

OFFICE OF THE GOVERNOR
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR



MIKE COONEY
LT. GOVERNOR

September 24, 2019

Commissioner Michael O'Rielly
Federal Communications Commission
445 12th St. SW
Washington, D.C. 20554

Dear Commissioner O'Rielly:

I am responding to your September 9, 2019 letter regarding funding for 9-1-1 services. In short, I believe that your letter omits important context and information and that Montana's commitment to 9-1-1 funding has never been stronger.

The state is working with local and tribal governments and private telecommunications providers to improve public safety communications throughout the state. During the 2017 and 2019 legislative sessions, the Montana Legislature passed legislation to overhaul 9-1-1 laws and improve access to 9-1-1 funding.¹

Before addressing the current condition of 9-1-1 communications in Montana, some clarification is needed regarding the circumstances described in your letter. An account was established in 2007 to reimburse wireless providers for enhance 9-1-1 cost recovery. Because the revenue collected in this account exceeded eligible cost recovery requests for nearly a decade, a fund balance of approximately \$10 million accrued². From this fund, the 2017 Legislature transferred \$2 million to the state's general fund. More importantly, in 2017, the Legislature approved a measure to make the remaining \$8 million in funds available to fund PSAP and telecommunication provider 9-1-1 expenses. In addition, in 2017, legislators repealed the statute that allowed the general fund transfer and enacted new laws to provide distributions to PSAPs, for grants to providers and local governments, and funding for a statewide 9-1-1 plan, geographic information systems, and next-generation 9-1-1 infrastructure.

In 2018, the state distributed approximately \$10 million to local and tribal governments for 9-1-1 expenditures and awarded \$6.6 million in grants to local governments and wireless providers to cover 9-1-1-related operating costs and capital expenditures. An estimated \$13 million will be distributed and awarded annually in the current and future fiscal years. The state also completed a statewide GIS assessment and statewide 9-1-1 plan to guide further investments in next-generation 9-1-1 technologies and infrastructure.

¹ See Ch. 367, Mont. L. 2017 (2017 H.B. 61) and Ch. 172, Mont. L. 2019 (2019 H.B. 150).

² Legislative Services Division, *Next-Generation 9-1-1: Montana's Efforts to Move Forward*, <https://leg.mt.gov/content/Committees/Interim/2015-2016/Energy-and-Telecommunications/Legislation/Next-generation-final-report.pdf> (Sept. 2016).

As a result of the one-time transfer in 2017, you assert the state was "effectively ineligible" to receive federal 9-1-1 grants. The state, however, met the certification requirement in 47 U.S.C. § 942(c)(2) and satisfied the conditions for receiving a grant under 47 U.S.C. § 942(c)(3). The application deadline for the federal 9-1-1 grant program was September 10, 2018.³ The state's general fund transfer occurred on August 15, 2017,⁴ outside the 180 day period that would have prevented certification in accordance with 47 U.S.C. § 942(c)(2), and nearly a year before the state could have applied for a grant. Furthermore, following the 2017 legislative changes, there is no provision in current law allowing a general fund transfer from the 9-1-1 accounts in the future.⁵ The state therefore satisfies the condition in 47 U.S.C. § 942(c)(3) that all 9-1-1 fees must be used for 9-1-1 purposes.

Shortly before federal grant funds became available, the state demonstrated its commitment to supporting public safety communications despite difficult financial circumstances. In late 2017, the Legislature reconvened in special session to address a \$227 million general fund shortfall.⁶ In addition to reducing expenditures, the Legislature transferred funds from special revenue accounts to the general fund. No funds were diverted from state 9-1-1 accounts.⁷

Although Montana was eligible for a federal 9-1-1 grant under the criteria in 47 U.S.C. § 942(c), the state did not apply in 2018, because it did not meet other program requirements. Pursuant to 47 U.S.C. § 942(b)(3)(A) and 47 C.F.R. § 400.4, the state was required to provide a state 9-1-1 plan with its application for federal funds. Because Montana's statewide 9-1-1 plan was in development in 2018 and the plan was not completed until 2019, Montana was unable to meet the state plan requirement during the 2018 grant cycle. If federal funding becomes available in the future, the state is well-positioned given the Legislature's adoption of a statewide 9-1-1 plan and investments in public safety communications since 2017.

In summary, efforts by the Legislature and the state have made more funds available to telecommunications providers and PSAPs, enhanced public safety communications, and promoted Montanans' safety during emergencies.

Sincerely,



STEVE BULLOCK
Governor

³ National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce and National Highway Traffic Safety Administration (NHTSA), U.S. Department of Transportation, 911 Grant Program Notice of Funding Opportunity (Final) (Aug. 9, 2018).

⁴ See Section 17, Ch. 430, Mont. L. 2017 (2017 S.B. 294).

⁵ See Title 10, chapter 4, Montana Code Annotated.

⁶ Phil Drake, *Montana Lawmakers End the Special Session with No Tax Increase*, Great Falls Tribune (Nov. 16, 2017) (available at <https://www.greatfallstribune.com/story/news/2017/11/16/states-special-session-comes-end/869431001/>).

⁷ See Ch. 6, Mont. Special Session L. 2017 (2017 Special Session H.B. 6); see also [http://laws.leg.mt.gov/legprd/LAW0217W\\$BAIV.return_all_bills?P_SESS=20172](http://laws.leg.mt.gov/legprd/LAW0217W$BAIV.return_all_bills?P_SESS=20172).