



Romney Building, 10th Floor  
Lansing, Michigan 48909  
Phone: 517/373-6466

## WIRELESS EMERGENCY PHONE SERVICE

**House Bill 4658**

**Sponsor: Rep. Judith Scranton**

**House Bill 4659**

**Sponsor: Rep. Mary Ann Middaugh**

**Committee: Energy and Technology**

**Complete to 5-11-99**

### A SUMMARY OF HOUSE BILL 4658 AND 4659 AS INTRODUCED 5-11-99

House Bill 4658 and House Bill 4659, to which it is tie-barred, are part of a package of bills dealing with emergency telephone service. House Bill 4658 would amend the Emergency Telephone Service Enabling Act to provide for wireless emergency telephone service and House Bill 4659 would re-establish the Emergency Telephone Service Committee. The bills are also tie-barred to two Senate bills, Senate Bill 492 and Senate Bill 493, which would also amend the Emergency Telephone Service Enabling Act.

House Bill 4658 would amend the Emergency Telephone Service Enabling Act to re-establish, with some changes, the Emergency Telephone Service Committee, which was repealed on December 31, 1998 by a sunset provision. The committee would be created within the Department of State Police and would develop statewide standards and model system considerations and make other recommendations for emergency telephone services. The committee would have 21 members, including the following persons or their designated representatives: the director of the Department of State Police, the director of the Department of Consumer and Industry Services, the chair of the Michigan Public Service Commission, the president of the Michigan Sheriffs' Association, the president of the Michigan Fire Chiefs Association, the executive director of the Michigan Association of Counties, the executive director of the Michigan Fraternal Order of Police, the president of the Michigan State Police Troopers Association, the president of the Michigan Chapter of the Associated Public Safety Communications Officers, the president of the Michigan Chapter of the National Emergency Number Association, the executive director of the Upper Peninsula Emergency Medical Services Corporation, the executive director of the Michigan Association of Ambulance services, and the president of the Michigan Communications Directors Association. In addition, the committee would include one representative of commercial mobile radio service appointed by the governor and three members of the general public. The members of the general public would be appointed -- one by the governor, one by the Speaker of the House of Representatives and one by the Senate Majority Leader. The members of the general public would serve for two-year terms and would have to have expertise relating to telephone systems, rural health care concerns, or emergency radio communications, dispatching, and services.

House Bill 4658 and 4659 (5-11-99)

The committee would need a majority of its members to constitute a quorum in order to do business and exercise its powers. Official action would require a majority vote of the committee's members. The committee would elect a member who was not a member of the wireline or commercial mobile radio service industry to serve as chairperson for a one year term. The committee could adopt, amend, and rescind bylaws, rules, and regulations for the conduct of its business. Members of the committee would not be compensated, but would be entitled to actual and necessary expenses incurred in the performance of their official duties.

The committee would be required to: organize and adopt standards to govern the committee's formal and informal procedures; meet no less than four times per year at a place and time specified by the chairperson; provide recommendations to public safety answering points and secondary public safety answering points on statewide technical and operational standards for PSAPs and secondary PSAPs; provide recommendations to public agencies concerning model systems to be considered when preparing a 9-1-1 service plan; and perform other duties as needed to promote successful development, implementation, and operation of 9-1-1 systems across the state.

The state police and the PSC would be required to provide staff assistance for the committee as needed to carry out the committee's duties. The business of the committee would be conducted at public meetings held in compliance with the Open Meetings Act and notice of the time, date, and place of the meeting would have to be given according to the provisions of the Open Meetings Act. Any writings prepared, owned, used, possessed by, or retained by the committee in the performance of an official function would have to be made available to the public under the Freedom of Information Act.

The bill would also repeal the provisions of the Emergency Telephone Service Enabling Act that currently provide for the act to be repealed effective December 31, 2002, and instead establish a sunset date of December 31, 2006.

House Bill 4658 would create a state commercial mobile radio service emergency telephone fund.

Fund. The purpose of the fund would be to provide money to implement the automatic number identification capabilities of the public safety answering points within the guidelines of the wireless emergency service order and the Emergency Telephone Service Act. The fund would be created within the state treasury. The treasurer would be required to direct the investment of the fund assets and could receive money or other assets from any source for deposit in the fund. Fund interest and earnings would be credited to the fund and the money in the fund at the close of the fiscal year would remain there and would not lapse into the general fund. The deposit and disbursement of money to and from the fund could be done through electronic funds transfer.

Each commercial mobile radio service (CMRS) supplier would be required to include a 47 cent service charge per month for each CMRS connection that had a billing address in this

state. The charge would be listed separately on each bill and would not be subject to state or local taxes. Suppliers would be required to implement the billing provisions no later than 120 days after the effective date of the bill. The money collected would be deposited in the fund no later than 30 days after the end of the quarter in which the charge was collected.

Each supplier would keep one-half of one cent from each service charge billed as the only reimbursement from that charge for the costs of billing and collection. A supplier would not be liable for an uncollected service charge, provided that the supplier had billed the customer. If a supplier only received partial payment on a bill, the money paid would be credited in the following order of priority: to pay for services provided, for reimbursement for the supplier's costs, and, lastly, to pay the balance of the service charge. Money from partial payments that were sufficient to be applied to the service charge would be forwarded to the fund. Any uncollected portions of the service charge would continue to be billed and, upon receipt, amounts in excess of the supplier's reimbursement amount would be forwarded to the fund.

[Note: The term "commercial mobile radio service" would mean that service as regulated under the Federal Communications Act and would include wireless two-way communications devices like cellular telephone service or personal communication service, a functional equivalent of a radio telephone communications line used in cellular telephone service or personal communication service, or a network radio access line.]

With the exception of the amount retained for reimbursement of the supplier, the money collected and deposited into the fund would be distributed in the following order of priority:

- 25 cents of each monthly service charge would be used by CMRS suppliers for providing and installing equipment to implement the wireless emergency service order and the Emergency Telephone Service Enabling Act.

- 10 cents of each service charge would go equally to each county that has a final 9-1-1 plan in place. The Emergency Telephone Service Committee (ETSC) would be required to certify to the Department of Treasury annually those counties that had a final 9-1-1 plan in place. The money received from the service charge could not be used by the county to supplant money received from any other source.

- Another 10 cents would be distributed to those same counties on a per capita basis. Determination of the population of each county for the per capita basis would be made by the most recent census conducted by the United States Census Bureau. The money received from the service charge could not be used by the county to supplant money received from any other source.

- The remaining one and one-half cents would be available to the public safety answering points (PSAPs) for training personnel assigned to 9-1-1 centers. In order to receive money from the fund for PSAP training, a public agency or county would have to make written request to the committee. The Emergency Telephone Service Committee would semi-annually authorize distribution of money from the fund to eligible counties or public agencies based upon the requests. Eligible public agencies or counties could only receive money from the fund for courses certified by the Michigan Commission on Law Enforcement Standards and would provide

either basic 9-1-1 operations training or in-service training for employees engaged in 9-1-1 service for primary public safety answering point (PSAPs) personnel. Any public agency or county that received money from the fund for such training would be required to create, maintain, and, upon request make available to the committee a detailed record of the expenditures related to the preparation, administration, and carrying out of its 9-1-1 training program. Money that the county or public agency had expended for purposes that the committee or auditor general considered unreasonable or unnecessary would have to be repaid to the fund.

Counties that received money from the fund for having a final 9-1-1 plan in place would be required to distribute that money according to the following restrictions. The county would have to distribute the money to one of the primary PSAPs geographically located in the 9-1-1 service district by one of the following methods: Distribution could be done as provided in the final 9-1-1 service plan. If distribution was not provided for in the plan, then it could be done according to any agreement for distribution between the county and public agencies. If neither the plan nor any agreement provided for distribution, then it could be done according to the population within the geographic area for which the PSAP serves as primary PSAP.

If a county with a final 9-1-1 plan did not accept 9-1-1 calls through a direct dispatch method, relay method, or transfer method from a mobile phone user, the money collected would be distributed to the entity or county that is responsible for accepting and responding to those calls.

Subcommittee. The Emergency Telephone Service Committee (ETSC) would be required to appoint a subcommittee to review the expenditures authorized from the CMRS Emergency Telephone Fund. The subcommittee would include a member of the full committee who represented the Department of State Police who would chair the subcommittee, and all of the following: 1) the member of full committee who represents a commercial mobile radio service provider; 2) two people who represent an entity that was not associated with the service supplier industry; and 3) a person appointed by the chair of the full committee who represents the commercial mobile radio service industry and is not a member of full committee.

The subcommittee would need a majority of its members to constitute a quorum and to do business and exercise its powers. The subcommittee would be required to review and approve or disapprove the payment of the invoices submitted by CMRS suppliers for reimbursement from the fund. In order to be approved, an expense would have to be related to complying with the wireless emergency service order. Approval of invoices would be by majority vote of the subcommittee. The chair of the subcommittee would not vote except to break a tie. Before the invoices were reviewed, staff assigned by the Department of State Police to assist the ETSC would remove all the information that identified the supplier who had submitted the invoice. After

receiving the subcommittee's recommendations, the full committee would then review and approve or disapprove the invoices and authorize payment for those invoices that it approved. The subcommittee could recommend that the committee pay a supplier's expense before the expense had been incurred. Any expense that exceeded 125 percent of the CMRS emergency

telephone charges would not be approved, unless the CMRS supplier had prior approval of the charges from the subcommittee.

Any information submitted by a supplier for review by the subcommittee would be exempt from the Freedom of Information Act and could not be released by the chair without the supplier's permission. Information submitted by suppliers could only be released in the aggregate so that the number of users or the expenses and revenues of a supplier could not be identified.

Expenses. The money from the fund could be used by a CMRS supplier for monthly recurring costs, start-up costs, and non-recurring costs associated with installation, service, software, and hardware needed to comply with the wireless emergency services order and the Emergency Telephone Service Enabling Act. The nonrecurring costs would have to be amortized at the prime rate plus one percent over a period of up to three years until the amounts were fully recovered by the supplier.

If the total amount of money approved for payment by the subcommittee in the invoices exceeded the amount remaining in the fund, all the suppliers that had submitted invoices and were recommended to receive payment would receive a pro rata share of the money available in the fund for that quarter. Any unpaid balance would be carried over to the following quarter until all of the recommended payments were made. Interest at the prime rate would be credited to the supplier on any carry-over.

Report. The ETSC would be required to complete a cost study and report on the effectiveness of the service charge no later than August 30, 2000 and April 30 annually after 2000. The report would have to indicate the extent of emergency telephone service implementation in this state by CMRS suppliers and the actual costs incurred by primary public safety answering points (PSAPs) and CMRS suppliers in complying with the requirements of the wireless emergency service order and the act. The report would also have to include information regarding the adequacy of the service charge and, if needed, a recommendation to change the service charge amount if needed to adequately fund the costs of meeting the time frames in the wireless emergency service order and the act. The report would also have to include a description of any commercial applications that been developed as a result of the implementation of the act. Copies of the study would have to be delivered to the Secretary of the Senate, the Clerk of the House of Representatives, and the standing committees of the House and Senate with jurisdiction over issues of telecommunications technology.

MCL 484.1201 et al.

Analyst: W. Flory

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.