BILL ANALYSIS

Senate Research Center 87R27648 JG-D C.S.H.B. 2911 By: White; Stephenson (Hancock) Business & Commerce 5/20/2021 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texans dialed 9-1-1 over 17 million times last year. Approximately 85 to 90 percent of 9-1-1 calls today are coming from wireless devices, most of which devices are digital smartphones. The core technological backbone of most 9-1-1 systems today is based on analog end-of-life legacy telecommunications infrastructure. This has resulted in a growing technological disparity between the public's use of modern digital communications and the analog end-of-life legacy 9-1-1 systems. This disparity increasingly challenges the ability of today's 9-1-1 systems to meet the public's expectations regarding the implementation of the next generation of 9-1-1 (NG9-1-1) and the ability to maintain reliable and redundant 9-1-1 systems. But the transition to NG9-1-1 service will require significant investment, and the increased costs vary for each of the 77 jurisdictional entities providing critical 9-1-1 service across Texas, based on existing infrastructure and on operational and geographical factors. Our current statewide wireless fee rate of 50 cents set back in 1997, almost 25 years ago, is not enough fund next generation 9-1-1 service statewide and retire the old existing analog systems.

As filed, H.B. 2911 amends the Health and Safety Code to provide for the statewide deployment of next generation 9-1-1 service (NG9-1-1). That deployment must be complete before September 1, 2025.

The bill increases the amount of the monthly emergency service fee for wireless telecommunications connections collected by wireless service providers from each subscriber from 50 cents to 75 cents and includes the deployment and reliable operation of NG9-1-1 among the authorized uses of the money collected from the fee.

Committee Substitute

The committee substitute will create the Next Generation 9-1-1 fund in the state treasury outside the general revenue fund, and will direct \$100 million from money received by the state from the federal government from the state portion of the Coronavirus State and Local Fiscal Recovery Fund established under Section 9901 of the American Rescue Plan Act of 2021, or any other federal dollars received by the state from the federal government, to the credit of the Next Generation 9-1-1 fund.

C.S.H.B. 2911 amends current law relating to next generation 9-1-1 service and the establishment of a next generation 9-1-1 service fund.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Comptroller of Public Accounts of the State of Texas in SECTION 5 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 771.001, Health and Safety Code, by adding Subdivision (5-a) and (5-b) and amending Subdivision (6), to define "next generation 9-1-1 service" and "next generation 9-1-1 service fund" and to redefine "9-1-1 service" for purposes of Chapter 771 (State Administration of Emergency Communications).

SECTION 2. Amends Section 771.059, Health and Safety Code, as follows:

Sec. 771.059. New heading: TARGET DATE FOR STATEWIDE NEXT GENERATION 9-1-1 SERVICE. Requires that before September 1, 2025, all parts of the state be covered by next generation 9-1-1 service, rather than requires that by September 1, 1995, all parts of the state be covered by 9-1-1 service.

SECTION 3. Amends Subchapter D, Chapter 711, Health and Safety Code, by adding Section 771.0713, as follows:

Sec. 771.0713. NEXT GENERATION 9-1-1 SERVICE FUND. (a) Provides that the next generation 9-1-1 service fund is created as a fund in the state treasury outside the general revenue fund.

(b) Requires the Comptroller of Public Accounts of the State of Texas (comptroller), notwithstanding any other law and except as provided by federal law, to transfer to the credit of the next generation 9-1-1 service fund any amount available from federal money provided to this state from the Coronavirus State and Local Fiscal Recovery Funds under Section 9901 of the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) or from any other federal governmental source for the purposes of Chapter 771. Requires the comptroller to transfer the money as soon as practicable following the receipt by this state of a sufficient amount of federal money for the transfer.

(c) Authorizes money deposited to the credit of the next generation 9-1-1 service fund to be used only for the purpose of supporting the deployment and reliable operation of next generation 9-1-1 service, including the costs of equipment, operations, and administration. Authorizes money in the fund to be distributed to only the Commission on State Emergency Communication (CSEC) and emergency communication districts and requires it to be used in a manner that complies with federal law.

(d) Provides that interest earned on money deposited to the credit of the next generation 9-1-1 service fund is exempt from Section 404.071 (Disposition of Interest on Investments), Government Code. Requires that interest on money in the fund be retained in the fund.

(e) Authorizes the comptroller to issue guidelines for use by CSEC and emergency communication districts in implementing this section.

(f) Requires that all money in the fund be distributed in accordance with this section not later than December 31, 2022, and that all money distributed under this section be spent no later than December 31, 2024, for the deployment and reliable operation of next generation 9-1-1 service.

(g) Provides that this section expires September 1, 2025.

SECTION 4. Repealers: Sections 771.0711(g) (relating to the required reimbursement for expenses related to 9-1-1 service upon receipt of an invoice for reasonable expenses) and (j) (relating to the provision that nothing in Section 711.0711 precludes certain funds collected from being used to cover costs under Subsection (g)), Health and Safety Code.

SECTION 5. Requires the comptroller, not later than December 1, 2021, to adopt rules necessary to establish and administer the next generation 9-1-1 service fund established under Section 771.0713, Health and Safety Code, as added by this Act.

SECTION 6. Effective date: September 1, 2021.