G.S. 143B-1353 reads as rewritten:

13 "**§ 143B-1353. Financial interest of officers in sources of supply; acceptance of**
 14 **bribes, bribes; gifts and favors regulated.**

15 (a) Neither the State CIO, any deputy State CIO, or any other policy-making or
 16 managerially exempt personnel shall be financially interested, or have any personal beneficial
 17 interest, either directly or indirectly, in the purchase of, or contract for, any information
 18 technology, nor in any firm, corporation, partnership, or association furnishing any information
 19 technology to the State government or any of its departments, institutions, or ~~agencies, nor shall~~
 20 ~~any of these persons or any other Department employee accept or receive, directly or indirectly,~~
 21 ~~from any person, firm, or corporation to whom any contract may be awarded, by rebate, gifts, or~~
 22 ~~otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract~~
 23 ~~for future reward or compensation.~~ agencies. Violation of this section is a Class F felony, and
 24 any person found guilty of a violation of this section shall, upon conviction, be removed from
 25 State office or employment.

26 (b) The provisions of G.S. 133-32 shall apply to all Department employees."

27 **SECTION 6.(a)** G.S. 143B-1322(c) is amended by adding a new subdivision to read:

28 "(22) Coordinate with the Department of Public Safety to manage statewide
 29 response to cybersecurity incidents and significant cybersecurity incidents as
 30 defined by G.S. 143B-1320."

31 **SECTION 6.(b)** G.S. 166A-19.12 is amended by adding a new subdivision to read:

32 "(23) Coordination with the State Chief Information Officer and the Adjutant
 33 General to manage statewide response to cybersecurity incidents and
 34 significant cybersecurity incidents as defined by G.S. 143B-1320. This
 35 includes, but is not limited to:

- 36 a. Development and promulgation of necessary policies, plans, and
 37 procedures for cybersecurity and critical infrastructure protection; and
 38 b. Annual review, update, and testing of cybersecurity incident response
 39 plans and procedures."

40 **SECTION 6.(c)** G.S. 143B-1321 is amended by adding a new subsection to read:

41 "(c) Such information technology information protected from public disclosure under
 42 G.S. 132-6.1(c), including, but not limited to, security features of critical infrastructure,
 43 information technology systems, telecommunications networks, or electronic security systems,
 44 including hardware or software security, passwords, or security standards, procedures, processes,
 45 configurations, software, and codes, shall be kept confidential."

46 **SECTION 6.(d)** G.S. 143B-1320 reads as rewritten:

47 "**§ 143B-1320. Definitions; scope; exemptions.**

48 (a) Definitions. – The following definitions apply in this Article:

49 ...

50 (12) ~~Information technology security~~ Cybersecurity incident. – ~~A computer,~~
 51 ~~network, or paper-based activity that results directly or indirectly in misuse,~~

1 damage, denial of service, compromise of integrity, or loss of confidentiality
 2 of a network, computer, application, or data. An occurrence that:
 3 a. Actually or imminently jeopardizes, without lawful authority, the
 4 integrity, confidentiality, or availability of information or an
 5 information system; or
 6 b. Constitutes a violation or imminent threat of violation of law, security
 7 policies, privacy policies, security procedures, or acceptable use
 8 policies.

9 ...

10 (15) ~~Security incident. A warning or indication of a threat to or breach of~~
 11 ~~information or computer security. The term also includes threats that have~~
 12 ~~already occurred. Significant cybersecurity incident. – A cybersecurity~~
 13 ~~incident that is likely to result in demonstrable harm to the State's security~~
 14 ~~interests, economy, critical infrastructure, or to the public confidence, civil~~
 15 ~~liberties, or public health and safety of the residents of North Carolina. A~~
 16 ~~significant cybersecurity incident is determined by the following factors:~~

- 17 a. Incidents that meet thresholds identified by the Department jointly
 18 with the Department of Public Safety that involve information:
 19 1. That is not releasable to the public and that is restricted or
 20 highly restricted according to Statewide Data Classification
 21 and Handling Policy; or
 22 2. That involves the exfiltration, modification, deletion, or
 23 unauthorized access, or lack of availability to information or
 24 systems within certain parameters to include (i) a specific
 25 threshold of number of records or users affected as defined in
 26 G.S. 75-65 or (ii) any additional data types with required
 27 security controls.
 28 b. Incidents that involve information that is not recoverable or cannot be
 29 recovered within defined time lines required to meet operational
 30 commitments defined jointly by the State agency and the Department
 31 or can be recovered only through additional measures and has a high
 32 or medium functional impact to the mission of an agency.

33"

34 SECTION 6.(e) G.S. 143B-1379 reads as rewritten:

35 "**§ 143B-1379. State agency ~~cooperation; liaisons.~~ cooperation and training; liaisons; county**
 36 **and municipal government reporting.**

37 (a) The head of each principal department and Council of State agency shall cooperate
 38 with the State CIO in the discharge of the State CIO's duties by providing the following
 39 information to the Department:

- 40 (1) The full details of the State agency's information technology and operational
 41 requirements and of all the agency's ~~information technology security~~
 42 significant cybersecurity incidents within 24 hours of confirmation.
 43 (2) Comprehensive information concerning the information technology security
 44 employed to protect the agency's ~~information technology data, including~~
 45 documentation and reporting of remedial or corrective action plans to address
 46 any deficiencies in the information security policies, procedures, and practices
 47 of the State agency.
 48 (3) A forecast of the parameters of the agency's projected future ~~information~~
 49 technology security cybersecurity and privacy needs and capabilities.
 50 (4) Designating an agency liaison in the information technology area to
 51 coordinate with the State CIO. The liaison shall be subject to a criminal

1 background report from the State Repository of Criminal Histories, which
2 shall be provided by the State Bureau of Investigation upon its receiving
3 fingerprints from the liaison. Military personnel with a valid secret security
4 clearance or a favorable Tier 3 security clearance investigation are exempt
5 from this requirement. If the liaison has been a resident of this State for less
6 than five years, the background report shall include a review of criminal
7 information from both the State and National Repositories of Criminal
8 Histories. The criminal background report shall be provided to the State CIO
9 and the head of the agency. In addition, all personnel in the Office of the State
10 Auditor who are responsible for information technology security reviews shall
11 be subject to a criminal background report from the State Repository of
12 Criminal Histories, which shall be provided by the State Bureau of
13 Investigation upon receiving fingerprints from the personnel designated by the
14 State Auditor. For designated personnel who have been residents of this State
15 for less than five years, the background report shall include a review of
16 criminal information from both the State and National Repositories of
17 Criminal Histories. The criminal background reports shall be provided to the
18 State Auditor. Criminal histories provided pursuant to this subdivision are not
19 public records under Chapter 132 of the General Statutes.

20 (5) Completing mandatory annual security awareness training and reporting
21 compliance for all personnel, including contractors and other users of State
22 information technology systems.

23 (b) The information provided by State agencies to the State CIO under this section is
24 protected from public disclosure pursuant to G.S. 132-6.1(c).

25 (c) County and municipal government agencies shall report cybersecurity incidents to the
26 Department. Information shared as part of this process will be protected from public disclosure
27 under G.S. 132-6.1(c). Private sector entities are encouraged to report cybersecurity incidents to
28 the Department."

29 **SECTION 6.(f)** G.S. 143B-1376 reads as rewritten:

30 "**§ 143B-1376. Statewide security and privacy standards.**

31 (a) The State CIO shall be responsible for the security and privacy of all State information
32 technology systems and associated data. The State CIO shall manage all executive branch
33 information technology security and shall establish a statewide standard for information
34 technology security and privacy to maximize the functionality, security, and interoperability of
35 the State's distributed information technology assets, including, but not limited to, data
36 classification and management, communications, and encryption technologies. The State CIO
37 shall review and revise the security standards annually. As part of this function, the State CIO
38 shall review periodically existing security and privacy standards and practices in place among
39 the various State agencies to determine whether those standards and practices meet statewide
40 ~~security~~ security, privacy, and encryption requirements. The State CIO shall ensure that State
41 agencies are periodically testing and evaluating information security controls and techniques for
42 effective implementation and that all agency and contracted personnel are held accountable for
43 complying with the statewide information security program. The State CIO may assume the
44 direct responsibility of providing for the information technology security of any State agency
45 that fails to adhere to security and privacy standards adopted under this Article.

46"

47 **SECTION 6.(g)** G.S. 143B-1378 reads as rewritten:

48 "**§ 143B-1378. Assessment of agency compliance with ~~security~~ cybersecurity standards.**

49 At a minimum, the State CIO shall annually assess the ability of each State agency, and each
50 agency's contracted vendors, to comply with the current ~~security~~ cybersecurity enterprise-wide
51 set of standards established pursuant to this section. The assessment shall include, at a minimum,

1 the rate of compliance with the enterprise-wide security standards and an assessment of security
2 organization, security practices, security information standards, network security architecture,
3 and current expenditures of State funds for information technology security. The assessment of
4 a State agency shall also estimate the initial cost to implement the security measures needed for
5 agencies to fully comply with the ~~standards~~ standards as well as the costs over the lifecycle of
6 the State agency information system. Each State agency shall submit information required by the
7 State CIO for purposes of this assessment. The State CIO shall include the information obtained
8 from the assessment in the State Information Technology Plan."

9 **SECTION 7.(a)** G.S. 143B-1400 reads as rewritten:

10 **"§ 143B-1400. Definitions.**

11 The following definitions apply in this Part.

- 12 (1) 911 Board. – The 911 Board established in G.S. 143B-1401.
- 13 (2) 911 Fund. – The North Carolina 911 Fund established in G.S. 143B-1403.
- 14 (3) 911 State Plan. – A document prepared, maintained, and updated by the 911
15 Board that provides a comprehensive plan for communicating 911 call
16 information across networks and among PSAPs, addresses all aspects of the
17 State's 911 system, and describes the allowable uses of ~~revenue in the 911~~
18 Fund.Fund, including, but not limited to, transfer of 911 calls between
19 geographically dispersed PSAPs, increased aggregation and sharing of call
20 taking data, resources, procedures, standards, and requirements to improve
21 emergency response and implementation of a NG911 network.
- 22 (4) 911 system. – An emergency communications system using any available
23 technology that does all of the following:
 - 24 a. Enables the user of a communications service connection to reach a
25 PSAP by dialing the digits 911.
 - 26 b. Provides enhanced 911 service.
 - 27 c. Delivers 911 calls to the State ESInet as provided by
28 G.S. 143B-1406(e1) or a Next Generation 911 Network.
- 29 (5) 911 system provider. – An entity that provides ~~a~~an Enhanced 911 or NG911
30 system to a PSAP.
- 31 (5a) Agent. – An agent is an authorized person, including an employee, contractor,
32 or volunteer, who has one or more roles in a PSAP or for a communications
33 service provider. An agent can also be an automaton in some circumstances.
- 34 (6) Back-up PSAP. – The capability to operate as part of the 911 System and all
35 other features of its associated primary PSAP. The term includes a back-up
36 PSAP that receives 911 calls only when they are transferred from the primary
37 PSAP or on an alternate routing basis when calls cannot be completed to the
38 primary PSAP.
- 39 (7) Call taking. – The act of processing a 911 call for emergency assistance by a
40 primary PSAP, including the use of 911 system equipment, call classification,
41 location of a caller, determination of the appropriate response level for
42 emergency responders, and dispatching 911 call information to the
43 appropriate responder.
- 44 (8) Commercial Mobile Radio Service (CMRS). – Defined in 47 C.F.R. § 20.3.
- 45 (9) Communications service. – Any of the following:
 - 46 a. The transmission, conveyance, or routing of real-time
47 communications to a point or between or among points by or through
48 any electronic, radio, satellite, cable, optical, microwave, wireline,
49 wireless, Internet protocol, or other medium or method, regardless of
50 the protocol used.

- 1 b. The ability to receive and terminate voice calls, text-to-911, short
2 message service (SMS) or other messages, videos, data, or other forms
3 of communication to, from, and between the public switched
4 telephone network, wireless networks, IP-enabled networks, or any
5 other communications network.
- 6 c. Interconnected VoIP service.
- 7 (10) Communications service connection. – Each telephone number or trunk
8 assigned to a residential or commercial subscriber by a communications
9 service provider, without regard to technology deployed.
- 10 (11) Communications service provider. – An entity that provides communications
11 service to a subscriber.
- 12 (12) CMRS connection. – Each mobile handset telephone number assigned to a
13 CMRS subscriber with a place of primary use in North Carolina.
- 14 (13) CMRS provider. – An entity, whether facilities-based or nonfacilities-based,
15 that is licensed by the Federal Communications Commission to provide
16 CMRS or that resells CMRS within North Carolina.
- 17 (13a) Emergency medical dispatch. – The management of requests for emergency
18 medical assistance by utilizing a system of:
- 19 a. A tiered response or priority dispatching of emergency medical
20 resources based on the level of medical assistance appropriate for the
21 victim; and
- 22 b. Pre-arrival first aid or other medical instructions given by trained
23 telecommunicators responsible for receiving 911 calls and dispatching
24 emergency response services.
- 25 (14) Enhanced 911 service. – Directing a 911 call to an appropriate PSAP by
26 selective routing or other means based on the geographical location from
27 which the call originated and providing information defining the approximate
28 geographic location and the telephone number of a 911 caller, in accordance
29 with the FCC Order.
- 30 (15) Exchange access facility. – The access from a subscriber's premises to the
31 telephone system of a service supplier. The term includes service supplier
32 provided access lines, private branch exchange trunks, and centrex network
33 access registers, as defined by applicable tariffs approved by the North
34 Carolina Utilities Commission. The term does not include service supplier
35 owned and operated telephone pay station lines, Wide Area
36 Telecommunications Service (WATS), Foreign Exchange (FX), or incoming
37 only lines.
- 38 (16) FCC Order. – The Order of the Federal Communications Commission FCC
39 Docket No. 94-102, adopted on December 1, 1997, and any consent decrees,
40 rules, and regulations adopted by the Federal Communications Commission
41 pursuant to the Order.
- 42 (17) ~~GIS mapping.~~ GIS. – Computerized geographical information that can be used
43 to assist in locating a person who calls emergency assistance, including
44 mapping elements such as street centerlines, ortho photography, and oblique
45 imaging or other imaging, and geospatial call routing to deliver 911 calls to
46 an appropriate PSAP.
- 47 (18) Interconnected VoIP service. – Defined in 47 C.F.R. § 9.3.
- 48 (19) Local exchange carrier. – An entity that is authorized to provide telephone
49 exchange service or exchange access in North Carolina.
- 50 (19a) Next generation 911 network. – Managed Internet Protocol based networks,
51 gateways, functional elements, and databases that augment E-911 features and

1 functions enabling the public to transmit digital information to public safety
 2 answering points replacing Enhanced 911, that maintains P.01 for Basic 911
 3 or Enhanced 911 services or NENA i3 Solution standard for NG911 services,
 4 and that includes Emergency Service IP Network (ESInet), GIS,
 5 cybersecurity, and other system components.

6 (20) Next generation 911 system. – An ~~IP-enabled~~ Internet Protocol-enabled
 7 emergency communications system using Internet Protocol, or any other
 8 available technology, to enable enabling the user public or subscriber of a
 9 communications service to reach an appropriate PSAP by sending the digits
 10 911 via dialing, text, or short message service (SMS), or any other
 11 technological means.

12 (21) Next generation 911 system provider. – An entity that provides a next
 13 generation or IP-enabled 911 system to a PSAP.

14 (22) Prepaid wireless telecommunications service. – A wireless
 15 telecommunications service that allows a caller to dial 911 to access the 911
 16 system, which service must be paid for in advance and is sold in
 17 predetermined units or dollars of which the number declines with use in a
 18 known amount.

19 (23) Primary PSAP. – The first point of reception of a 911 call by a public safety
 20 answering point.

21 (24) Proprietary information. – Subscriber lists, technology descriptions, technical
 22 information, or trade secrets that are developed, produced, or received
 23 internally by a communications service provider or by a communications
 24 service provider's employees, directors, officers, or agents.

25 (25) Public safety answering point (PSAP). – The public safety agency that
 26 receives an incoming 911 call and dispatches appropriate public safety
 27 agencies to respond to the call.

28 (25a) Regional PSAP. – A primary PSAP operated by or on behalf of two or more
 29 counties and any number of municipalities, approved by the Board, for 911
 30 call taking.

31 (26) Retail transaction. – The sale of prepaid wireless telecommunications service
 32 for any purpose other than resale.

33 (27) Service supplier. – An entity that provides exchange telephone service or
 34 communications service to the public or a telephone-subscriber.

35 (27a) State Emergency Services IP (ESInet) Network. – A NG911 network
 36 contracted by the 911 Board to one or more communications service providers
 37 for the purpose of securely receiving 911 calls, transferring 911 calls and all
 38 associated data, providing centralized network management and security
 39 monitoring, and enabling GIS call routing.

40 (28) Subscriber. – A person who purchases a communications service and is able
 41 to receive it or use it periodically over time.

42 (28a) Telecommunicator. – A person qualified to provide 911 call taking employed
 43 by a PSAP. The term applies to 911 call takers, dispatchers, radio operators,
 44 data terminal operators, or any combination of such call taking functions in a
 45 PSAP.

46"

47 **SECTION 7.(b)** G.S. 143B-1402 reads as rewritten:

48 "**§ 143B-1402. Powers and duties of the 911 Board.**

49 (a) Duties. – The 911 Board has the following powers and duties:

50 (1) To develop the 911 State Plan. In developing and updating the plan, the 911
 51 Board must monitor trends in communications service technology utilized for

- 1 the 911 system and in enhanced 911 service technology, investigate and
2 incorporate GIS ~~mapping and other~~ resources into the plan, ensure individual
3 PSAP plans incorporate a back-up ~~PSAP, PSAP and 911 call routing in an~~
4 emergency, coordination with State emergency operations including
5 Telecommunicator Emergency Response Taskforce (TERT), and formulate
6 strategies for the efficient and effective delivery of enhanced 911 service.
- 7 (2) To administer the 911 Fund and the monthly 911 service charge authorized by
8 G.S. 143B-1403.
- 9 (3) To distribute revenue in the 911 Fund ~~to CMRS providers and PSAPs in~~
10 accordance with this Part and advise CMRS providers and PSAPs of the
11 requirements for receiving a distribution from the 911 Fund.
- 12 (4) To establish cooperative purchasing agreements or other contracts for the
13 procurement of goods and services, to establish policies and procedures to
14 fund advisory services and training programs including, but not limited to,
15 Emergency Medical Dispatch and quality assurance of Emergency Medical
16 Dispatch programs for PSAPs, PSAPs as authorized by this Part, to set
17 operating standards for PSAPs and back-up PSAPs, PSAPs, including
18 telecommunicator training and certification requirements as provided by
19 G.S. 143B-1406(f), and to provide funds in accordance with these policies,
20 procedures, and standards. standards subject to the limitations of
21 G.S. 143B-1406.
- 22 (5) To investigate the revenues and expenditures associated with the operation of
23 a PSAP to ensure compliance with restrictions on the use of amounts
24 distributed from the 911 Fund.
- 25 (6) To make and enter into contracts and agreements necessary or incidental to
26 the performance of its powers and duties under this Part and to use revenue
27 available to the 911 Board under G.S. 143B-1404 for administrative expenses
28 to pay its obligations under the contracts and agreements.
- 29 (7) To use funds available to the 911 Board under ~~G.S. 62-47 [143B-1407]~~
30 G.S. 143B-1407 to pay its obligations incurred for statewide 911 projects.
- 31 (8) To accept gifts, grants, or other money for the 911 Fund.
- 32 (9) To undertake its duties in a manner that is competitively and technologically
33 neutral as to all communications service providers.
- 34 (10) To design, create, or acquire printed or Web-based public education materials
35 regarding the proper use of 911.
- 36 (11) To adopt rules to implement this Part. This authority does not include the
37 regulation of any ~~enhanced 911 communications~~ service, such as the
38 establishment of technical standards for ~~telecommunications~~ communications
39 service providers to deliver process 911 voice and data.
- 40 (12) To take other necessary and proper action to implement the provisions of this
41 Part.
- 42 (13) To collect, manage, and analyze call taking data that is delivered to the State
43 ESInet for use by the Board in performing call analytics and call routing. Such
44 data shall be subject to the limitations of G.S. 132-1 et seq., and applicable
45 federal privacy laws or regulations.
- 46 (14) To coordinate, adopt, and communicate all necessary technical and
47 operational standards and requirements to ensure an effective statewide
48 interconnected NG911 network, the State ESInet, including the following:
49 a. NG911 network design specifications;

1 b. 911 call processing standards and requirements including system
2 networks, PSAP equipment, GIS caller location routing, and database
3 requirements;

4 c. Performance measures for data services necessary for the purposes of
5 this Part.

6 (15) To establish and operate a network management center for the State ESInet
7 staffed by the Board. The center shall monitor PSAP and communications
8 service provider compliance with technical and operational standards,
9 requirements, and practices. The center shall monitor the State ESInet
10 performance and security testing protocols in coordination with the
11 Department of Information Technology.

12 (b) Prohibition. – In no event shall the 911 Board or any other State agency construct,
13 operate, or own a communications network for the purpose of providing 911 service. The 911
14 Board may pay private sector vendors for provisioning a communications network for the
15 purpose of providing citizens access to 911 services and completing call-taking processes
16 through one or more PSAPs.

17 (c) The Secretary of the Department of Information Technology shall, with the advice of
18 the 911 Board, select an Executive Director of the 911 Board. The Executive Director shall be
19 the Board's chief administrative officer. The Executive Director shall have appropriate training
20 and experience to assist the Board in the performance of its duties. The Executive Director shall
21 be considered the State 911 coordinator for purposes of relevant State and federal law and
22 program requirements.

23 The Executive Director shall be responsible for managing the work of the Board, including,
24 but not limited to:

25 (1) Preparing and submitting reports of the Board to the NC General Assembly,
26 Governor, and Federal Communications Commission;

27 (2) Drafting suggested legislation incorporating the Board's findings for
28 submission to the General Assembly;

29 (3) Administering, directing, and managing the affairs and business of the 911
30 Board, and for the supervision of all personnel serving the Board;

31 (4) Contracting with such other persons, including subject matter experts and
32 consultants, as deemed necessary; and

33 (5) Executing the Board's policies, powers, and duties subject to appropriations,
34 available funds, and State employment and procurement laws.

35 (d) The Board may meet in the offices of the Department of Information Technology or
36 in facilities satisfactory for the Board's needs and Public Meeting laws. The Department of
37 Information Technology shall provide office space for the Board's staff.

38 (e) To execute the powers and duties provided in this Part, the Board shall determine its
39 policies, procedures, and rules by majority vote of the members of the Board, a quorum having
40 been established. Once a policy or procedure is determined or a rule is adopted, the Board shall
41 communicate it to the Executive Director, who shall have the authority to execute the policy,
42 procedure, or rule of the Board. No individual member of the Board shall have the responsibility
43 or authority to give operational directives to any employee of the Board other than the Executive
44 Director."

45 **SECTION 7.(c) G.S. 143B-1403 reads as rewritten:**

46 **"§ 143B-1403. Service charge for 911 service.**

47 (a) Charge Imposed. – A monthly 911 service charge is imposed on each active
48 communications service connection that provides access to the 911 system through a voice
49 communications service. The service charge for service other than prepaid wireless
50 telecommunications service is seventy cents (70¢) or a lower amount set by the 911 Board under
51 subsection (d) of this section. The service charge is payable by the subscriber to the provider of

1 the voice communications service. The provider may list the service charge separately from other
 2 charges on the bill. Partial payments made by a subscriber are applied first to the amount the
 3 subscriber owes the provider for the voice communications service. If a subscriber is capable of
 4 making more than one simultaneous outbound 911 call though its communications service
 5 connections, then the total number of 911 service charges billed to the subscriber shall be (i) for
 6 CMRS providers, an amount equal to the number of CMRS connections and (ii) for all other
 7 communications service providers, an amount equal to the total number of simultaneous
 8 outbound 911 calls the subscriber can make using the North Carolina telephone numbers or
 9 trunks billed to their account.

10 (b) Prepaid Wireless. – A 911 service charge is imposed on each retail purchase of
 11 prepaid wireless telecommunications service occurring in this State of seventy cents (70¢) for
 12 each retail transaction of prepaid wireless telecommunications service or a lower amount set as
 13 provided by subsection (d) of this section. The service charge is collected and remitted as
 14 provided in G.S. 143B-1414.

15 (c) Remittance to 911 Board. – A communications service provider must remit the
 16 service charges collected by it under subsection (a) of this section to the 911 Board. The provider
 17 must remit the collected service charges by the end of the calendar month following the month
 18 the provider received the charges from its subscribers. A provider may deduct and retain from
 19 the service charges it receives from its subscribers and remits to the 911 Board an administrative
 20 allowance equal to the greater of one percent (1%) of the amount of service charges remitted or
 21 fifty dollars (\$50.00) a month.

22 (d) Adjustment of Charge. – The 911 Board must monitor the revenues generated by the
 23 service charges imposed by this section. If the 911 Board determines that the rates produce
 24 revenue that exceeds or is less than the amount needed, the 911 Board may adjust the rates. ~~The~~
 25 ~~rates must ensure full cost recovery for communications service providers and for primary PSAPs~~
 26 ~~over a reasonable period of time.~~ The 911 Board must set the service charge for prepaid wireless
 27 telecommunications service at the same rate as the monthly service charge for nonprepaid
 28 service. A change in the rate becomes effective only on July 1. The 911 Board must notify
 29 providers of a change in the rates at least 90 days before the change becomes effective. The 911
 30 Board must notify the Department of Revenue of a change in the rate for prepaid wireless
 31 telecommunications service at least 90 days before the change becomes effective. The
 32 Department of Revenue must provide notice of a change in the rate for prepaid wireless
 33 telecommunications service at least 45 days before the change becomes effective only on the
 34 Department's Web site. The revenues must:

- 35 (1) Ensure full cost recovery for communications service providers over a
 36 reasonable period of time; and
- 37 (2) Fund allocations under G.S. 143B-1404 of this Part for monthly distributions
 38 to primary PSAPs and for the State ESInet.

39"

40 **SECTION 7.(d)** G.S. 143B-1404 reads as rewritten:

41 "**§ 143B-1404. 911 Fund.**

42 (a) Fund. – The 911 Fund is created as an interest-bearing special revenue fund within
 43 the State treasury. The 911 Board administers the Fund. The 911 Board must credit to the 911
 44 Fund all revenues remitted to it from the service charge imposed by ~~G.S. 143B-1403 on~~
 45 ~~communications service connections in the State. G.S. 143B-1403.~~ Revenue in the Fund may
 46 only be used as provided in this Part.

47 (b) Allocation of Revenues. – The 911 Board may deduct and retain for its administrative
 48 expenses a percentage of the total service charges remitted to it under G.S. 143B-1403 for deposit
 49 in the 911 Fund. The percentage may not exceed ~~two~~ three and one-half percent (2%)-(3.5%).
 50 The percentage is one percent (1%) unless the 911 Board sets the percentage at a different
 51 amount. The 911 Board must monitor the amount of funds required to meet its ~~financial~~

1 ~~commitment to provide technical assistance to primary PSAPs duties under this Part~~ and set the
 2 rate at an amount that enables the 911 Board to meet this commitment. The 911 Board must
 3 allocate ~~ten percent (10%)~~ a minimum of fifteen percent (15%) of the total service charges to the
 4 Next Generation 911 Reserve Fund to be administered as provided in G.S. 143B-1407. The 911
 5 Board must allocate a minimum of five percent (5%) of the total service charges to the PSAP
 6 Grant and Statewide Projects Account to be administered as provided in G.S. 143B-1407. The
 7 remaining revenues remitted to the 911 Board for deposit in the 911 Fund are allocated as
 8 ~~follows:~~ for distribution to the primary PSAPs, CMRS providers, or the Accounts established in
 9 G.S. 143B-1407.

- 10 (1) ~~A percentage of the funds remitted by CMRS providers, other than the funds~~
 11 ~~remitted by the Department of Revenue from prepaid wireless~~
 12 ~~telecommunications service, to the 911 Fund are allocated for reimbursements~~
 13 ~~to CMRS providers pursuant to G.S. 143B-1405.~~
- 14 (2) ~~A percentage of the funds remitted by CMRS providers, all funds remitted by~~
 15 ~~the Department of Revenue from prepaid wireless telecommunications~~
 16 ~~service, and all funds remitted by all other communications service providers~~
 17 ~~are allocated for monthly distributions to primary PSAPs pursuant to~~
 18 ~~G.S. 143B-1406 and grants to PSAPs pursuant to G.S. 143B-1407.~~
- 19 (3) ~~The percentage of the funds remitted by CMRS providers allocated to CMRS~~
 20 ~~providers and PSAPs shall be set by the 911 Board and may be adjusted by~~
 21 ~~the 911 Board as necessary to ensure full cost recovery for CMRS providers~~
 22 ~~and, to the extent there are excess funds, for distributions to primary PSAPs.~~

23"

24 **SECTION 7.(e)** G.S. 143B-1405 reads as rewritten:

25 **"§ 143B-1405. Fund distribution to CMRS providers.**

26 (a) Distribution. – CMRS providers are eligible for reimbursement from the 911 Fund
 27 for the actual costs incurred by the CMRS providers in complying with the requirements of
 28 enhanced 911 service. Costs of complying may include costs incurred for designing, upgrading,
 29 purchasing, leasing, programming, installing, testing, or maintaining all necessary data,
 30 hardware, and software required to provide 911 communications service as well as the recurring
 31 and nonrecurring costs of providing the service. To obtain reimbursement, a CMRS provider
 32 must comply with all of the following:

- 33 (1) Invoices must be sworn.
 34 (2) All costs and expenses must be commercially reasonable.
 35 (3) All invoices for reimbursement must be related to compliance with the
 36 requirements of enhanced 911 service.
 37 (4) Prior approval must be obtained from the 911 Board for all invoices for
 38 payment of costs that exceed the lesser of:
 39 a. One hundred percent (100%) of the eligible costs allowed under this
 40 section.
 41 b. One hundred twenty-five percent (125%) of the service charges
 42 remitted to the 911 Board by the CMRS provider.
- 43 (5) A CMRS provider may request reimbursement by presenting a request to the
 44 Board not later than six months prior to the end of the Board's fiscal year and
 45 identifying the provider's anticipated qualified expenses for reimbursement
 46 during the Board's next fiscal year.

47 (b) Payment Carryforward. – If the total amount of invoices submitted to the 911 Board
 48 and approved for payment in a month exceeds the amount available from the 911 Fund for
 49 reimbursements to CMRS providers, the amount payable to each CMRS provider is reduced
 50 proportionately so that the amount paid does not exceed the amount available for payment. The

1 balance of the payment is deferred to the following month. ~~A deferred payment accrues interest~~
2 ~~at a rate equal to the rate earned by the 911 Fund until it is paid.~~

3 (c) PSAP Grant and Statewide Project Reallocation. – If the amount of reimbursements
4 to CMRS providers ~~approved budgeted~~ by the 911 Board for a fiscal year is ~~less than~~ exceeds the
5 amount of funds ~~allocated disbursed~~ for reimbursements to CMRS providers for that fiscal year,
6 the 911 Board may reallocate ~~part of~~ the excess amount to the ~~PSAP Grant and Statewide 911~~
7 ~~Projects Account Accounts~~ established under G.S. 143B-1407. The 911 Board may reallocate
8 funds under this subsection only once each calendar year and may do so only within the
9 three-month period that follows the end of the fiscal year. ~~If the 911 Board reallocates more than~~
10 ~~a total of three million dollars (\$3,000,000) to the PSAP Grant and Statewide 911 Projects~~
11 ~~Account in a calendar year, it must consider reducing the amount of the service charge in~~
12 ~~G.S. 143B-1404 to reflect more accurately the underlying costs of providing 911 system services.~~

13 The 911 Board must make the following findings before it reallocates funds to the PSAP
14 ~~Grant and Statewide 911 Projects Account Accounts~~ established under G.S. 143B-1407:

- 15 (1) There is a critical need for additional funding for PSAPs in rural or high-cost
16 areas ~~to~~ and ensure that ~~enhanced 911-NG911~~ service is deployed throughout
17 the State.
- 18 (2) The reallocation will not impair cost recovery by CMRS providers.
- 19 (3) The reallocation will not result in the insolvency of the 911 Fund."

20 **SECTION 7.(f)** G.S. 143B-1406 reads as rewritten:

21 "**§ 143B-1406. Fund distribution to PSAPs.**

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

- 29 ...
- 30 (3) Formula. – The funding formula established by the Board must consider all of
31 the following:
 - 32 a. The population of the area served by a PSAP.
 - 33 b. PSAP reports and budgets, disbursement histories, and historical costs.
 - 34 c. PSAP operations, 911 technologies used by the PSAP, compliance
35 with operating standards of the 911 Board, level of service a PSAP
36 delivers dispatching fire, emergency medical services, law
37 enforcement, and Emergency Medical Dispatch.
 - 38 d. The tier designation of the county in which the PSAP is located as
39 designated in G.S. 143B-437.08.
 - 40 e. Any interlocal government funding agreement to operate a regional
41 PSAP, or between a primary PSAP and a secondary PSAP, if the
42 secondary PSAP was in existence as of June 1, 2010, receives funding
43 under the agreement, and is within the service area of the primary
44 PSAP.
 - 45 e1. Any expenditure authorized by the 911 Board for statewide 911
46 projects or the next generation 911 system.
 - 47 f. Any other information the Board considers relevant.

48 ...

49 (b) Percentage Designations. – The 911 Board must determine how revenue that is
50 allocated to the 911 Fund for distribution to primary PSAPs and is not needed to make the base
51 amount distribution required by subdivision (a)(1) of this section is to be used. The 911 Board

1 must designate a percentage of the remaining funds to be distributed to primary PSAPs on a per
2 capita basis and a percentage to be allocated to the ~~PSAP Grant Account Accounts~~ established in
3 G.S. 143B-1407. If the 911 Board does not designate an amount to be allocated to ~~the PSAP~~
4 ~~Grant Account, such Accounts,~~ the 911 Board must distribute all of the remaining funds to
5 regional or primary PSAPs on a per capita basis. The 911 Board may not change the percentage
6 designation more than once each fiscal year.

7 (c) Carryforward. – A PSAP may carry forward distributions for eligible expenditures
8 for capital outlay, capital improvements, or equipment ~~replacement. Amounts carried forward to~~
9 ~~the next fiscal year from distributions made by the 911 Board may not be used to lower the~~
10 ~~distributions in subsection (a) of this section unless the amount is greater than twenty percent~~
11 ~~(20%) of the average yearly amount distributed to the PSAP in the prior two years. replacement~~
12 if shown pursuant to subsection (f) of this section. The 911 Board may allow a PSAP to carry
13 forward a greater amount without changing the PSAP's distribution. Amounts carried forward to
14 the next fiscal year from distributions made by the 911 Board may not be used to lower the
15 distributions in subsection (a) of this section unless:

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

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

- 26 (1) The lease, purchase, or maintenance of:
 - 27 a. Emergency telephone equipment, including necessary computer
28 hardware, software, and database provisioning.
 - 29 b. ~~Addressing. Addressing, provided that addressing shall not be paid~~
30 following the earlier of July 1, 2021, or compliance with
31 G.S. 143B-1406(e1).
 - 32 c. Telecommunicator furniture.
 - 33 d. Dispatch equipment located exclusively within a building where a
34 PSAP or back-up PSAP is located, excluding the costs of base station
35 transmitters, towers, microwave links, and antennae used to dispatch
36 emergency call information from the PSAP or back-up PSAP.
 - 37 e. Emergency medical, fire, and law enforcement pre-arrival instruction
38 software.
- 39 (2) ~~The nonrecurring costs of establishing a 911 system.~~
- 40 (3) Expenditures for in-State training of 911 personnel regarding the maintenance
41 and operation of the 911 system. Allowable training expenses include the cost
42 of transportation, lodging, instructors, certifications, improvement programs,
43 quality assurance training, training associated with call taking, and emergency
44 medical, fire, or law enforcement procedures, and training specific to
45 managing a PSAP or supervising PSAP staff. Training outside the State is not
46 an eligible expenditure unless the training is unavailable in the State or the
47 PSAP documents that the training costs are less if received out-of-state.
48 Training specific to the receipt of 911 calls is allowed only for intake and
49 related call taking quality assurance and improvement. Instructor certification
50 costs and course required prerequisites, including physicals, psychological
51 exams, and drug testing, are not allowable expenditures.

1 (4) Charges associated with the service supplier's 911 service and other service
2 supplier recurring charges. The PSAP providing 911 service is responsible to
3 the communications service provider for all 911 installation, service,
4 equipment, operation, and maintenance charges owed to the communications
5 service provider. A PSAP may contract with a communications service
6 provider on terms agreed to by the PSAP and the provider. Service supplier
7 911 service and other recurring charges supplanted by the State ESInet costs
8 paid by the Board shall not be paid from distributions to PSAPs following the
9 earlier of July 1, 2021, or compliance with G.S. 143B-1406(e1).

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

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

17 (1) No later than July 1, 2021, the Board and local governments operating primary
18 PSAPs shall develop and fully implement NG911 transition plans to migrate
19 PSAPs to the State ESInet. To the extent practicable, the migration of PSAPs
20 will be implemented on a sequential region-by-region basis for those PSAPs
21 served by each legacy 911 selective router. The Board may extend the
22 implementation date for a primary PSAP for good cause. For purposes of this
23 section, "good cause" means an event or events reasonably beyond the ability
24 of the Board to anticipate or control.

25 (2) All communications service providers required to provide access to 911
26 service shall route the 911 calls of their subscribers to ESInet points of
27 interconnection designated by the Board. The Board shall identify points of
28 interconnection no later than July 1, 2019. The Board shall establish ESInet
29 points of interconnection in a manner that minimizes cost to the
30 communications service providers to the extent practicable while still
31 achieving necessary 911 service and ESInet objectives.

32 (3) The State ESInet service provider shall receive the 911 calls delivered by the
33 communications service provider at the designated ESInet points of
34 interconnection and deliver the calls to the appropriate PSAP. The State
35 ESInet service provider shall not charge a communications service provider
36 to connect to the State ESInet point of interconnection nor for the delivery of
37 the 911 calls to the PSAP.

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

40 ...

41 (4a) On or before July 1, 2019, each primary PSAP dispatching emergency medical
42 services shall develop policies and procedures for implementing an
43 Emergency Medical Dispatch program approved by the Office of Emergency
44 Medical Services. Emergency medical dispatch instructions must be offered
45 by a telecommunicator who has completed an emergency medical dispatch
46 course approved by the Office of Emergency Medical Services.

47 (5) ~~By July 1, 2016, a primary PSAP must have a plan and means for 911~~
48 ~~call-taking in the event 911 calls cannot be received and processed in the~~
49 ~~primary PSAP. If a PSAP has made substantial progress toward~~
50 ~~implementation of the plan and means, the 911 Board may grant the PSAP an~~
51 ~~extension until July 1, 2017, to complete implementation of the plan and~~

1 means. ~~The plan must identify the alternative capability of taking the~~
 2 ~~redirected 911 calls.~~ This subdivision does not require a PSAP to construct an
 3 alternative facility to serve as a back-up PSAP.

4 (5a) On or before July 1, 2020, each PSAP shall deploy equipment, products, and
 5 services necessary or appropriate to enable the PSAP to receive and process
 6 calls for emergency assistance sent via text messages in a manner consistent
 7 with FCC Order 14-118 and any other FCC order that affects the deployment
 8 of text-to-911.

9 (5b) Persons employed as telecommunicators who are not required to be certified
 10 by the North Carolina Sheriffs' Education and Training Standards
 11 Commission shall successfully complete:

12 a. A minimum of 40 hours in a nationally recognized training course for
 13 911 telecommunicators or a basic telecommunicator course offered by
 14 the North Carolina Sheriffs' Education and Training Standards
 15 Commission within one year of the date of their employment for any
 16 person beginning employment after July 1, 2019, or a substantially
 17 similar minimum training acceptable to the telecommunicator's
 18 employer; and

19 b. A nationally recognized emergency medical dispatch course or an
 20 emergency medical dispatch course approved by the Office of
 21 Emergency Medical Services not later than July 1, 2020, or if
 22 employed subsequent to July 1, 2020, within six months of the date of
 23 employment.

24 (6) A primary PSAP must comply with the rules, policies, procedures, and
 25 operating standards for primary PSAPs adopted by the 911 Board.

26 (g) Every local government shall participate in a 911 system. The establishment and
 27 operation of regional PSAPs shall be a coordinated effort among local governments, local
 28 government agencies, and the Board. Nothing in this article shall be construed to prohibit or
 29 discourage in any way the formation of regional PSAPs.

30"

31 **SECTION 7.(g)** G.S. 143B-1407 reads as rewritten:

32 "**§ 143B-1407. PSAP Grant and Statewide 911 Projects Account; Next Generation 911**
 33 **Reserve Fund.**

34 ...

35 (d) Statewide 911 Projects. – The 911 Board may use funds from the PSAP Grant and
 36 Statewide 911 Projects Account and funds from the Next Generation 911 Reserve Fund for a
 37 statewide project if the Board determines the project meets all of the following requirements:

38 (1) The project is consistent with the 911 plan.

39 (2) The project is cost-effective and efficient when compared to the aggregated
 40 costs incurred by primary PSAPs for implementing individual projects.

41 (3) The project is an eligible expense under
 42 G.S. 143B-1406(e).G.S. 143B-1406(d).

43 (4) The project will have statewide benefit for 911 service.

44 (e) Next Generation 911 Fund. – The 911 Board may use funds from the Next Generation
 45 911 Fund to fund the implementation of next generation 911 systems. Notwithstanding Article 8
 46 of Chapter 143C of the General Statutes, the 911 Board may expend funds from the Next
 47 Generation 911 Fund to provide for a single data network to serve PSAPs. The 911 Board may
 48 provide funds directly to primary PSAPs to implement next generation 911 systems. By October
 49 1 of each year, the 911 Board must report to the Joint Legislative Commission on Governmental
 50 Operations on the expenditures from the Next Generation 911 Fund for the prior fiscal year and
 51 on the planned expenditures from the Fund for the current fiscal year.

1"

2 **SECTION 7.(h)** G.S. 143B-1408 reads as rewritten:

3 **"§ 143B-1408. Recovery of unauthorized use of funds.**

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

16 **SECTION 7.(i)** G.S. 143B-1409 reads as rewritten:

17 **"§ 143B-1409. Conditions for providing enhanced 911 service.**

18 ~~In accordance with the FCC Order, no~~ No CMRS provider is required to provide enhanced
19 911 service until all of the following conditions are met:

- 20 (1) The CMRS provider receives a request for the service from the administrator
21 of a PSAP that is capable of receiving and utilizing the data elements
22 associated with the service.
- 23 (2) Funds for reimbursement of the CMRS provider's costs are available pursuant
24 to G.S. 143B-1405.
- 25 (3) The local exchange carrier is able to support the requirements of enhanced
26 911 service."

27 **SECTION 7.(j)** G.S. 143B-1413 reads as rewritten:

28 **"§ 143B-1413. Limitation of liability.**

29 (a) Except in cases of wanton or willful misconduct, a communications service provider,
30 and a 911 system provider or next generation 911 system provider, and their employees,
31 directors, officers, vendors, and agents are not liable for any damages in a civil action resulting
32 from death or injury to any person or from damage to property incurred by any person in
33 connection with developing, adopting, implementing, maintaining, or operating the 911 system
34 or in complying with emergency-related information requests from State or local government
35 officials. This section does not apply to actions arising out of the operation or ownership of a
36 motor vehicle. The acts and omissions described in this section include, but are not limited to,
37 the following:

- 38 (1) The release of subscriber information related to emergency calls or emergency
39 services.
- 40 (2) The use or provision of 911 service, E911 service, or next generation 911
41 service.
- 42 (3) Other matters related to 911 service, E911 service, or next generation 911
43 service.
- 44 (4) Text-to-911 service.

45 (b) In any civil action by a user of 911 services or next generation 911 services arising
46 from an act or an omission by a PSAP, and the officers, directors, employees, vendors, agents,
47 and authorizing government entity of the PSAP, in the performance of any lawful and prescribed
48 actions pertaining to their assigned job duties as a ~~911 or public safety telecommunicator or~~
49 ~~dispatcher at a PSAP or at any public safety agency to which 911 calls are transferred from a~~
50 ~~primary PSAP for dispatch of appropriate public safety agencies, the telecommunicator.~~ The
51 plaintiff's burden of proof shall be by clear and convincing evidence."

1 **SECTION 8.** Nothing in this act alters or diminishes the exclusive responsibility and
2 authority of the Secretary of Revenue to maintain and safeguard the secrecy and security of
3 taxpayer information under G.S. 105-259.

4 **SECTION 9.** G.S. 58-31-60(c) reads as rewritten:

5 "**§ 58-31-60. Competitive selection of payroll deduction insurance products paid for by**
6 **State employees.**

7 ...

8 (c) Payroll Deduction Slots. – Each payroll unit shall be entitled to ~~not less than four~~ the
9 number of payroll deduction slots it needs to be used for payment of insurance premiums for
10 products selected by the Employee Insurance Committee and offered to the employees of the
11 payroll unit. The Employee Insurance Committee shall select only one company per payroll
12 deduction slot. The products selected by the Employee Insurance Committee may be offered on
13 a pretax basis if the products qualify as a cafeteria plan under section 125 of the Code. For
14 purposes of this subsection, the term "Code" has the same meaning as defined in
15 G.S. 105-228.90. The Company selected by ~~the~~ an Employee Insurance Committee shall be
16 permitted to sell through payroll deduction only the products specifically approved by the
17 Employee Insurance Committee. The assignment by the Employee Insurance Committee of a
18 payroll deduction slot shall be for a period of not less than two years unless the insurance
19 company shall be in violation of the terms of the written agreement specified in this subsection.
20 The insurance company awarded a payroll deduction slot shall, pursuant to a written agreement
21 setting out the rights and duties of the insurance company, be afforded an adequate opportunity
22 to solicit employees of the payroll unit by making such employees aware that a representative of
23 the company will be available at a specified time and at a location convenient to the employees.

24 Notwithstanding any other provision of the General Statutes, once an employee has selected
25 an insurance product for payroll deduction, that product may not be removed from payroll
26 deduction for that employee without his or her specific written consent.

27 When an employee retires from State employment and payroll deduction under this section
28 is no longer available, the insurance company may not terminate life insurance products
29 purchased under the payroll deduction plan without the retiree's specific written consent solely
30 because the premium is no longer deducted from payroll.

31 "

32 **SECTION 10.** This act is effective when it becomes law.