

**SUBSTITUTE FOR
SENATE BILL NO. 960**

A bill to amend 1986 PA 32, entitled
"Emergency telephone service enabling act,"
by amending section 408 (MCL 484.1408), as amended by 2004 PA 89.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 408. (1) Except as otherwise provided under subsection
2 (3), starting January 1, 2004, a CMRS supplier or a reseller shall
3 include a service charge of 52 cents per month for each CMRS
4 connection that has a billing address in this state. The CMRS
5 supplier or reseller shall list a service charge authorized under
6 this section as a separate line item on each bill. The service
7 charge shall be listed on the bill as the "operational 9-1-1
8 charge".
9 (2) Except as otherwise provided under subsection (3), a CMRS
10 supplier may submit an invoice to the subcommittee created in

1 section 410 for reimbursement from the CMRS emergency telephone
2 fund for costs incurred in implementing the wireless emergency
3 service order and this act. Within 90 days after the date the
4 invoice is submitted to the subcommittee, the subcommittee shall
5 review the invoice and make a recommendation to the committee for
6 the approval, in whole or in part, or denial of the invoice. The
7 committee shall approve an invoice submitted under this subsection
8 only if the invoice is for costs directly related to the providing
9 and installing of equipment that implements the wireless emergency
10 service order and this act. The committee shall authorize payment
11 of the invoice in accordance with the recommendations of the
12 subcommittee.

13 (3) Before July 1, 2004, all CMRS suppliers shall notify the
14 committee in writing whether they will seek reimbursement from the
15 CMRS emergency telephone fund for costs incurred until December 31,
16 2005 in implementing the wireless emergency service order and this
17 act. If a CMRS supplier elects to seek reimbursement under this
18 subsection, it shall continue to impose the 52 cents per month
19 charge authorized under subsection (1) until December 31, 2005.
20 After December 31, 2005, the CMRS supplier shall impose a service
21 charge of 29 cents per month. A CMRS supplier that notifies the
22 committee in writing that it will not seek reimbursement under this
23 subsection shall impose a charge of 29 cents per month and not seek
24 reimbursement from the fund for costs in implementing the wireless
25 emergency service order and this act incurred after the date of its
26 notice to the committee.

27 (4) The department of state police may receive funds from the

1 CMRS emergency telephone fund for costs to administer this act or
2 to operate a regional dispatch center that receives and dispatches
3 9-1-1 calls. A breakdown of the costs funded under this subsection
4 shall be included in the annual report required under section 412.
5 Except as otherwise provided by this subsection, the costs funded
6 under this subsection shall not exceed 1/2 of 1 cent of the monthly
7 service charge collected under this section. If the department of
8 state police establishes the position of E-911 coordinator, the
9 costs funded under this subsection shall not exceed 1 cent of the
10 monthly service charge collected under this section.

11 (5) Except as otherwise provided in this section, the money
12 collected as the service charge under subsection (1) shall be
13 deposited in the CMRS emergency telephone fund created in section
14 407 not later than 30 days after the end of the quarter in which
15 the service charge was collected.

16 (6) All money collected and deposited in the CMRS emergency
17 telephone fund created in section 407 shall be distributed as
18 follows:

19 (a) Except as provided in subsection (9), 10 cents of each
20 monthly service charge shall be disbursed equally to each county
21 that has a final 9-1-1 plan in place that includes implementing the
22 wireless emergency service order and this act. Money received by a
23 county under this subdivision shall only be used to implement the
24 wireless emergency service order and this act. Money expended under
25 this subdivision for a purpose considered unnecessary or
26 unreasonable by the committee or the auditor general shall be
27 repaid to the fund.

1 (b) Except as provided in subsection (9), 15 cents of each
2 monthly service charge shall be disbursed on a per capita basis to
3 each county that has a final 9-1-1 plan in place that includes
4 implementing the wireless emergency service order and this act. The
5 committee shall certify to the department of treasury quarterly
6 which counties have a final 9-1-1 plan in place. The most recent
7 census conducted by the United States census bureau shall be used
8 to determine the population of each county in determining the per
9 capita basis in this subdivision. Money received by a county under
10 this subdivision shall only be used to implement the wireless
11 emergency service order and this act. Money expended under this
12 subdivision for a purpose considered unnecessary or unreasonable by
13 the committee or the auditor general shall be repaid to the fund.

14 (c) One and one-half cents of each monthly service charge
15 shall be available to PSAPs for training personnel assigned to 9-1-
16 1 centers. A written request for money from the fund shall be made
17 by a public safety agency or county to the committee. The committee
18 shall semiannually authorize distribution of money from the fund to
19 eligible public safety agencies or counties. A public safety agency
20 or county that receives money under this subdivision shall create,
21 maintain, and make available to the committee upon request a
22 detailed record of expenditures relating to the preparation,
23 administration, and carrying out of activities of its 9-1-1
24 training program. Money expended by an eligible public safety
25 agency or county for a purpose considered unnecessary or
26 unreasonable by the committee or the auditor general shall be
27 repaid to the fund. Money shall be disbursed to an eligible public

1 safety agency or county for training of PSAP personnel through
2 courses certified by the commission on law enforcement standards
3 only for either of the following purposes:

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

5 (ii) To provide in-service training to employees engaged in 9-
6 1-1 service.

7 (d) As provided under subsections (2), (4), and (11).

8 (e) For fiscal year ~~2003-2004~~ **2005-2006** only, an amount not
9 to exceed ~~\$12,000,000.00~~ **\$15,000,000.00** for the annual rental
10 obligations of the state building authority under the bonds issued
11 to finance the Michigan public safety communications system
12 project.

13 (7) Money received by a county under subsection (6)(b) and (c)
14 shall be distributed by the county to the primary PSAPs
15 geographically located within the 9-1-1 service district by 1 of
16 the following methods:

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

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

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

26 (d) If a county has multiple emergency telephone districts,
27 money for that county shall be distributed as provided in the

1 emergency telephone districts' final 9-1-1 service plans.

2 (8) If a county with a final 9-1-1 plan in place does not
3 accept 9-1-1 calls through the direct dispatch method, relay
4 method, or transfer method from a CMRS user, the revenues available
5 to the county under this section shall be disbursed to the public
6 agency or county responsible for accepting and responding to those
7 calls.

8 (9) In addition to the requirements of this subsection, a
9 county is not eligible to receive disbursements under subsection
10 (6)(a) or (b) unless the county is compliant with the wireless
11 emergency service order and this act. A county shall be compliant
12 with phase 1 implementation by June 30, 2004 and phase 2
13 implementation by June 30, 2005. A county that is not compliant
14 with phase 1 implementation by June 30, 2004 and phase 2
15 implementation by June 30, 2005 shall use the disbursements
16 received under subsection (6)(a) and (b) only for purposes of
17 becoming compliant. A county that is not compliant with phase 1
18 implementation by December 31, 2004 and phase 2 implementation by
19 December 31, 2005 is not eligible to receive disbursements under
20 subsection (6)(a) and (b). Once the committee determines that a
21 county that is not eligible to receive disbursements is compliant,
22 the county shall begin receiving disbursements again under
23 subsection (6)(a) and (b). As used in this subsection, "compliant"
24 means the county has installed equipment that is capable, and at a
25 state of readiness, to deploy wireless service for all CMRS
26 providers within a county's 9-1-1 service district or districts.

27 (10) From each service charge billed under subsection (1),

1 each CMRS supplier or reseller who billed the customer shall retain
2 1/2 of 1 cent to cover the costs of billing and collection as the
3 only reimbursement from this charge for billing and collection
4 costs.

5 (11) Notwithstanding any other provision of this act, the
6 commission, following a contested case, shall issue an order
7 ~~within 180 days of the effective date of the amendatory act that~~
8 ~~added this subsection~~ **NO LATER THAN JUNE 29, 2004** establishing the
9 costs that a local exchange provider may recover in terms of the
10 costs related to the wireless emergency service order. Any cost
11 reimbursement allowed under this subsection shall not include a
12 cost that is not related to complying with the wireless emergency
13 service order. After the commission has issued the order, a local
14 exchange provider may submit an invoice to the commission for
15 reimbursement from the CMRS emergency telephone fund for costs
16 incurred that are allowed under the commission order. Within 45
17 days after the date an invoice is submitted to the commission, the
18 commission shall make a recommendation to the committee for the
19 approval, either in whole or in part, or the denial of the invoice.
20 The committee shall authorize payment of an invoice in accordance
21 with the commission's recommendation. As used in this subsection:

22 (a) "Commission" means the Michigan public service commission.

23 (b) "Local exchange provider" means a provider of regulated
24 basic local exchange service as defined in section 102 of the
25 Michigan telecommunications act, 1991 PA 179, MCL 484.2102.

26 (12) A CMRS supplier or reseller is not liable for an
27 uncollected service charge billed under subsection (1) for which

1 the CMRS supplier or reseller has billed the CMRS user. If only a
2 partial payment of a bill is received by a CMRS supplier or
3 reseller, the CMRS supplier or reseller shall credit the amount
4 received as follows in priority order:

5 (a) For services provided.

6 (b) For the reimbursement under subsection (10).

7 (c) For the balance of the service charge.

8 (13) Amounts received under subsection (12)(c) shall be
9 forwarded to the CMRS emergency telephone fund created in section
10 407. Any uncollected portion of the service charge that is not
11 received shall be billed on subsequent billings and, upon receipt,
12 amounts in excess of the reimbursement under subsection (10) shall
13 be forwarded to the CMRS emergency telephone fund created in
14 section 407. The service charge paid by a CMRS user is not subject
15 to a state or local tax.

16 (14) A CMRS supplier or reseller shall implement the billing
17 provisions of this section not later than October 26, 1999.

18 (15) The department of state police shall annually prepare a
19 list of projects in priority order that the department of state
20 police recommends for funding from the funds collected under former
21 section 409(e). The legislature shall annually review and approve
22 projects by law. If a project provides infrastructure or equipment
23 for use by CMRS suppliers, the department of state police shall
24 charge a reasonable fee for use of the infrastructure or equipment.
25 Fees collected under this subsection shall be deposited in the
26 fund.