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BILL ANALYSIS

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Senate Bill 679 (as introduced 8-22-07)  
Senate Bill 815 (as introduced 9-25-07)  
Sponsor: Senator Bruce Patterson  
Committee: Energy Policy and Public Utilities

Date Completed: 10-10-07

### **CONTENT**

#### **The bills would amend the Emergency Telephone Service Enabling Act extend the Act and the collection of charges under it to December 31, 2008.**

The Act provides for the creation of 9-1-1 service districts, as well as the assessment of emergency telephone operational and technical charges to fund dispatch facilities and primary safety answering points, and reimburse service suppliers for their costs of providing 9-1-1 access.

#### **Senate Bill 679**

The bill would delay the Act's sunset from December 31, 2007, to December 31, 2008.

#### **Senate Bill 815**

The bill would prohibit the levy or collection of the emergency telephone technical charge and the emergency telephone operational charge after December 31, 2008, rather than December 31, 2007.

"Emergency telephone operational charge" means a charge for the nonnetwork technical equipment and other costs directly related to the dispatch facility and the operation of one or more PSAPs (public safety answering points), including the costs of dispatch personnel and radio equipment necessary to provide two-way communication between PSAPs and a public safety agency.

"Emergency telephone technical charge" means a charge for the network start-up costs, customer notification costs, billing costs (including an allowance for uncollectibles for technical and operational charges), and network nonrecurring and recurring installation, maintenance, service, and equipment charges for a service supplier providing 9-1-1 service under the Act.)

MCL 484.1717 (S.B. 679)  
484.1401 (S.B. 815)

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bills would continue until December 31, 2008, a charge-based funding mechanism for 9-1-1 service in the State that otherwise will sunset December 31, 2007. Retaining the

funding mechanism would generate charge-based revenue of approximately \$28.4 million annually to be used to fund costs related 9-1-1 service in the State.

Under the current statute, 29 cents is charged monthly on each cell phone bill in the State. The revenue from this surcharge is distributed by the State in the following way: 25 cents to counties, one cent to the Michigan State Police, one and one-half cent for training, one-half cent for providers for billing costs, and one cent to land line network providers. This surcharge brings in approximately \$20 million annually, and other provisions in the statute allowing technical charges for communication companies add another approximately \$8.4 million. The bills also would allow counties to continue to apply local surcharges to fund 9-1-1 funding as under current law.

Fiscal Analyst: Bruce Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.