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Public Acts of 2007
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**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2007**

Introduced by Senators Brown, Basham, Hunter, Barcia, Kahn, Jelinek and Pappageorge

ENROLLED SENATE BILL No. 410

AN ACT to amend 1986 PA 32, entitled “An act to provide for the establishment of emergency telephone districts; to provide for the installation, operation, modification, and maintenance of universal emergency number service systems; to provide for the imposition and collection of certain charges; to provide the powers and duties of certain state agencies, local units of government, public officers, telephone service suppliers, and others; to create an emergency telephone service committee; to provide remedies; to provide penalties; and to repeal certain parts of this act on specific dates,” by amending the title and sections 101, 102, 201, 202, 203, 205, 301, 302, 303, 307, 308, 312, 319, 320, and 401 (MCL 484.1101, 484.1102, 484.1201, 484.1202, 484.1203, 484.1205, 484.1301, 484.1302, 484.1303, 484.1307, 484.1308, 484.1312, 484.1319, 484.1320, and 484.1401), the title and section 308 as amended by 1994 PA 29, sections 102 and 303 as amended by 1999 PA 80, section 201 as amended by 1999 PA 78, section 205 as amended by 1998 PA 23, sections 301 and 401 as amended by 2006 PA 249, section 319 as added by 1989 PA 36, and section 320 as amended by 1998 PA 122, and by adding sections 401a, 401b, 401c, 401d, and 401e.

The People of the State of Michigan enact:

TITLE

An act to provide for the establishment of emergency 9-1-1 districts; to provide for the installation, operation, modification, and maintenance of universal emergency 9-1-1 service systems; to provide for the imposition and collection of certain charges; to provide the powers and duties of certain state agencies, local units of government, public officers, service suppliers, and others; to create an emergency 9-1-1 service committee; to provide remedies and penalties; and to repeal acts and parts of acts.

Sec. 101. This act shall be known and may be cited as the “emergency 9-1-1 service enabling act”.

Sec. 102. As used in this act:

(a) “Automatic location identification” or “ALI” means a 9-1-1 service feature provided by the service supplier that automatically provides the name and service address or, for a CMRS service supplier, the location associated with the calling party’s telephone number as identified by automatic number identification to a 9-1-1 public safety answering point.

(b) “Automatic number identification” or “ANI” means a 9-1-1 service feature provided by the service supplier that automatically provides the calling party’s telephone number to a 9-1-1 public safety answering point.

(c) “Commercial mobile radio service” or “CMRS” means commercial mobile radio service regulated under section 3 of title I and section 332 of title III of the communications act of 1934, chapter 652, 48 Stat. 1064, 47 USC 153 and 332,

and the rules of the federal communications commission or provided under the wireless emergency service order. Commercial mobile radio service or CMRS includes all of the following:

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

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

(iii) A network radio access line.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(u) “Final 9-1-1 service plan” means a tentative 9-1-1 service plan that has been modified only to reflect necessary changes resulting from any exclusions of public agencies from the 9-1-1 service district of the tentative 9-1-1 service plan under section 306 and any failure of public safety agencies to be designated as PSAPs or secondary PSAPs under section 307.

(v) “Master street address guide” or “MSAG” means a perpetual database that contains information continuously provided by a service district that defines the geographic area of the service district and includes an alphabetical list of street names, the range of address numbers on each street, the names of each community in the service district, the emergency service zone of each service user, and the primary service answering point identification codes.

(w) “Obligations” means bonds, notes, installment purchase contracts, or lease purchase agreements to be issued by a public agency under a law of this state.

(x) “Person” means an individual, corporation, partnership, association, governmental entity, or any other legal entity.

(y) “Primary public safety answering point”, “PSAP”, or “primary PSAP” means a communications facility operated or answered on a 24-hour basis assigned responsibility by a public agency or county to receive 9-1-1 calls and to dispatch public safety response services, as appropriate, by the direct dispatch method, relay method, or transfer method. It is the first point of reception by a public safety agency of a 9-1-1 call and serves the jurisdictions in which it is located and other participating jurisdictions, if any.

(z) “Prime rate” means the average predominant prime rate quoted by not less than 3 commercial financial institutions as determined by the department of treasury.

(aa) “Private safety entity” means a nongovernmental organization that provides emergency fire, ambulance, or medical services.

(bb) “Public agency” means a village, township, charter township, or city within the state and any special purpose district located in whole or in part within the state.

(cc) “Public safety agency” means a functional division of a public agency, county, or the state that provides fire fighting, law enforcement, ambulance, medical, or other emergency services.

(dd) “Qualified obligations” means obligations that meet 1 or more of the following:

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

(A) The proceeds of the obligations are used for capital expenditures, costs of a reserve fund securing the obligations, and costs of issuing the obligations. The proceeds of obligations shall not be used for operational expenses.

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

(C) The obligations shall not in whole or in part appreciate in principal amount or be sold at a discount of more than 10%.

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

(ee) “Relay method” means that a PSAP notes pertinent information and relays it by a communication service to the appropriate public safety agency or other provider of emergency services that has an available emergency service unit located closest to the request for emergency service for dispatch of an emergency service unit.

(ff) “Secondary public safety answering point” or “secondary PSAP” means a communications facility of a public safety agency or private safety entity that receives 9-1-1 calls by the transfer method only and generally serves as a centralized location for a particular type of emergency call.

(gg) “Service supplier” means a person providing a communication service to a service user in this state.

(hh) “Service user” means a person receiving a communication service.

(ii) “State 9-1-1 charge” means the charge provided for under sections 401a and 401c.

(jj) “Tariff” means the rate approved by the public service commission for 9-1-1 service provided by a particular service supplier. Tariff does not include a rate of a commercial mobile radio service by a particular supplier.

(kk) “Tentative 9-1-1 service plan” means a plan prepared by 1 or more counties for implementing a 9-1-1 system in a specified 9-1-1 service district.

(ll) “Transfer method” means that a PSAP transfers the 9-1-1 call directly to the appropriate public safety agency or other provider of emergency service that has an available emergency service unit located closest to the request for emergency service for dispatch of an emergency service unit.

(mm) “Universal emergency number service” or “9-1-1 service” means public communication service that provides service users with the ability to reach a public safety answering point by dialing the digits “9-1-1”.

(nn) "Universal emergency number service system" or "9-1-1 system" means a system for providing 9-1-1 service under this act.

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

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

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

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

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

Sec. 202. A public agency which is excluded from a 9-1-1 service district in a 9-1-1 system implemented under this act, but which is operating an existing emergency 9-1-1 service at the time the 9-1-1 system is implemented, shall permit any technical modifications to its existing system which are necessary for compatibility with the 9-1-1 system. Any cost of the service supplier associated with such modifications shall be collected from service users in the 9-1-1 service district.

Sec. 203. The digits 9-1-1 shall be the primary emergency 9-1-1 number within every 9-1-1 system established pursuant to this act. A public safety agency whose services are available through a 9-1-1 system implemented under this act may maintain a separate secondary backup number for emergencies, and shall maintain a separate number for nonemergency contacts.

Sec. 205. (1) A 9-1-1 system established under this act shall be capable of transmitting requests for law enforcement, fire fighting, and emergency medical and ambulance services to 1 or more public safety agencies which provide the requested service to the place where the call originates.

(2) A 9-1-1 system shall process all 9-1-1 calls originating from telephones within an exchange any part of which is within the emergency 9-1-1 district served by the system. This requirement does not apply to any part of an exchange not located within the county or counties that established the 9-1-1 system if that part has been included in an implemented 9-1-1 system for the county within which that part is located.

(3) A 9-1-1 system may provide for transmittal of requests for other emergency services, such as poison control, suicide prevention, and civil defense. Conferencing capability with counseling, aid to persons with disabilities, and other services as considered necessary for emergency response determination may be provided by the 9-1-1 system.

Sec. 301. (1) The board of commissioners of a county may establish an emergency 9-1-1 district within all or part of the county and may cause 9-1-1 service to be implemented within the emergency 9-1-1 district under this act.

(2) The board of commissioners of a county all or part of which is operating an existing emergency telephone service shall modify the existing emergency telephone service or may alter the scope or method of financing of 9-1-1 service within all or part of the county by establishing an emergency 9-1-1 district and causing 9-1-1 service to be implemented within the emergency 9-1-1 district under this act.

(3) The board of commissioners of a county may create an emergency 9-1-1 district board and delegate certain powers to the board.

Sec. 302. Two or more county boards of commissioners may jointly establish an emergency 9-1-1 district within all or part of the counties and may cause 9-1-1 service to be implemented within the emergency 9-1-1 district under this act. If 2 or more county boards of commissioners wish to jointly establish an emergency 9-1-1 district under this act, then all actions required or permitted to be taken by a county or its officials under this act shall be taken by each county or the officials of each county, and all notices required or permitted to be given to a county or its officials under this act shall be given to each county or the officials of each county.

Sec. 303. (1) To establish an emergency 9-1-1 district and to cause 9-1-1 service to be implemented within that emergency 9-1-1 district, the board of commissioners of a county shall first adopt a tentative 9-1-1 service plan by resolution.

(2) A tentative 9-1-1 service plan shall comply with chapter II and shall address at a minimum all of the following:

(a) Technical considerations of the service supplier, including but not limited to, system equipment for facilities to be used in providing emergency 9-1-1 service.

(b) Operational considerations, including but not limited to, the designation of PSAPs and secondary PSAPs, the manner in which 9-1-1 calls will be processed, the dispatch functions to be performed, plans for documenting closest public safety service unit dispatching requirements, the dispatch of Michigan state police personnel, and identifying information systems to be utilized.

(c) Managerial considerations including the organizational form and agreements that would control technical, operational, and fiscal aspects of the emergency 9-1-1 service.

(d) Fiscal considerations including projected nonrecurring and recurring costs with a financial plan for implementing and operating the system.

(3) The tentative 9-1-1 service plan shall require each public agency operating a PSAP under the 9-1-1 system to pay directly for all installation and recurring charges for terminal equipment, including customer premises equipment, associated with the public agency's PSAP, and may require each public agency operating a PSAP under the 9-1-1 system to pay directly to the service supplier all installation and recurring charges for all 9-1-1 exchange and tie lines associated with the public agency's PSAP.

Sec. 307. (1) Any public safety agency designated in the tentative 9-1-1 service plan to function as a PSAP or secondary PSAP shall be so designated under the final 9-1-1 service plan if the public safety agency files with the county clerk a notice of intent to function as a PSAP or secondary PSAP within 45 days after the public agency which the public safety agency has been designated to serve by the tentative 9-1-1 service plan receives a copy of the resolution and the tentative 9-1-1 service plan adopted under section 303. The notice of intent to function as a PSAP or secondary PSAP shall be in substantially the following form:

NOTICE OF INTENT TO FUNCTION
AS A PSAP OR SECONDARY PSAP

Pursuant to section 307 of the emergency 9-1-1 service enabling act, _____ shall function as a (check one) _____ PSAP _____ Secondary PSAP within the 9-1-1 service district of the tentative 9-1-1 service plan adopted by resolution of the board of commissioners for the county of _____, on _____, 19_____.

(Acknowledgment)

(2) If a public safety agency designated as a PSAP or secondary PSAP in the tentative 9-1-1 service plan fails to file a notice of intent to function as a PSAP or secondary PSAP within the time period specified in subsection (1), the public safety agency shall not be designated as a PSAP or secondary PSAP in the final 9-1-1 service plan.

Sec. 308. The clerk of each county which has adopted a tentative 9-1-1 service plan under section 303 shall give notice by publication of the hearing on the final 9-1-1 service plan to be held under section 309. The notice shall be published twice in a newspaper of general circulation within the county, the first publication of the notice occurring at least 30 days prior to the date of the hearing. The notice shall state all of the following:

(a) The time, date, and place of the hearing.

(b) A description of the boundaries of the 9-1-1 service district of the final 9-1-1 service plan.

(c) That if the board of commissioners of the county, after a hearing, adopts the final 9-1-1 service plan under this act, the state 9-1-1 charge and, if a county 9-1-1 charge has been approved, a county 9-1-1 charge shall be collected on a uniform basis from all service users within the 9-1-1 service district.

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

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

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

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

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

Sec. 319. A public agency that plans to establish a 9-1-1 system without using the financing method provided under this act shall do all of the following:

(a) Provide public notice of its intent to enter into a contract for 9-1-1 services. The public notice shall be provided in the same manner as required under section 308.

(b) Provide public notice of its intent to enter into a contract for 9-1-1 services to the county board of commissioners of the county within which the public agency is located and to all other public agencies that share wire centers with the contracting public agency. The public notice shall be provided in the same manner as required under section 308.

(c) Conduct a public hearing in the same manner as required under section 309.

Sec. 320. (1) The county shall create an emergency 9-1-1 district board if a county creates a consolidated dispatch within an emergency 9-1-1 district after March 2, 1994.

(2) The membership of the board and the board's powers and duties shall be determined by the county board of commissioners. The membership of the board shall include a representative of the county sheriff or his or her designated representative, a representative of the Michigan state police designated by the director of the Michigan state police, and a firefighter. If the emergency 9-1-1 district consists of more than 1 county, the sheriff representative shall be appointed by the president of the Michigan sheriffs' association.

(3) A county or other public agency may make appropriations to the emergency 9-1-1 district board.

(4) A public agency may contract with the emergency 9-1-1 district board, and persons who are both members of the board and of the governing body of the public agency may vote both on the board and the body if approved by the contract.

(5) The basis under which a consolidated dispatch meets the requirement for being a dispatch under section 102(c) shall determine the system to be used in dispatching participating service units.

Sec. 401. (1) An emergency 9-1-1 district board, a 9-1-1 service district as defined in section 102 and created under section 201b, or a county on behalf of a 9-1-1 service area created by the county may enter into an agreement with a public agency that does either of the following:

(a) Grants a specific pledge or assignment of a lien on or a security interest in any money received by a 9-1-1 service district for the benefit of qualified obligations.

(b) Provides for payment directly to the public entity issuing qualified obligations of a portion of the county 9-1-1 charge or state 9-1-1 charge sufficient to pay when due principal of and interest on qualified obligations.

(2) A pledge, assignment, lien, or security interest for the benefit of qualified obligations is valid and binding from the time the qualified obligations are issued without a physical delivery or further act. A pledge, assignment, lien, or security interest is valid and binding and has priority over any other claim against the emergency 9-1-1 district board, the 9-1-1 service district, or any other person with or without notice of the pledge, assignment, lien, or security interest.

(3) Except as provided in sections 407 to 412, each service supplier within a 9-1-1 service district shall provide a billing and collection service for an emergency telephone technical charge and emergency telephone operational charge from all service users of the service supplier within the geographical boundaries of the emergency telephone or 9-1-1 service district. The billing and collection of the emergency telephone operational charge and that portion of the technical charge used for billing cost shall begin as soon as feasible after the final 9-1-1 service plan has been approved. The billing and collection of the emergency telephone technical charge not already collected for billing costs shall begin as soon as feasible after installation and operation of the 9-1-1 system. The emergency telephone technical charge and emergency telephone operational charge shall be uniform per each exchange access facility within the 9-1-1 service district. The portion of the emergency telephone technical charge that represents start-up costs, nonrecurring billing, installation, service, and equipment charges of the service supplier, including the costs of updating equipment necessary for conversion to 9-1-1 service, shall be amortized at the prime rate plus 1% over a period not to exceed 10 years and shall be billed and collected from all service users only until those amounts are fully recouped by the service supplier. The prime rate to be used for amortization shall be set before the first assessment of nonrecurring charges and remain at that rate for 5 years, at which time a new rate may be set for the remaining amortization period. Recurring costs and charges included in the emergency telephone technical charge and emergency telephone operational charge shall continue to be billed to the service user.

(4) Except as provided in sections 407 to 412 and subject to the limitation provided by this section, the amount of the emergency telephone technical charge and emergency telephone operational charge to be billed to the service user shall be computed by dividing the total emergency telephone technical charge and emergency telephone operational charge by the number of exchange access facilities within the 9-1-1 service district.

(5) Except as provided in subsection (7) and sections 407 to 412, the amount of emergency telephone technical charge payable monthly by a service user for recurring costs and charges shall not exceed 2% of the lesser of \$20.00 or the highest monthly rate charged by the service supplier for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the 9-1-1 service district. The amount of

emergency telephone technical charge payable monthly by a service user for nonrecurring costs and charges shall not exceed 5% of the lesser of \$20.00 or the highest monthly rate charged by the service supplier for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the 9-1-1 service district. With the approval of the county board of commissioners, a county may assess an amount for recurring emergency telephone operational costs and charges that shall not exceed 4% of the lesser of \$20.00 or the highest monthly rate charged by the service supplier for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the geographical boundaries of the assessing county. The percentage to be set for the emergency telephone operational charge shall be established by the county board of commissioners under section 312. A change to the percentage set for the emergency telephone operational charge may be made only by the county board of commissioners. The difference, if any, between the amount of the emergency telephone technical charge computed under subsection (4) and the maximum permitted under this section shall be paid by the county from funds available to the county or through cooperative arrangements with public agencies within the 9-1-1 service district.

(6) Except as provided in sections 407 to 412, the emergency telephone technical charge and emergency telephone operational charge shall be collected in accordance with the regular billings of the service supplier. The amount collected for emergency telephone operational charge shall be paid by the service supplier to the county that authorized the collection. The emergency telephone technical charge and emergency telephone operational charge payable by service users pursuant to this act shall be added to and shall be stated separately in the billings to service users.

(7) Except as provided in sections 407 to 412, for a 9-1-1 service district created or enhanced after June 27, 1991, the amount of emergency telephone technical charge payable monthly by a service user for recurring costs and charges shall not exceed 4% of the lesser of \$20.00 or the highest monthly rate charged by the service supplier for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the 9-1-1 service district.

(8) Except as provided in sections 407 to 412, a county may, with the approval of the voters in the county, assess up to 16% of the lesser of \$20.00 or the highest monthly rate charged by the service supplier for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the geographical boundaries of the assessing county or assess a millage or combination of the 2 to cover emergency telephone operational costs. In a ballot question under this subsection, the board of commissioners shall specifically identify how the collected money is to be distributed. An affirmative vote on a ballot question under this subsection shall be considered an amendment to the 9-1-1 service plan pursuant to section 312. Not more than 1 ballot question under this subsection may be submitted to the voters within any 12-month period. An assessment approved under this subsection shall be for a period not greater than 5 years.

(9) The total emergency telephone operational charge as prescribed in subsections (5) and (8) shall not exceed 20% of the lesser of \$20.00 or the highest monthly flat rate charged for primary basic service by a service supplier for a 1-party access line.

(10) Except as provided in sections 407 to 412, if the voters approve the charge to be assessed on the service user's telephone bill on a ballot question under subsection (8), the service provider's bill shall state the following:

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

(11) Except as provided in sections 407 to 412, an annual accounting shall be made of the emergency telephone operational charge approved under this act in the same manner as the annual accounting required by section 405.

(12) Except as otherwise provided in subsection (13), or as provided in sections 407 to 412, the emergency telephone operational charge collected under this section shall be distributed by the county or the counties to the primary PSAPs by 1 of the following methods:

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

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

(c) If distribution is not provided in the plan or by agreement, then according to the distribution of access lines within the primary PSAPs.

(13) Except as provided in sections 407 to 412, if a county had multiple emergency telephone districts before the effective date of the amendatory act that added this subsection, then the emergency telephone operational charge collected under this section shall be distributed in proportion to the amount of access lines within the primary PSAPs.

(14) This act does not preclude the distribution of funding to secondary PSAPs if the distribution is determined by the primary PSAPs within the emergency 9-1-1 district to be the most effective method for dispatching of fire or emergency medical services and the distribution is approved within the final 9-1-1 service plan.

(15) Notwithstanding any other provision of this act, the emergency telephone technical charge collected under this section and the emergency telephone operational charge shall not be levied or collected after June 30, 2008. If all or a

portion of the emergency telephone operational charge has been pledged as security for the payment of qualified obligations, the emergency telephone operational charge shall be levied and collected only to the extent required to pay the qualified obligations or satisfy the pledge.

(16) Subsections (3) through (13) do not apply after June 30, 2008.

Sec. 401a. (1) Except as otherwise provided under section 401c, each service supplier within a 9-1-1 service district shall bill and collect a state 9-1-1 charge from all service users of the service supplier within the geographical boundaries of the 9-1-1 service district or as otherwise provided by this section. The billing and collection of the state 9-1-1 charge shall begin July 1, 2008. The state 9-1-1 charge shall be uniform per each service user within the 9-1-1 service district.

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

(3) The state 9-1-1 charge shall be collected in accordance with the regular billings of the service supplier. Except as otherwise provided under this act, the amount collected for the state 9-1-1 charge shall be remitted quarterly by the service supplier to the state treasurer and deposited in the emergency 9-1-1 fund created under section 407. The charge allowed under this section shall be listed separately on the customer's bill or payment receipt.

(4) The initial state 9-1-1 charge shall be 19 cents and shall be effective July 1, 2008. The state 9-1-1 charge shall reflect the actual costs of operating, maintaining, upgrading, and other reasonable and necessary expenditures for the 9-1-1 system in this state. The state 9-1-1 charge may be reviewed and adjusted as provided under subsection (5).

(5) The commission in consultation with the committee shall review and may adjust the state 9-1-1 charge under this section and the distribution percentages under section 408 to be effective on January 1, 2009 and January 1, 2010. Any adjustment to the charge by the commission shall be made no later than October 1 of the preceding year and shall be based on the committee's recommendations under section 412. Any adjustments to the state 9-1-1 charge or distribution percentages after December 31, 2010 shall be made by the legislature.

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

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

Sec. 401b. (1) In addition to the charge allowed under section 401a, after June 30, 2008 a county board of commissioners may, by resolution, millage as otherwise allowed by law, with the approval of the voters in the county, or any combination thereof, assess a county 9-1-1 charge. The board of commissioners shall state in the resolution, ballot question, or millage request the anticipated amount to be generated.

(2) The charge assessed under this section and section 401e shall not exceed the amount necessary and reasonable to implement, maintain, and operate the 9-1-1 system in the county.

(3) If the voters approve the charge to be assessed on the service user's monthly bill on a ballot question under this section, the service provider's bill shall state the following:

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

(4) Within 90 days after the first day of each fiscal or calendar year of a county, an annual accounting shall be made of the charge approved under this section.

(5) Except as otherwise provided in subsection (9), the county 9-1-1 charge collected under this section shall be paid quarterly directly to the county and distributed by the county to the primary PSAPs by 1 of the following methods:

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

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

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

(6) The county may adjust the county 9-1-1 charge annually to be effective July 1. The county shall notify the committee no later than April 1 of each year of any change in the county 9-1-1 charge under this section.

(7) If a county has multiple emergency response districts, the county 9-1-1 charge collected under this section shall be distributed under subsection (5) in proportion to the population within the emergency 9-1-1 district.

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

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

(10) The charge allowed under this section shall be listed separately on the customer's bill and shall state by which means the charge was approved under subsection (1).

(11) Information submitted by a service supplier to a county under this section is exempt from the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and shall not be released by the county without the consent of the service supplier.

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

Sec. 401c. (1) Each CMRS supplier or reseller shall collect an emergency 9-1-1 charge from each of its prepaid customers. The amount of the emergency 9-1-1 charge shall be established annually by the committee by combining the amounts determined under subsections (2) and (3).

(2) The CMRS supplier or reseller shall have a 1-time option of selecting 1 of the following methods of determining the portion of the emergency 9-1-1 charge that represents the state 9-1-1 charge amount:

(a) By dividing the total earned prepaid revenue received by the CMRS supplier or reseller within the monthly 9-1-1 reporting period by \$50.00 and then multiplying that number by the amount of the state 9-1-1 charge as established under section 401a.

(b) By multiplying the amount of the state 9-1-1 charge as established under section 401a for each active prepaid account of the CMRS supplier or reseller.

(3) The committee shall review and annually establish the portion of the emergency 9-1-1 charge assessed under this section that represents the county 9-1-1 charge amount. The charge shall be based on the weighted average of all county 9-1-1 charges imposed statewide.

(4) The CMRS shall deposit the amount collected under this section into the emergency 9-1-1 fund to be distributed as provided under section 408.

(5) This section takes effect July 1, 2008.

(6) As used in this section:

(a) "Active prepaid accounts" means a customer who has recharged or replenished his or her account at least once during the billing period or calendar month and has a sufficient positive balance at the end of each month equal to or greater than the amount of the emergency 9-1-1 charge established under this section.

(b) "CMRS reseller" means a provider who purchases telecommunication services from another telecommunication service provider and then resells, uses a component part of, or integrates the purchased services into a mobile telecommunication service.

(c) "Earned prepaid revenue" means new revenue that has been generated from prepaid service accounts since the close of the last billing period or calendar month.

(d) "Prepaid customer" means a CMRS subscriber who pays in full prospectively for the service and has 1 of the following:

(i) A Michigan telephone number or a Michigan identification number for the service.

(ii) A service for exclusive use in an automotive vehicle and whose place of primary use is within this state. As used in this sub-subparagraph, "place of primary use" means that phrase as defined under 4 USC 124.

Sec. 401d. (1) Each local exchange provider within a 9-1-1 service district shall provide a billing and collection service for an emergency telephone technical charge from all service users of the provider within the geographical boundaries of the emergency telephone or 9-1-1 service district. The billing and collection of the emergency telephone technical charge used for billing cost shall begin as soon as feasible after the final 9-1-1 service plan has been approved. The billing and collection of the emergency telephone technical charge not already collected for billing costs shall begin as soon as feasible after installation and operation of the 9-1-1 system. The emergency telephone technical charge shall be uniform per each exchange access facility within the 9-1-1 service district. The portion of the emergency telephone technical charge that represents start-up costs, nonrecurring billing, installation, service, and equipment charges of the service supplier, including the costs of updating equipment necessary for conversion to 9-1-1 service, shall be amortized at the prime rate plus 1% over a period not to exceed 10 years and shall be billed and collected from all service users only until those amounts are fully recouped by the service supplier. The prime rate to be used for amortization shall be set before the first assessment of nonrecurring charges and remain at that rate for 5 years, at which time a new rate may be set for the remaining amortization period. Recurring costs and charges included in the emergency telephone technical charge shall continue to be billed to the service user.

(2) The amount of the emergency telephone technical charge to be billed to the service user shall be computed by dividing the total emergency telephone technical charge by the number of exchange access facilities within the 9-1-1 service district.

(3) The amount of emergency telephone technical charge payable monthly by a service user for recurring costs and charges shall not exceed 4% of the lesser of \$20.00 or the highest monthly rate charged by the local exchange provider for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the 9-1-1 service district. The amount of emergency telephone technical charge payable monthly by a service user for nonrecurring costs and charges shall not exceed 5% of the lesser of \$20.00 or the highest monthly rate charged by the provider for primary basic local exchange service under section 304 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2304, within the 9-1-1 service district. The difference, if any, between the amount of the emergency telephone technical charge computed under subsection (2) and the maximum permitted under this section shall be paid by the county from funds available to the county or through cooperative arrangements with public agencies within the 9-1-1 service district.

(4) The emergency telephone technical charge shall be collected in accordance with the regular billings of the local exchange provider. The emergency telephone technical charge payable by service users under this act shall be added to and shall be stated separately in the billings to service users.

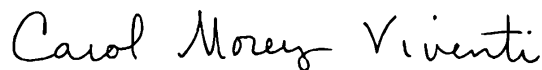
(5) As used in this section, "local exchange provider" means a provider of basic local exchange service as defined in section 102 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2102.

Sec. 401e. (1) No later than February 15, 2008, each county that decides to assess a surcharge under section 401b shall with the assistance of the state 9-1-1 office submit to the commission all of the following:

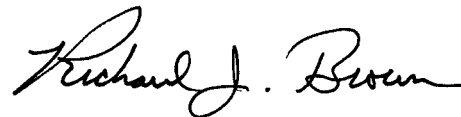
- (a) The initial county 9-1-1 surcharge for each 9-1-1 service district to be effective July 1, 2008.
 - (b) The estimated amount of revenue to be generated in each 9-1-1 service district for 2007.
 - (c) Based on the surcharge established under this subsection, the estimated amount of revenue to be generated for 2008.
- (2) If the amount to be generated in 2008 exceeds the amount received in 2007 plus an amount not to exceed 2.7% of the 2007 revenues, the commission, in consultation with the committee, shall review and approve or disapprove the county 9-1-1 surcharge adopted under section 401b. If the commission does not act by March 17, 2008, the county 9-1-1 surcharge shall be deemed approved. If the surcharge is rejected, it shall be adjusted to ensure that the revenues generated do not exceed the amounts allowed under this subsection. In reviewing the surcharge under this subsection, the commission shall consider the allowable and disallowable costs as approved by the committee on June 21, 2005.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 411 of the 94th Legislature is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor