

1 AN ACT relating to the apportionment of money in the CMRS fund and making an  
2 appropriation therefor.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. KRS 65.7631 is amended to read as follows:

- 5 (1) The moneys in the CMRS fund shall be apportioned among the approved uses of  
6 the fund as specified in this section. The board shall make individual disbursements  
7 from the fund upon such terms and conditions necessary in view of the amount of  
8 revenues on deposit at the time each request for disbursement is reviewed and  
9 approved.
- 10 (2) Not more than two and one-half percent (2.5%) of the total monthly revenues  
11 deposited into the CMRS fund shall be disbursed or reserved for disbursement by  
12 the board to pay the administrative costs and expenses incurred in the operation of  
13 the board in carrying out the functions and duties set forth in KRS 65.7621 to  
14 65.7643.
- 15 (3) **(a)** Two and one-half percent (2.5%) of the total monthly revenues deposited into  
16 the CMRS fund; **and**
- 17 **(b) The balance of moneys deposited into the CMRS fund under subsection (4)**  
18 **of this section and not yet obligated for permitted uses that exceeds two**  
19 **million dollars (\$2,000,000) in any fiscal year;**
- 20 shall be used solely for the purpose of establishing or maintaining statewide ~~next~~  
21 ~~generation~~ 911 initiatives to assist with the adoption and operation of next  
22 generation 911 services and applications. Fund disbursements shall be limited to  
23 equipment, hardware, software, or contracted services used in the preparation for, or  
24 delivery of, next generation 911 **systems and services.**
- 25 (4) Ten percent (10%) of the total monthly revenues deposited into the CMRS fund  
26 shall be disbursed or reserved for disbursement to provide direct grants, matching  
27 money, or funds to PSAPs as determined by the Kentucky 911 Services Board:

- 1 (a) For the establishment and improvement of 911 services in the  
2 Commonwealth, including the implementation of next generation 911  
3 capacity;
- 4 (b) For incentives to create more efficient delivery of 911 services by local  
5 governments receiving funding under subsection (5) of this section;
- 6 (c) For improvement of 911 infrastructure by Tier III wireless providers receiving  
7 funding under this section; and
- 8 (d) For consolidation reimbursement of two hundred thousand dollars (\$200,000)  
9 per PSAP, not to exceed four hundred thousand dollars (\$400,000) per county,  
10 to any PSAP that consolidates with a CMRS-certified PSAP, or creates a  
11 newly consolidated Phase II compliant PSAP. Funds shall be applied toward  
12 the cost of consolidating. If a PSAP consolidates and receives reimbursement,  
13 the Kentucky 911 Services Board shall not certify a new PSAP within the  
14 same county for a period of ten (10) years.

15 When the balance of money collected under this subsection and not yet obligated  
16 for permitted uses exceeds ~~two~~~~three~~ million dollars ~~(\$2,000,000)~~~~(\$3,000,000)~~ in  
17 any fiscal year, the excess amount shall be allocated under subsection ~~(3)~~~~(5)~~ of  
18 this section.

19 (5) The balance of the total monthly revenues deposited into the CMRS fund after the  
20 amounts disbursed or reserved for disbursement under subsections (2), (3)(a), and  
21 (4) of this section have been subtracted shall be distributed to PSAPs eligible to  
22 receive disbursement from the CMRS fund under subsection (6) of this section who  
23 actually request disbursement, as follows:

- 24 (a) Fifty percent (50%) of the remaining balance to be allocated under this  
25 subsection shall be distributed according to the "PSAP pro rata formula,"  
26 whereby each receives a percentage determined by dividing one (1) by the  
27 total number of PSAPs eligible to request and actually requesting

1 disbursements under subsection (6) of this section. Any PSAPs certified  
2 before January 1, 2004, or for more than three (3) years, that choose to  
3 consolidate their operations shall continue to receive pro-rata shares as if they  
4 remained separate and distinct entities. The consolidated entity must be  
5 certified to receive funds under subsection (6) of this section; and

6 (b) Fifty percent (50%) of the remaining balance to be allocated under this  
7 subsection shall be distributed according to a method chosen by the board and  
8 based on the wireless workload of the PSAP. Methods to be considered may  
9 be based on the number of wireless 911 calls answered by each PSAP, the  
10 number of wireless phone users served by each PSAP, or any other method  
11 deemed by the board to be reasonable and equitable. The method chosen by  
12 the board shall be promulgated as a regulation under KRS 65.7633.

13 All amounts distributed to PSAPs under this subsection shall be used by the PSAPs  
14 solely for the purposes of answering, routing, and properly disposing of 911 calls,  
15 training PSAP staff, and public education concerning appropriate use of 911, in  
16 accordance with KRS 65.760(4) and (5). Additionally, amounts distributed to  
17 PSAPs under this subsection may be used for the purposes of complying with the  
18 wireless E911 service requirements established by the FCC order and any rules and  
19 regulations which are or may be adopted by the Federal Communications  
20 Commission pursuant to the FCC order, including the payment of costs and  
21 expenses incurred in designing, upgrading, purchasing, leasing, programming,  
22 testing, installing, or maintaining all necessary data, hardware, and software  
23 required in order to provide wireless E911 service.

24 (6) (a) Notwithstanding any other provision of the law, no PSAP shall be eligible to  
25 request or receive a disbursement from the CMRS fund under subsection  
26 (4)(a) or (b) or (5) of this section unless and until the PSAP:

27 1. Is expressly certified as a PSAP by the Kentucky 911 Services Board,

- 1                   upon written application to the board;
- 2                   2. Demonstrates that the PSAP is providing E911 services to a local
- 3                   government that has adopted an ordinance either imposing a special tax,
- 4                   license, or fee as authorized by KRS 65.760(3) or has established other
- 5                   means of funding wireline 911 emergency service;
- 6                   3. Demonstrates that the administrator of the PSAP sent a request for
- 7                   wireless, E911 service to a CMRS provider, and that the infrastructure
- 8                   of the local exchange carrier will support wireless E911 service;
- 9                   4. Provides an accounting of the number of wireless E911 calls received by
- 10                  the PSAP during the prior calendar year if requested by the board; and
- 11                  5. Demonstrates that the PSAP has made the investment which is necessary
- 12                  to allow the PSAP to receive and utilize the data elements associated
- 13                  with wireless E911 service.
- 14                  (b) In addition to the requirements of paragraph (a) of this subsection and in order
- 15                  to encourage the additional consolidation of PSAPs by local governments and
- 16                  state government agencies, after January 1, 2017, a PSAP shall receive
- 17                  priority consideration for distributions of funds from subsection (4)(a) and (b)
- 18                  of this section as follows:
- 19                  1. A PSAP that is not a state police dispatch center and that covers all local
- 20                  governments within two (2) or more counties shall receive first priority
- 21                  in the distribution of the funds by the board;
- 22                  2. A PSAP, including any state police dispatch center, that covers all the
- 23                  local governments within a single county shall receive second priority in
- 24                  the distribution of the funds by the board; and
- 25                  3. A PSAP that does not cover all of the local governments within a single
- 26                  county shall receive the last priority for the distribution of the funds
- 27                  listed in this subsection by the board.