



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1015 (as reported without amendment)
Sponsor: Senator Deborah Cherry
Committee: Appropriations

CONTENT

The bill would amend the Emergency Telephone Service Enabling Act to allow, for fiscal year (FY) 2003-04 only, a payment of \$12 million for the rent (debt service) to the State Building Authority (SBA) for payment on the bonds used to finance the Michigan Public Safety Communications System (MPSCS) project from the Commercial Mobile Radio System (CMRS) emergency telephone fund.

Currently, money in the CMRS emergency telephone fund is distributed to counties that have developed 9-1-1 plans that include implementing the wireless emergency service order (enhanced 9-1-1 technology), to public safety answering points for training personnel assigned to 9-1-1 centers, to the State Police for administration, and to CMRS suppliers for the costs of implementing the wireless emergency service order.

Enhanced 9-1-1 service provides for the identification of a caller's location and telephone number. The wireless emergency service order was issued by the Federal Communications Commission (FCC) in June 1996 and took effect on October 1, 1996, to be implemented in two phases.

MCL 484.1408

FISCAL IMPACT

Executive Order 2003-23 reduced the appropriation for State Building Authority rent for State agencies by \$12 million GF/GP to reflect anticipated changes being proposed in this bill. To date, the SBA has issued bonds totaling \$169.5 million to finance the construction of the MPSCS. Annual rental (debt service) obligations to the SBA total \$21.6 million. The total authorized cost of the MPSCS is \$234.2 million, with \$212.7 million proposed to be financed through the SBA. The bill would make a one-time payment from the CMRS emergency telephone fund of \$12 million to offset the FY 2003-04 GF/GP appropriation. The current balance in the CMRS emergency telephone fund is \$43.3 million.

The Governor's FY 2004-05 budget recommendation for State Building Authority rent also includes a proposed \$6.0 million appropriation from the CMRS emergency telephone fund to support rental obligations of the MPSCS.

Date Completed: 3-3-04

Fiscal Analyst: Michael Hansen