

**65.7631 Apportionment of money in CMRS fund.**

- (1) The moneys in the CMRS fund shall be apportioned among the approved uses of the fund as specified in this section. The board shall make individual disbursements from the fund upon such terms and conditions necessary in view of the amount of revenues on deposit at the time each request for disbursement is reviewed and approved.
- (2) Not more than two and one-half percent (2.5%) of the total monthly revenues deposited into the CMRS fund shall be disbursed or reserved for disbursement by the board to pay the administrative costs and expenses incurred in the operation of the board in carrying out the functions and duties set forth in KRS 65.7621 to 65.7643.
- (3) (a) Two and one-half percent (2.5%) of the total monthly revenues deposited into the CMRS fund shall be used solely for the purpose of reimbursing the actual expenses incurred by tier III CMRS providers from June 30, 2011, to January 1, 2016, for complying with requirements established by the FCC order. Reimbursement under this subsection is only available to tier III CMRS providers that:
  1. Have a cost recovery plan that was approved by the CMRS Board, predecessor in name to the Kentucky 911 Services Board, prior to June 30, 2011; and
  2. Had received approval for reimbursement from the CMRS Board, predecessor in name to the Kentucky 911 Services Board, prior to the effective date of this section.
- (b) When all reimbursements approved under this subsection have been paid, the two and one-half percent (2.5%) apportioned under this subsection shall be used solely for the purposes specified in subsection (5) of this section.
- (4) Ten percent (10%) of the total monthly revenues deposited into the CMRS fund shall be disbursed or reserved for disbursement to provide direct grants, matching money, or funds to PSAPs as determined by the Kentucky 911 Services Board:
  - (a) For the establishment and improvement of 911 services in the Commonwealth, including the implementation of next generation 911 capacity;
  - (b) For incentives to create more efficient delivery of 911 services by local governments receiving funding under subsection (5) of this section;
  - (c) For improvement of 911 infrastructure by Tier III wireless providers receiving funding under this section; and
  - (d) For consolidation reimbursement of two hundred thousand dollars (\$200,000) per PSAP, not to exceed four hundred thousand dollars (\$400,000) per county, to any PSAP that consolidates with a CMRS-certified PSAP, or creates a newly consolidated Phase II compliant PSAP. Funds shall be applied toward the cost of consolidating. If a PSAP consolidates and receives reimbursement, the Kentucky 911 Services Board shall not certify a new PSAP within the same county for a period of ten (10) years.

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

- (5) The balance of the total monthly revenues deposited into the CMRS fund after the amounts disbursed or reserved for disbursement under subsections (2), (3), and (4) of this section have been subtracted shall be distributed to PSAPs eligible to receive disbursement from the CMRS fund under subsection (6) of this section who actually request disbursement, as follows:
- (a) Fifty percent (50%) of the remaining balance to be allocated under this subsection shall be distributed according to the "PSAP pro rata formula," whereby each receives a percentage determined by dividing one (1) by the total number of PSAPs eligible to request and actually requesting disbursements under subsection (6) of this section. Any PSAPs certified before January 1, 2004, or for more than three (3) years, that choose to consolidate their operations shall continue to receive pro-rata shares as if they remained separate and distinct entities. The consolidated entity must be certified to receive funds under subsection (6) of this section; and
  - (b) Fifty percent (50%) of the remaining balance to be allocated under this subsection shall be distributed according to a method chosen by the board and based on the wireless workload of the PSAP. Methods to be considered may be based on the number of wireless 911 calls answered by each PSAP, the number of wireless phone users served by each PSAP, or any other method deemed by the board to be reasonable and equitable. The method chosen by the board shall be promulgated as a regulation under KRS 65.7633.

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

- (6) (a) Notwithstanding any other provision of the law, no PSAP shall be eligible to request or receive a disbursement from the CMRS fund under subsection (4)(a) or (b) or (5) of this section unless and until the PSAP:
- 1. Is expressly certified as a PSAP by the Kentucky 911 Services Board, upon written application to the board;
  - 2. Demonstrates that the PSAP is providing E911 services to a local government that has adopted an ordinance either imposing a special tax, license, or fee as authorized by KRS 65.760(3) or has established other means of funding wireline 911 emergency service;

3. Demonstrates that the administrator of the PSAP sent a request for wireless, E911 service to a CMRS provider, and that the infrastructure of the local exchange carrier will support wireless E911 service;
  4. Provides an accounting of the number of wireless E911 calls received by the PSAP during the prior calendar year if requested by the board; and
  5. Demonstrates that the PSAP has made the investment which is necessary to allow the PSAP to receive and utilize the data elements associated with wireless E911 service.
- (b) In addition to the requirements of paragraph (a) of this subsection and in order to encourage the additional consolidation of PSAPs by local governments and state government agencies, after January 1, 2017, a PSAP shall receive priority consideration for distributions of funds from subsection (4)(a) and (b) of this section as follows:
1. A PSAP that is not a state police dispatch center and that covers all local governments within two (2) or more counties shall receive first priority in the distribution of the funds by the board;
  2. A PSAP, including any state police dispatch center, that covers all the local governments within a single county shall receive second priority in the distribution of the funds by the board; and
  3. A PSAP that does not cover all of the local governments within a single county shall receive the last priority for the distribution of the funds listed in this subsection by the board.

**Effective:** July 15, 2016

**History:** Amended 2016 Ky. Acts ch. 111, sec. 10, effective July 15, 2016. -- Amended 2009 Ky. Acts ch. 12, sec. 35, effective June 25, 2009. -- Amended 2006 Ky. Acts ch. 219, sec. 5, effective July 12, 2006. -- Amended 2001 Ky. Acts ch. 42, sec. 2, effective June 21, 2001. -- Created 1998 Ky. Acts ch. 535, sec. 6, effective July 15, 1998.

**2016-2018 Budget Reference.** See State/Executive Branch Budget, 2016 Ky. Acts ch. 149, Pt. I, H, 4, (3) at 1080.

**Legislative Research Commission Note** (July 15, 2016). Under the authority of KRS 7.136(1)(c), during codification of 2016 Ky. Acts ch. 111, sec. 10 (this statute), the Reviser of Statutes has corrected a reference in subsection (4) to read "this subsection" instead of "this paragraph."