

Legislative Analysis



ALLOW ANY ENTITY TO COLLOCATE ON MPSCS TOWERS

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House Bill 4237 (Proposed H-3)
Sponsor: Rep. Gail Haines
Committee: Energy and Technology

Complete to 12-1-14

A SUMMARY OF HOUSE BILL 4237 (PROPOSED H-3 SUBSTITUTE)

The bill would allow the Department of Technology, Management, and Budget (DTMB) to lease space to any public safety agency or entity for collocation on towers operated as part of the Michigan Public Safety Communications System (MPSCS). Briefly, the bill would do the following:

- ❖ Transfer the statutory operation of the MPSCS from the Department of State Police to the DTMB.
- ❖ Allow DTMB to authorize any public safety or legal entity to use the MPSCS for collocations.
- ❖ Make costs to collocate on an MPSCS tower the responsibility of the entity.
- ❖ Allow governmental entities to collocate on the MPSCS.
- ❖ Allow, three years after the bill's effective date, a governmental entity that is not a public safety agency to collocate on the MPSCS for a commercial or business purpose but only in an unserved area as specified in the bill.
- ❖ Require DTMB to use money collected from leases for construction or maintenance or to repay bonds used to finance the construction and maintenance of the MPSCS.
- ❖ Allow DTMB to deny an entity permission to collocate if the equipment would interfere with current or planned public safety communications.

The term "collocate" would mean to place or install wireless communications equipment or network components used in the provision of wireless communications services on or in the real or personal property, or towers used in the operation and maintenance of the MPSCS. Equipment and components would include, but not be limited to, antennas, transmitters, receivers, base stations, equipment shelters, cabinets, emergency generators, power supply cabling, and coaxial and fiber optic cable.

The Michigan Public Safety Communications System, an 800-megahertz radio system and telecommunication network within the Department of State Police, provides interoperable voice and data communications to over 1,400 federal, state, local, and private public safety agencies across the state for the purpose of delivering public and emergency services. The system integrates with other bordering states and Canada. Use of the MPSCS radio system is regulated by statute and executive order and may only be

used by non-profit public safety agencies. A for-profit company, even a for-profit public safety company or service, may not currently collocate on an MPSCS tower.

House Bill 4237 would amend Public Act 152 of 1929, which governs the Michigan Public Safety Communications System (MPSCS), to specify that the MPSCS is a 700-megahertz and an 800-megahertz radio system and telecommunication network within the Department of Technology, Management, and Budget (DTMB). Currently, the MPSCS, including all real and personal property, towers, buildings, equipment, and other related facilities and fixtures necessary to operate and maintain the system, is within the Department of State Police (MSP). The bill would transfer all listed property to the Department of Technology, Management, and Budget (DTMB). The DTMB, instead of the MSP, would be responsible for the construction, implementation, operation, and maintenance of the MPSCS. Responsibility for siting buildings and equipment necessary to implement the MPSCS would also be transferred from the MSP to the DTMB.

Currently, the director of the MSP may authorize any *governmental public safety agency* to utilize the MPSCS. Instead, the bill would specify that the director of the DTMB may authorize *any public safety agency or person* to utilize the MPSCS for communications consistent with federal rules and regulations or to utilize the MPSCS for collocations. "Person" would mean an individual, corporation, partnership, association, governmental entity, or any other legal entity. "Public safety agency" would mean a functional division of a public agency, county, or Michigan that provides firefighting, law enforcement, ambulance, medical, or other emergency services.

All costs associated with planning, installing, and maintaining collocation equipment would be the responsibility of the public safety agency or person requesting permission for collocation. The costs would have to be comparable to the costs charged to other public safety agencies or persons requesting to collocate on the MPSCS.

A governmental entity could collocate on the MPSCS. For a period of three years after the bill's effective date, a governmental entity that is not a public safety agency could not collocate on the MPSCS for any commercial or business purpose, but could do so after that time period but only in a service needs area. "Commercial or business purpose" would not include those uses the MPSCS approved before the bill's effective date or uses consistent with federal rules and regulations in connection with the allocation of wireless spectrum for public safety communication. "Service needs area" would be defined to mean an area determined to be unserved by the Connect Michigan broadband service industry survey for the state of Michigan regarding advertised speeds of at least three megabits per second downstream and 768 kilobits per second upstream as of October 1, 2014.

Revenue collected from collocation leasing by the MPSCS would have to be used by the DTMB for the construction or maintenance of the MPSCS, including the payment of debt service for bonds that finance the construction or maintenance of the MPSCS.

The director of the MPSCS could deny a public safety agency or person permission to install, attach, or continue to collocate equipment to a tower constructed under the MPSCS act if the director (or designee) determines that the installation, attachment, or continued collocation will interfere with the optimum operation of the MPSCS or any current or planned public safety communications collocated on a tower.

FISCAL IMPACT:

The bill would have an indeterminate impact on state government. There would not be any costs to the department to plan, install, or maintain private equipment that used the MPSCS for collocations. It is unknown how many parties would be interested in leasing the MPSCS for collocations, what the fees would be to lease space, and how much potential revenue would be gained as a result. Any revenue gained would be used by the department for debt service and/or maintenance of the MPSC system.

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