

**SUBSTITUTE FOR
SENATE BILL NO. 400**

A bill to amend 1986 PA 32, entitled
"Emergency 9-1-1 service enabling act,"
by amending sections 102, 201, 312, 401a, 401b, 401c, 401d, 403,
406, 407, and 408 (MCL 484.1102, 484.1201, 484.1312, 484.1401a,
484.1401b, 484.1401c, 484.1401d, 484.1403, 484.1406, 484.1407, and
484.1408), sections 102, 401a, 401b, and 401d as amended by 2012 PA
260, sections 201 and 312 as amended by 2007 PA 164, section 401c
as amended by 2012 PA 433, sections 403, 406, and 407 as amended by
2007 PA 165, and section 408 as amended by 2013 PA 113.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 102. As used in this act:
- 2 (a) "Automatic location identification" or "ALI" means a 9-1-1
- 3 service feature provided by the service supplier that automatically

1 provides the name and service address or, for a CMRS service
2 supplier, the location associated with the calling party's
3 telephone number as identified by automatic number identification
4 to a 9-1-1 public safety answering point.

5 (b) "Automatic number identification" or "ANI" means a 9-1-1
6 service feature provided by the service supplier that automatically
7 provides the calling party's telephone number to a 9-1-1 public
8 safety answering point.

9 (c) "Commercial mobile radio service" or "CMRS" means
10 commercial mobile radio service regulated under section 3 of title
11 I and section 332 of title III of the communications act of 1934,
12 chapter 652, 48 Stat.—~~STAT~~ 1064, 47 USC 153 and 332, and the rules
13 of the ~~federal communications commission~~ **FEDERAL COMMUNICATIONS**
14 **COMMISSION** or provided under the wireless emergency service order.
15 Commercial mobile radio service or CMRS includes all of the
16 following:

17 (i) A wireless 2-way communication device, including a radio
18 telephone used in cellular telephone service or personal
19 communication service.

20 (ii) A functional equivalent of a radio telephone
21 communications line used in cellular telephone service or personal
22 communication service.

23 (iii) A network radio access line.

24 (d) "Commission" means the Michigan public service commission.

25 (e) "Committee" means the emergency 9-1-1 service committee
26 created under section 712.

27 (f) "Common network costs" means the costs associated with the

1 common network required to deliver a 9-1-1 call with ALI and ANI
2 from a selective router to the proper PSAP and the costs associated
3 with the 9-1-1 database and data distribution system of the primary
4 9-1-1 service supplier identified in a county 9-1-1 plan. As used
5 in this subdivision, "common network" means the elements of a
6 service supplier's network that are not exclusive to the supplier
7 or technology capable of accessing the 9-1-1 system.

8 (g) "Communication service" means a service capable of
9 accessing, connecting with, or interfacing with a 9-1-1 system,
10 exclusively through the numerals 9-1-1, by dialing, initializing,
11 or otherwise activating the 9-1-1 system through the numerals 9-1-1
12 by means of a local telephone device, cellular telephone device,
13 wireless communication device, interconnected voice over the
14 internet device, or any other means.

15 (h) "CMRS connection" means each number assigned to a CMRS
16 customer.

17 (i) "Consolidated dispatch" means a countywide or regional
18 emergency dispatch service that provides dispatch service for 75%
19 or more of the law enforcement, fire fighting, emergency medical
20 service, and other emergency service agencies within the
21 geographical area of a 9-1-1 service district or serves 75% or more
22 of the population within a 9-1-1 service district.

23 (j) "County 9-1-1 charge" means the charge allowed under
24 sections 401b and 401e.

25 (k) "Database service provider" means a service supplier who
26 maintains and supplies or contracts to maintain and supply an ALI
27 database or an MSAG.

1 (l) "Direct dispatch method" means that the agency receiving
2 the 9-1-1 call at the public safety answering point decides on the
3 proper action to be taken and dispatches the appropriate available
4 public safety service unit located closest to the request for
5 public safety service.

6 (m) "Emergency response service" or "ERS" means a public or
7 private agency that responds to events or situations that are
8 dangerous or that are considered by a member of the public to
9 threaten the public safety. An emergency response service includes
10 a police or fire department, an ambulance service, or any other
11 public or private entity trained and able to alleviate a dangerous
12 or threatening situation.

13 (n) "Emergency service zone" or "ESZ" means the designation
14 assigned by a county to each street name and address range that
15 identifies which emergency response service is responsible for
16 responding to an exchange access facility's premises.

17 (o) "Emergency telephone charge" means the emergency telephone
18 operational charge and emergency telephone technical charge allowed
19 under section 401.

20 (p) "Emergency 9-1-1 district" or "9-1-1 service district"
21 means the area in which 9-1-1 service is provided or is planned to
22 be provided to service users under a 9-1-1 system implemented under
23 this act.

24 (q) "Emergency 9-1-1 district board" means the governing body
25 created by the board of commissioners of the county or counties
26 with authority over an emergency 9-1-1 district.

27 (r) "Emergency telephone operational charge" means a charge

1 allowed under section 401 for nonnetwork technical equipment and
2 other costs directly related to the dispatch facility and the
3 operation of 1 or more PSAPs including, but not limited to, the
4 costs of dispatch personnel and radio equipment necessary to
5 provide 2-way communication between PSAPs and a public safety
6 agency. Emergency telephone operational charge does not include
7 non-PSAP related costs such as response vehicles and other
8 personnel.

9 (s) "Emergency telephone technical charge" means a charge as
10 allowed under section 401 or 401d for costs directly related to 9-
11 1-1 service including plant-related costs associated with the use
12 of the public switched telephone network from the end user to the
13 selective router, the network start-up costs, customer notification
14 costs, common network costs, administrative costs, database
15 management costs, and network nonrecurring and recurring
16 installation, maintenance, service, and equipment charges of a
17 service supplier providing 9-1-1 service under this act. Emergency
18 telephone technical charge does not include costs recovered under
19 sections 401b(10) and 408(2).

20 (t) "Exchange access facility" means the access from a
21 particular service user's premises to the communication service.
22 Exchange access facilities include service supplier provided access
23 lines, PBX trunks, and centrex line trunk equivalents, all as
24 defined by tariffs of the service suppliers as approved by the
25 public service commission. Exchange access facilities do not
26 include telephone pay station lines or WATS, FX, or incoming only
27 lines.

1 (u) "Final 9-1-1 service plan" means a tentative 9-1-1 service
2 plan that has been modified only to reflect necessary changes
3 resulting from any failure of public safety agencies to be
4 designated as PSAPs or secondary PSAPs under section 307.

5 (V) "IP-BASED 9-1-1 SERVICE PROVIDER" MEANS THE PROVIDER OF A
6 STANDARDS-BASED DIGITAL (INTERNET PROTOCOL) SECURE REDUNDANT
7 MANAGED 9-1-1 TRANSPORT NETWORK USED FOR THE ROUTING AND DELIVERY
8 OF 9-1-1 CONNECTIVITY WITH LOCATION INFORMATION FROM A PARTY
9 REQUESTING EMERGENCY SERVICES TO A PSAP. AN IP-BASED 9-1-1 NETWORK
10 CAN INTERFACE WITH OTHER NETWORKS AND TRANSPORT OTHER EMERGENCY
11 SERVICES APPLICATIONS. AN IP-BASED 9-1-1 NETWORK MAY BE CONSTRUCTED
12 FROM A MIX OF DEDICATED AND SHARED FACILITIES OR NETWORKS, AND MAY
13 BE INTERCONNECTED AT LOCAL, REGIONAL, STATE, FEDERAL, NATIONAL, AND
14 INTERNATIONAL LEVELS TO FORM AN IP-BASED INTER-NETWORK OR INTRA-
15 NETWORK OF 9-1-1 CONNECTIVITY.

16 (W) ~~(v)~~ "Master street address guide" or "MSAG" means a
17 perpetual database that contains information continuously provided
18 by a service district that defines the geographic area of the
19 service district and includes an alphabetical list of street names,
20 the range of address numbers on each street, the names of each
21 community in the service district, the emergency service zone of
22 each service user, and the primary service answering point
23 identification codes.

24 (X) ~~(w)~~ "Obligations" means bonds, notes, installment purchase
25 contracts, or lease purchase agreements to be issued by a public
26 agency under a law of this state.

27 (Y) ~~(x)~~ "Person" means an individual, corporation,

1 partnership, association, governmental entity, or any other legal
2 entity.

3 **(Z)** ~~(y)~~—"Prepaid wireless telecommunications service" means a
4 commercial mobile radio service that allows a caller to dial 9-1-1
5 to access the 9-1-1 system and is paid for in advance and sold in
6 predetermined units or dollars of which the number declines with
7 use in a known amount.

8 **(AA)** ~~(z)~~—"Primary public safety answering point", "PSAP", or
9 "primary PSAP" means a communications facility operated or answered
10 on a 24-hour basis assigned responsibility by a public agency or
11 county to receive 9-1-1 calls and to dispatch public safety
12 response services, as appropriate, by the direct dispatch method,
13 relay method, or transfer method. It is the first point of
14 reception by a public safety agency of a 9-1-1 call and serves the
15 jurisdictions in which it is located and other participating
16 jurisdictions, if any.

17 **(BB)** ~~(aa)~~—"Prime rate" means the average predominant prime
18 rate quoted by not less than 3 commercial financial institutions as
19 determined by the department of treasury.

20 **(CC)** ~~(bb)~~—"Private safety entity" means a nongovernmental
21 organization that provides emergency fire, ambulance, or medical
22 services.

23 **(DD)** ~~(cc)~~—"Public agency" means a village, township, charter
24 township, or city within the state and any special purpose district
25 located in whole or in part within the state.

26 **(EE)** ~~(dd)~~—"Public safety agency" means a functional division
27 of a public agency, county, or the state that provides fire

1 fighting, law enforcement, ambulance, medical, or other emergency
2 services.

3 (FF) ~~(ee)~~—"Qualified obligations" means obligations that meet
4 1 or more of the following:

5 (i) The proceeds of the obligations benefit the 9-1-1
6 district, and for which all of the following conditions are met:

7 (A) The proceeds of the obligations are used for capital
8 expenditures, costs of a reserve fund securing the obligations, and
9 costs of issuing the obligations. The proceeds of obligations ~~shall~~
10 **MUST** not be used for operational expenses.

11 (B) The weighted average maturity of the obligations does not
12 exceed the useful life of the capital assets.

13 (C) The obligations ~~shall~~ **DO** not in whole or in part
14 appreciate in principal amount or ~~be~~ **ARE NOT** sold at a discount of
15 more than 10%.

16 (ii) The obligations are issued to refund obligations that
17 meet the conditions described in subparagraph (i) and the net
18 present value of the principal and interest to be paid on the
19 refunding obligations, excluding the cost of issuance, will be less
20 than the net present value of the principal and interest to be paid
21 on the obligations being refunded, as calculated using a method
22 approved by the department of treasury.

23 (GG) ~~(ff)~~—"Relay method" means that a PSAP notes pertinent
24 information and relays it by a communication service to the
25 appropriate public safety agency or other provider of emergency
26 services that has an available emergency service unit located
27 closest to the request for emergency service for dispatch of an

1 emergency service unit.

2 **(HH)** ~~(gg)~~ "Secondary public safety answering point" or
3 "secondary PSAP" means a communications facility of a public safety
4 agency or private safety entity that receives 9-1-1 calls by the
5 transfer method only and generally serves as a centralized location
6 for a particular type of emergency call.

7 **(II)** ~~(hh)~~ "Service supplier" means a person providing a
8 communication service to a service user in this state.

9 **(JJ)** ~~(ii)~~ "Service user" means a person receiving a
10 communication service.

11 **(KK)** ~~(jj)~~ "State 9-1-1 charge" means the charge provided for
12 under section 401a.

13 **(LL)** ~~(kk)~~ "Tariff" means the rate approved by the public
14 service commission for 9-1-1 service provided by a particular
15 service supplier. Tariff does not include a rate of a commercial
16 mobile radio service by a particular supplier.

17 **(MM)** ~~(ll)~~ "Tentative 9-1-1 service plan" means a plan prepared
18 by 1 or more counties for implementing a 9-1-1 system in a
19 specified 9-1-1 service district.

20 **(NN)** ~~(mm)~~ "Transfer method" means that a PSAP transfers the 9-
21 1-1 call directly to the appropriate public safety agency or other
22 provider of emergency service that has an available emergency
23 service unit located closest to the request for emergency service
24 for dispatch of an emergency service unit.

25 **(OO)** ~~(nn)~~ "Universal emergency number service" or "9-1-1
26 service" means public communication service that provides service
27 users with the ability to reach a public safety answering point by

1 dialing the digits "9-1-1".

2 (PP) ~~(ee)~~ "Universal emergency number service system" or "9-1-
3 1 system" means a system for providing 9-1-1 service under this
4 act.

5 (QQ) ~~(pp)~~ "Wireless emergency service order" means the order
6 of the federal communications commission, FCC docket No. 94-102,
7 adopted June 12, 1996 with an effective date of October 1, 1996.

8 Sec. 201. (1) An emergency 9-1-1 service system shall not be
9 implemented in this state except as provided under this act.

10 (2) One or more counties may create an emergency 9-1-1 service
11 system under this act.

12 (3) With the approval of the county board of commissioners in
13 a county with a population of ~~1,800,000~~ 1,650,000 or more, 4 or
14 more cities may create an emergency 9-1-1 service district under
15 this act.

16 (4) Each service supplier in this state is required to provide
17 each of its service users access to the 9-1-1 system. Each service
18 supplier shall provide the committee with contact information to
19 allow for notifications as required under section 714.

20 Sec. 312. (1) Except as otherwise provided under subsection
21 (2), after a final 9-1-1 service plan has been adopted under
22 section 310, a county may amend the final 9-1-1 service plan only
23 by complying with the procedures described in sections 301 to 310.
24 Upon adoption of an amended final 9-1-1 service plan by the county
25 board of commissioners, the county shall forward the amended final
26 9-1-1 service plan to the service supplier or suppliers designated
27 to provide 9-1-1 service within the 9-1-1 service district as

1 amended. Upon receipt of the amended final 9-1-1 service plan, each
2 designated service supplier shall implement as soon as feasible the
3 amendments to the final 9-1-1 service plan in the 9-1-1 service
4 district as amended.

5 (2) The county board of commissioners may by resolution make
6 minor amendments to the final 9-1-1 service plan for any of the
7 following:

8 (a) Changes in PSAP premises equipment, including, but not
9 limited to, computer-aided dispatch systems, call processing
10 equipment, and computer mapping.

11 (b) Changes involving the participating public safety agencies
12 within a 9-1-1 service district.

13 (c) Changes in the 9-1-1 charges collected by the county
14 subject to the limits under this act.

15 **(D) CHANGES IN 9-1-1 SERVICE PROVIDERS TO INCLUDE IP-BASED 9-**
16 **1-1 SERVICE PROVIDERS THAT MEET THE NEXT GENERATION 9-1-1 STANDARDS**
17 **SET BY THE NATIONAL EMERGENCY NUMBER ASSOCIATION.**

18 Sec. 401a. (1) Each service supplier within a 9-1-1 service
19 district shall bill and collect a state 9-1-1 charge from all
20 service users, except for users of a prepaid wireless
21 telecommunications service, of the service supplier within the
22 geographical boundaries of the 9-1-1 service district or as
23 otherwise provided by this section. ~~The billing and collection of~~
24 ~~the state 9-1-1 charge shall begin July 1, 2008.~~ The state 9-1-1
25 charge ~~shall~~ **MUST** be uniform per each service user within the 9-1-1
26 service district.

27 ~~— (2) The amount of the state 9-1-1 charge payable monthly by a~~

1 ~~service user shall be established as provided under subsection (4).~~
2 ~~The amount of the state 9-1-1 charge shall not be more than 25~~
3 ~~cents or less than 15 cents. The charge may be adjusted annually as~~
4 ~~provided under subsection (4).~~

5 (2) ~~(3)~~ The state 9-1-1 charge ~~shall~~ **MUST** be collected in
6 accordance with the regular billings of the service supplier.
7 Except as otherwise provided under this act, the amount collected
8 for the state 9-1-1 charge ~~shall~~ **MUST** be remitted quarterly by the
9 service supplier to the state treasurer and deposited in the
10 emergency 9-1-1 fund created under section 407. The charge allowed
11 under this section ~~shall~~ **MUST** be listed separately on the
12 customer's bill or payment receipt or otherwise disclosed to the
13 consumer.

14 (3) ~~(4)~~ The ~~initial~~ state 9-1-1 charge ~~shall be 19~~ **IS 25** cents
15 ~~and shall be effective July 1, 2008.~~ **JANUARY 1, 2018.** The state 9-
16 1-1 charge ~~shall~~ **MUST** reflect the actual costs of operating,
17 maintaining, upgrading, and other reasonable and necessary
18 expenditures for the 9-1-1 system in this state. ~~The state 9-1-1~~
19 ~~charge may be reviewed and adjusted as provided under subsection~~
20 ~~(5).~~

21 ~~—— (5) The commission in consultation with the committee shall~~
22 ~~review and may adjust the state 9-1-1 charge under this section and~~
23 ~~the distribution percentages under section 408 to be effective on~~
24 ~~July 1, 2009 and July 1, 2010. Any adjustment to the charge by the~~
25 ~~commission shall be made no later than May 1 of the preceding year~~
26 ~~and shall be based on the committee's recommendations under section~~
27 ~~412. Any adjustments to the state 9-1-1 charge or distribution~~

1 ~~percentages after December 31, 2010 shall be made by the~~
2 ~~legislature.~~

3 (4) ~~(6)~~ If a service user has multiple access points or access
4 lines, the state 9-1-1 charge will be imposed separately on each of
5 the first 10 access points or access lines and then 1 charge for
6 each 10 access points or access lines per billed account.

7 ~~(7) This section takes effect July 1, 2008.~~

8 Sec. 401b. (1) In addition to the charge allowed under section
9 401a, after June 30, 2008 a county board of commissioners may
10 assess a county 9-1-1 charge to service users, except for users of
11 a prepaid wireless telecommunications service, located within that
12 county by 1 of the following methods:

13 (a) Up to ~~\$0.42~~ **\$0.48** per month by resolution.

14 (b) Up to \$3.00 per month with the approval of the voters in
15 the county.

16 (c) Any combination of subdivisions (a) and (b) with a maximum
17 county 9-1-1 charge of \$3.00 per month.

18 (2) A county assessing a county 9-1-1 charge amount approved
19 in the commission's order in case number U-15489 that exceeds the
20 amounts established in subsection (1) may continue to assess the
21 amount approved by the commission. Any proposed increase to the
22 amount approved in the commission order is subject to subsection
23 (1).

24 (3) The charge assessed under this section and section 401e
25 ~~shall~~ **MUST** not exceed the amount necessary and reasonable to
26 implement, maintain, and operate the 9-1-1 system in the county.

27 (4) If the voters approve the charge to be assessed on the

1 service user's monthly bill on a ballot question under this
2 section, the service provider's bill ~~shall~~**MUST** state the
3 following:

4 "This amount is for your 9-1-1 service which has been approved
5 by the voters on (DATE OF VOTER APPROVAL). This is not a charge
6 assessed by your service supplier. If you have questions concerning
7 your 9-1-1 service, you may call (INCLUDE APPROPRIATE TELEPHONE
8 NUMBER).". .

9 (5) Within 90 days after the first day of each fiscal or
10 calendar year of a county, an annual accounting ~~shall~~**MUST** be made
11 of the charge approved under this section.

12 (6) Except as otherwise provided in subsection (10), the
13 county 9-1-1 charge collected under this section ~~shall~~**MUST** be paid
14 quarterly directly to the county and distributed by the county to
15 the primary PSAPs by 1 of the following methods:

16 (a) As provided in the final 9-1-1 service plan.

17 (b) If distribution is not provided for in the plan, then
18 according to any agreement for distribution between the county and
19 public agencies.

20 (c) If distribution is not provided in the plan or by
21 agreement, then according to population within the emergency 9-1-1
22 district.

23 (7) Subject to subsection (1), the county may adjust the
24 county 9-1-1 charge annually to be effective July 1. The county
25 shall notify the committee no later than May 15 of each year of any
26 change in the county 9-1-1 charge under this section.

27 (8) If a county has multiple emergency response districts, the

1 county 9-1-1 charge collected under this section ~~shall~~**MUST** be
2 distributed under subsection (6) in proportion to the population
3 within the emergency 9-1-1 district.

4 (9) This section ~~shall~~**DOES** not preclude the distribution of
5 funding to secondary PSAPs if the distribution is determined by the
6 primary PSAPs within the emergency 9-1-1 district to be the most
7 effective method for dispatching of fire or emergency medical
8 services and the distribution is approved within the final 9-1-1
9 service plan.

10 (10) The service supplier may retain 2% of the approved county
11 9-1-1 charge to cover the supplier's costs for billings and
12 collections under this section.

13 (11) The charge allowed under this section ~~shall~~**MUST** be
14 listed separately on the customer's bill or otherwise disclosed to
15 the consumer and ~~shall~~state by which means the charge was approved
16 under subsection (1).

17 (12) Information submitted by a service supplier to a county
18 under this section is exempt from the freedom of information act,
19 1976 PA 442, MCL 15.231 to 15.246, and ~~shall not be released by the~~
20 county **SHALL NOT RELEASE THAT INFORMATION** without the consent of
21 the service supplier. Unless required or permitted by statute,
22 court rule, subpoena, or court order, or except as necessary for a
23 county, the commission, committee, or public agency to pursue or
24 defend the public's interest in any public contract or litigation,
25 a county treasurer, the commission, committee, agency, or any
26 employee or representative of a PSAP, database administrator, or
27 public agency shall not divulge any information acquired with

1 respect to customers, revenues or expenses, trade secrets, access
2 line counts, commercial information, or any other proprietary
3 information with respect to a service supplier while acting or
4 claiming to act as an employee, agent, or representative. An
5 aggregation of information that does not identify or effectively
6 identify the number of customers, revenues or expenses, trade
7 secrets, access lines, commercial information, and other
8 proprietary information attributable to a specific service supplier
9 may be made public.

10 (13) If a service user has multiple access points or access
11 lines, the county 9-1-1 charge will be imposed separately on each
12 of the first 10 access points or access lines and then 1 charge for
13 each 10 access points or access lines per billed account.

14 (14) A county 9-1-1 charge assessed under subsection (1) ~~shall~~
15 **MUST** be used only to fund costs approved as allowable in a
16 published report by the committee before December 1, 2008. The
17 committee shall notify the standing committees of the senate and
18 house of representatives having jurisdiction over issues pertaining
19 to communication technology at least 90 days before modifying what
20 constitutes an allowable cost under this subsection.

21 Sec. 401c. (1) A seller shall collect a prepaid wireless 9-1-1
22 surcharge from a consumer for each retail transaction occurring in
23 this state.

24 (2) The amount of the prepaid wireless 9-1-1 surcharge ~~shall~~
25 ~~be 1.92%~~ **IS 5.0%** per retail transaction. The charge allowed under
26 this section ~~shall~~ **MUST** be either separately stated on an invoice,
27 receipt, or other similar document that is provided to a consumer

1 by the seller or otherwise disclosed to the consumer.

2 (3) Each of the following transactions is considered to have
3 occurred in this state:

4 (a) A retail transaction that is effected in person by a
5 consumer at a business location of a seller located in this state.

6 (b) A retail transaction that is treated as occurring in this
7 state as provided in section 3c of the use tax act, 1937 PA 94, MCL
8 205.93c, as that section applies to a prepaid wireless calling
9 service.

10 (4) A prepaid wireless 9-1-1 surcharge is the liability of the
11 consumer and not of the seller or of any provider.

12 (5) Except as otherwise provided in subsection (6), if a
13 prepaid wireless telecommunications service is sold with 1 or more
14 products or services for a single, nonitemized price, the seller
15 shall collect ~~1.92%~~ **5.0%** on the entire nonitemized price unless the
16 seller elects to do the following:

17 (a) If the amount of the prepaid wireless telecommunications
18 service is disclosed to the consumer as a dollar amount, apply the
19 percentage to that dollar amount.

20 (b) If the seller can identify the portion of the price that
21 is attributable to the prepaid wireless telecommunications service
22 by reasonable and verifiable standards from its books and records
23 that are kept in the regular course of business for other purposes
24 including, but not limited to, nontax purposes, apply the
25 percentage to that portion.

26 (6) If a minimal amount of prepaid wireless telecommunications
27 service is sold with a prepaid wireless device for a single,

1 nonitemized price, a seller may elect not to apply the percentage
2 specified in subsection (5)(a) to that transaction. As used in this
3 subsection, "minimal amount" means an amount of service denominated
4 as 10 minutes or less or \$5.00 or less.

5 (7) The **SELLER SHALL REMIT THE** prepaid wireless 9-1-1
6 surcharge ~~shall be remitted monthly by the seller to the state~~
7 ~~treasurer and deposited~~ **WHO SHALL DEPOSIT IT** in the emergency 9-1-1
8 fund created in section 407.

9 (8) A seller may retain 2% of prepaid wireless 9-1-1
10 surcharges that are collected by the seller to reimburse the seller
11 for its direct costs in collecting and remitting the prepaid
12 wireless 9-1-1 surcharges.

13 (9) A provider or seller of prepaid wireless
14 telecommunications service is not liable for damages to any person
15 resulting from or incurred in connection with the provision of, or
16 failure to provide, 9-1-1 service or for identifying or failing to
17 identify the telephone number, address, location, or name
18 associated with any person or device that is accessing or
19 attempting to access 9-1-1 service.

20 (10) A provider or seller of prepaid wireless
21 telecommunications service is not liable for damages to any person
22 resulting from or incurred in connection with the provision of any
23 lawful assistance to any investigative or law enforcement officer
24 of the United States, this state, or any other state in connection
25 with any lawful investigation or other law enforcement activity by
26 that law enforcement officer.

27 (11) As used in this section:

1 (a) "Consumer" means a person who purchases prepaid wireless
2 telecommunications services in a retail transaction.

3 (b) "Department" means the Michigan department of treasury.

4 (c) "Prepaid wireless 9-1-1 surcharge" means the fee that is
5 required to be collected by a seller from a consumer in the amount
6 established under subsection (2).

7 (d) "Provider" means a person that provides prepaid wireless
8 telecommunications services under a license issued by the ~~federal~~
9 ~~communications commission.~~ **FEDERAL COMMUNICATIONS COMMISSION.**

10 (e) "Retail transaction" means the purchase of prepaid
11 wireless telecommunications service from a seller for any purpose
12 other than resale.

13 (f) "Seller" means a person who sells prepaid wireless
14 telecommunications service to another person.

15 Sec. 401d. (1) Each local exchange provider within a 9-1-1
16 service district shall provide a billing and collection service for
17 an emergency telephone technical charge from all service users,
18 except for users of a prepaid wireless telecommunications service,
19 of the provider within the geographical boundaries of the emergency
20 telephone or 9-1-1 service district. The billing and collection of
21 the emergency telephone technical charge ~~used for billing cost~~
22 ~~shall MUST begin as soon as feasible after the final 9-1-1 service~~
23 ~~plan has been approved. The billing and collection of the emergency~~
24 ~~telephone technical charge not already collected for billing costs~~
25 ~~shall begin as soon as feasible after installation and operation of~~
26 ~~the 9-1-1 system. JANUARY 1, 2018.~~ The emergency telephone
27 technical charge shall ~~MUST~~ be uniform per each exchange access

1 facility within the 9-1-1 service district. The portion of the
 2 emergency telephone technical charge that represents start-up
 3 costs, nonrecurring billing, installation, service, and equipment
 4 charges of the service supplier, including the costs of updating
 5 equipment necessary for conversion to 9-1-1 service, ~~shall~~**MUST** be
 6 amortized at the prime rate plus 1% over a period not to exceed 10
 7 years and ~~shall be~~ billed and collected from all service users only
 8 until those amounts are fully recouped by the service supplier. The
 9 prime rate to be used for amortization ~~shall~~**MUST** be set before the
 10 first assessment of nonrecurring charges and remain at that rate
 11 for 5 years, at which time a new rate may be set for the remaining
 12 amortization period. Recurring costs and charges included in the
 13 emergency telephone technical charge ~~shall~~**MUST** continue to be
 14 billed to the service user.

15 (2) The amount of the emergency telephone technical charge to
 16 be billed to the service user ~~shall~~**MUST** be computed by dividing
 17 the total emergency telephone technical charge **COSTS IN ALL 9-1-1**
 18 **SERVICE DISTRICTS IN THIS STATE** by the number of exchange access
 19 facilities within ~~the ALL 9-1-1 service district.~~**DISTRICTS IN THIS**
 20 **STATE.**

21 (3) The amount of emergency telephone technical charge payable
 22 monthly by a service user for recurring costs and charges ~~shall~~
 23 **MUST** not exceed 4% of the lesser of \$20.00 or the highest monthly
 24 rate charged by the local exchange provider for primary basic local
 25 exchange service within the 9-1-1 service district. The amount of
 26 emergency telephone technical charge payable monthly by a service
 27 user for nonrecurring costs and charges ~~shall~~**MUST** not exceed 5% of

1 the lesser of \$20.00 or the highest monthly rate charged by the
 2 provider for primary basic local exchange service within the 9-1-1
 3 service district. The difference, if any, between the amount of the
 4 emergency telephone technical charge computed under subsection (2)
 5 and the maximum permitted under this section ~~shall~~**MUST** be paid by
 6 the county from funds available to the county or through
 7 cooperative arrangements with public agencies within the 9-1-1
 8 service district.

9 (4) The emergency telephone technical charge ~~shall~~**MUST** be
 10 collected in accordance with the regular billings of the local
 11 exchange provider. The emergency telephone technical charge payable
 12 by service users under this act ~~shall~~**MUST** be added to and ~~shall be~~
 13 stated separately in the billings to service users or otherwise
 14 disclosed to the consumer.

15 (5) As used in this section, "local exchange provider" means a
 16 provider of basic local exchange service as defined in section 102
 17 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2102.
 18 Sec. 403. **(1)** Each service supplier ~~shall be~~**IS** solely responsible
 19 for the billing of the state and county 9-1-1 charge and ~~the~~
 20 ~~transmittal of~~**TRANSMITTING THE** money collected to the emergency 9-
 21 1-1 fund and to the counties as required under this act.

22 **(2) THE COMMITTEE, A COUNTY, OR A 9-1-1 SERVICE DISTRICT SHALL**
 23 **NOTIFY THE COMMISSION IF THE COMMITTEE, COUNTY, OR 9-1-1 SERVICE**
 24 **DISTRICT IS AWARE OF A SERVICE SUPPLIER, CMRS SUPPLIER, RESELLER,**
 25 **OR RETAILER OF A PREPAID WIRELESS TELECOMMUNICATIONS SERVICE THAT**
 26 **HAS FAILED TO REPORT, CHARGE, COLLECT, OR TRANSMIT THE 9-1-1**
 27 **CHARGES IN SECTION 401A, 401B, OR 401C. THE COMMITTEE, A COUNTY, OR**

1 A 9-1-1 SERVICE DISTRICT SHALL INCLUDE WITH THE NOTIFICATION UNDER
2 THIS SUBSECTION ALL INFORMATION, TESTIMONY, EXHIBITS, OR OTHER
3 DOCUMENTS AND INFORMATION THE COMMITTEE, COUNTY, OR 9-1-1 SERVICE
4 DISTRICT POSSESSES THAT SUPPORT THE NOTIFICATION. BEFORE THE
5 ATTORNEY GENERAL COMMENCES A SUIT UNDER SUBSECTION (3), THE
6 COMMISSION SHALL INVESTIGATE ANY FAILURE TO REPORT, CHARGE,
7 COLLECT, OR TRANSMIT CHARGES AND ATTEMPT TO RESOLVE THOSE
8 COMPLAINTS.

9 (3) UPON REFERRAL BY THE COMMISSION, THE ATTORNEY GENERAL MAY
10 COMMENCE A CIVIL ACTION AGAINST A SERVICE SUPPLIER, CMRS SUPPLIER,
11 RESELLER, OR RETAILER OF A PREPAID WIRELESS TELECOMMUNICATIONS
12 SERVICE FOR APPROPRIATE RELIEF FOR FAILURE TO REPORT, CHARGE,
13 COLLECT, AND TRANSMIT THE STATE 9-1-1 CHARGES IN SECTIONS 401A AND
14 401C. AN ACTION UNDER THIS SUBSECTION MAY BE BROUGHT IN THE INGHAM
15 COUNTY CIRCUIT COURT OR THE CIRCUIT COURT IN A COUNTY IN WHICH THE
16 DEFENDANT RESIDES OR IS DOING BUSINESS. THE COURT HAS JURISDICTION
17 TO RESTRAIN THE VIOLATION AND TO REQUIRE COMPLIANCE WITH THIS
18 SECTION.

19 (4) THIS SECTION DOES NOT PROHIBIT A COUNTY FROM TAKING ANY
20 ACTION AUTHORIZED BY LAW AGAINST AN ENTITY THAT FAILS TO REMIT THE
21 COUNTY 9-1-1 CHARGE UNDER SECTION 401B.

22 Sec. 406. (1) The funds collected and expended under this act
23 ~~shall~~**MUST** be expended exclusively for 9-1-1 services and in
24 compliance with the rules promulgated under section 413.

25 (2) Each **COUNTY**, PSAP, or secondary PSAP **THAT RECEIVES MONEY**
26 **UNDER THIS ACT** shall assure that fund accounting, auditing,
27 monitoring, and evaluation procedures are provided as required by

1 this act and the rules promulgated under this act.

2 (3) An annual audit ~~shall~~**MUST** be conducted by an independent
3 auditor using generally accepted accounting principles and copies
4 of the annual audit ~~shall~~**MUST** be made available for public
5 inspection.

6 (4) An increase in the charges allowed under this act ~~shall~~
7 **MUST** not be authorized or expended for the next fiscal year unless
8 according to the most recently completed annual audit the
9 expenditures are in compliance with this act.

10 (5) The receipt of 9-1-1 funds under this act is dependent on
11 compliance with the standards established by the commission under
12 section 413.

13 Sec. 407. (1) The emergency 9-1-1 fund is created within the
14 state treasury.

15 (2) The state treasurer may receive money or other assets as
16 provided under this act and from any source for deposit into the
17 fund. Money may be deposited into the fund by electronic funds
18 transfer. Money in the CMRS emergency telephone fund on ~~the~~
19 ~~effective date of the amendatory act that added section 401a shall~~
20 **JULY 1, 2008 MUST** be deposited into the fund and expended as
21 provided by this act. The state treasurer shall direct the
22 investment of the fund. The state treasurer shall credit to the
23 fund interest and earnings from fund investments.

24 (3) Money in the fund at the close of the fiscal year ~~shall~~
25 ~~remain~~**REMAINS** in the fund and ~~shall~~**DOES** not lapse to the general
26 fund.

27 (4) The department of treasury shall expend money from the

1 fund only as provided in this act. The disbursement of money may be
2 by electronic funds transfer.

3 (5) The auditor general shall audit the fund at least
4 ~~annually.~~**BIENNIALY.**

5 Sec. 408. (1) Except as otherwise provided under this act, a
6 service supplier shall bill and collect a state 9-1-1 service
7 charge per month as determined under section 401a. The service
8 supplier shall list the state 9-1-1 service charge authorized under
9 this act as a separate line item on each bill ~~. The service charge~~
10 ~~shall be listed on the bill as the "state 9-1-1 charge".~~

11 (2) Each service supplier may retain 2% of the state 9-1-1
12 charge collected under this act to cover the supplier's costs for
13 billing and collection.

14 (3) Except as otherwise provided under subsection (2), the
15 money collected as the state 9-1-1 charge under subsection (1)
16 ~~shall~~**MUST** be deposited in the emergency 9-1-1 fund created in
17 section 407 no later than 30 days after the end of the quarter in
18 which the state 9-1-1 charge was collected.

19 ~~(4) Except as otherwise provided under section 401a(5), all~~
20 **ALL** money collected and deposited in the emergency 9-1-1 fund
21 created in section 407 ~~shall~~**MUST** be distributed as **PROVIDED IN**
22 **THIS SECTION. ANNUAL MONEY IN THE FUND NOT EXCEEDING \$37,000,000.00**
23 **MUST BE DISTRIBUTED AS** follows:

24 (a) ~~82.5% shall~~**65% MUST** be disbursed to each county that has
25 a final 9-1-1 plan in place. Forty percent of the ~~82.5% shall~~**65%**
26 **MUST** be distributed quarterly on an equal basis to each county, and
27 60% of the ~~82.5% shall~~**65% MUST** be distributed quarterly based on a

1 population per capita basis. ~~Money~~ **A COUNTY SHALL ONLY USE MONEY**
 2 received by ~~a~~ **THE** county under this subdivision ~~shall only be used~~
 3 for 9-1-1 services as allowed under this act. ~~Money~~ **A COUNTY SHALL**
 4 **REPAY TO THE FUND ANY MONEY** expended under this subdivision for a
 5 purpose considered unnecessary or unreasonable by the committee or
 6 the auditor general. ~~shall be repaid to the fund.~~

7 (b) ~~7.75% shall~~ **25.56% MUST** be available to reimburse local
 8 exchange providers for the costs related to wireless emergency
 9 service **AND TO REIMBURSE IP-BASED 9-1-1 SERVICE PROVIDERS FOR THE**
 10 **COSTS RELATED TO IP-BASED 9-1-1 EMERGENCY SERVICE.** Any cost
 11 reimbursement allowed under this subdivision ~~shall~~ **MUST** not include
 12 a cost that is not related to wireless emergency service **OR TO IP-**
 13 **BASED 9-1-1 EMERGENCY SERVICE.** A local exchange provider **OR AN IP-**
 14 **BASED 9-1-1 SERVICE PROVIDER** may, **ON A QUARTERLY BASIS,** submit an
 15 invoice to the commission for reimbursement from the emergency 9-1-
 16 1 fund for allowed costs. ~~Within~~ **EXCEPT AS OTHERWISE PROVIDED IN**
 17 **SUBSECTION (5), WITHIN** 45 days after the date an invoice is
 18 submitted to the commission, the commission shall approve, either
 19 in whole or in part, or deny the invoice.

20 (c) ~~6.0% shall~~ **5.5% MUST** be available to PSAPs for training
 21 personnel assigned to 9-1-1 centers. A **PUBLIC SAFETY AGENCY OR**
 22 **COUNTY SHALL MAKE A** written request for money from the fund ~~shall~~
 23 ~~be made by a public safety agency or county~~ to the committee. The
 24 committee shall semiannually authorize distribution of money from
 25 the fund to eligible public safety agencies or counties. A public
 26 safety agency or county that receives money under this subdivision
 27 shall create, maintain, and make available to the committee upon

request a detailed record of expenditures relating to the preparation, administration, and carrying out of activities of its 9-1-1 training program. ~~Money~~ **AN ELIGIBLE PUBLIC SAFETY AGENCY OR COUNTY SHALL REPAY TO THE FUND ANY MONEY** expended by ~~an eligible~~ **THAT** public safety agency or county for a purpose considered unnecessary or unreasonable by the committee or the auditor general. ~~shall be repaid to the fund.~~ The commission shall consult with and consider the recommendations of the committee in the promulgation of rules under section 413 establishing training standards for 9-1-1 system personnel. Money ~~shall~~ **MUST** be disbursed on a biannual basis to an eligible public safety agency or county for training of PSAP personnel through courses certified by the committee only for either of the following purposes:

(i) To provide basic 9-1-1 operations training.

(ii) To provide in-service training to employees engaged in 9-1-1 service.

(d) ~~1.88% shall~~ **1.5% MUST** be credited to the department of state police to operate a regional dispatch center that receives and dispatches 9-1-1 calls, and ~~1.87% shall~~ **2.44% MUST** be credited to the department of state police for costs to administer this act and to maintain the office of the state 9-1-1 coordinator.

~~(5) For fiscal year 2010-2011 only, an amount not to exceed \$1,700,000.00 is distributed to the department of state police for an integrated IP-based 9-1-1 mapping system in this state. The money distributed under this subsection is for the restricted purpose of matching funds for the state's award of a grant under the grant program established under the federal ensuring needed~~

~~help arrives near callers employing 911 act of 2004 to be used solely for the acquisition and deployment of a state integrated IP-based 9-1-1 mapping system. All costs associated with the state integrated IP-based 9-1-1 mapping system including, but not limited to, its construction, administration, and maintenance shall only be paid from money distributed under this subsection and any federal grant money.~~

~~—— (6) From money not distributed to local exchange providers under subsection (4) (b), an amount not to exceed \$150,000.00 shall be annually distributed to the department of treasury to fund a portion of the department's costs in administering this act. This subsection does not apply after September 30, 2015.~~

(5) WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE COMMISSION SHALL COMMENCE A PROCEEDING TO DETERMINE THE RECURRING AND NONRECURRING COST CATEGORIES FOR ALL IP-BASED 9-1-1 SERVICE PROVIDERS. THE COMMISSION SHALL ALLOW ANY INTERESTED PERSON TO INTERVENE IN A PROCEEDING UNDER THIS SUBSECTION. WITHIN 180 DAYS AFTER A PROCEEDING IS COMMENCED UNDER THIS SUBSECTION, THE COMMISSION SHALL ISSUE A FINAL ORDER ADOPTING THE RECURRING AND NONRECURRING COST CATEGORIES FOR ALL IP-BASED 9-1-1 SERVICE PROVIDERS CONSIDERED JUST AND REASONABLE BY THE COMMISSION. FOR COST STUDIES FIRST SUBMITTED BY AN IP-BASED 9-1-1 SERVICE PROVIDER AFTER THE COMMISSION COMPLETES THE PROCEEDING UNDER THIS SUBSECTION, THE COMMISSION SHALL, WITHIN 45 DAYS OF RECEIVING AN INVOICE, ONLY APPROVE THOSE COSTS IN THE INVOICE THAT ARE BOTH OF THE FOLLOWING:

(A) CONSISTENT WITH THE RECURRING AND NONRECURRING COST

1 CATEGORIES FOR IP-BASED 9-1-1 SERVICE PROVIDERS APPROVED BY THE
2 COMMISSION UNDER THIS SUBSECTION.

3 (B) THE RESULT OF A COMPETITIVELY BID PROCESS AS CONFIRMED BY
4 SUPPORTING DOCUMENTATION.

5 (6) AN IP-BASED 9-1-1 SERVICE PROVIDER SHALL FILE AN UPDATED
6 COST STUDY NOT LATER THAN 5 YEARS AFTER THE FILING OF AN INITIAL
7 COST STUDY AND EVERY 5 YEARS THEREAFTER.

8 (7) AN IP-BASED 9-1-1 SERVICE PROVIDER MUST MEET THE NEXT
9 GENERATION 9-1-1 STANDARDS SET BY THE NATIONAL EMERGENCY NUMBER
10 ASSOCIATION TO SUBMIT AN INVOICE TO THE COMMISSION UNDER SUBSECTION

11 (4) (B) FOR REIMBURSEMENT FROM THE EMERGENCY 9-1-1 FUND FOR ALLOWED
12 COSTS.

13 (8) FUNDS GENERATED BY THE FEE IN SECTION 401A IN EXCESS OF
14 \$37,000,000.00 ANNUALLY MUST BE RESERVED FOR APPROVED COSTS UNDER
15 SUBSECTION (4) (B) .

16 (9) ~~(7)~~ Money received by a county under subsection (4) (a)
17 ~~shall~~ **MUST** be distributed by the county to the primary PSAPs
18 geographically located within the 9-1-1 service district by 1 of
19 the following methods:

20 (a) As provided in the final 9-1-1 service plan.

21 (b) If distribution is not provided for in the 9-1-1 service
22 plan under subdivision (a), then according to any agreement for
23 distribution between a county and a public agency.

24 (c) If distribution is not provided for in the 9-1-1 service
25 plan under subdivision (a) or by agreement between the county and
26 public agency under subdivision (b), then according to the
27 population within the geographic area for which the PSAP serves as

1 primary PSAP.

2 (d) If a county has multiple emergency 9-1-1 districts, money
3 for that county ~~shall~~**MUST** be distributed as provided in the
4 emergency 9-1-1 districts' final 9-1-1 service plans.

5 (10) ~~(8)~~The commission shall consult with and consider
6 recommendations of the committee in the promulgation of rules under
7 section 413 establishing the standards for the receipt and
8 expenditure of 9-1-1 funds under this act. Receipt of 9-1-1 funds
9 under this act is dependent on compliance with the standards
10 established under this subsection.

11 Enacting section 1. This amendatory act takes effect January
12 1, 2018.