



**Senate Fiscal Agency**  
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House Bill 4237 (Substitute H-4 as passed by the House)  
Sponsor: Representative Gail Haines  
House Committee: Energy and Technology  
Senate Committee: Energy and Technology

Date Completed: 12-11-14

### **CONTENT**

**The bill would amend Public Act 152 of 1929, which governs the Michigan Public Safety Communications System (MPSCS), to do the following:**

- **Provide that the Director of the Department of Technology, Management, and Budget (DTMB), rather than the DTMB Director and the Director of the Michigan Department of State Police (MSP), would be responsible for the MPSCS.**
- **Transfer responsibility for siting the buildings and equipment necessary to implement the MPSCS, and authorizing use of the System by other entities, from the MSP to the DTMB.**
- **Allow the DTMB to authorize use of the MPSCS by any public safety agency or person, rather than a governmental public safety agency as allowed currently.**
- **Specify that the purposes for which authorization to use the MPSCS may be granted would include communications consistent with Federal rules and regulations, and collocations.**
- **Provide that a collocating entity would be responsible for all costs associated with the collocation.**
- **Authorize a governmental entity to collocate on the MPSCS.**
- **Beginning three years after the bill's effective date, allow a governmental entity that was not a public safety agency to collocate on the MPSCS for a commercial or business purpose in an area determined to lack adequate broadband service.**
- **Require the DTMB to use money collected from collocation leasing for the construction or maintenance of the MPSCS.**
- **Require the DTMB to deny permission to collocate if it would interfere with operation of the MPSCS.**

The Act provides that the MPSCS is an 800-megahertz radio system and telecommunication network within the MSP. The bill would refer to a 700-megahertz and 800-megahertz radio system and telecommunication network within the DTMB.

Currently, the MSP Director and the DTMB Director are responsible for the construction, implementation, operation, and maintenance of the MPSCS. The bill would delete the reference to the MSP Director.

Under the Act, in siting the buildings and equipment necessary to implement the MPSCS, the MSP Director must locate the system, and a local unit of government with zoning authority must be notified of a site selected in its jurisdiction and the requirements necessary for the site. If the selected site does not comply with zoning, the local unit has 30

days from the date of notification to grant a special use permit or propose an equivalent site. If the local unit does not grant the permit within the 30-day period, or the alternate site does not meet the siting requirements, the Department may proceed with construction. The bill would refer to the DTMB rather than the MSP in these provisions.

The Act allows the MSP Director to authorize any governmental public safety agency to use the MPSCS. The bill would refer to the DTMB Director rather than the MSP Director in this provision. Additionally, the bill would refer to "any public safety agency or person" rather than "any governmental public safety agency". The bill also specifies that this authorization to use the system would apply with regard to communications consistent with Federal rules and regulations, or for collocations.

("Public safety agency" would mean a functional division of a public agency, county, or the State that provides firefighting, law enforcement, ambulance, medical, or other emergency services. "Person" would mean an individual, corporation, partnership, association, governmental entity, or any other legal entity.)

The bill provides that 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. Costs associated with collocating in the MPSCS paid by that agency or person would have to be comparable to the costs charged to other public safety agencies or people requesting to collocate.

("Collocate" would mean to place or install wireless communications equipment or network components used in the provision of wireless communications services, including antennas, transmitters, receivers, base stations, equipment shelters, cabinets, emergency generators, power supply cabling, and coaxial and fiber optic cable, on or in the real or personal property or towers used in the operation and maintenance of the MPSCS.)

Except as otherwise provided, a governmental entity could collocate on the MPSCS. For three years after the bill took effect, a governmental entity that was not a public safety agency could not collocate on the MPSCS for any commercial or business purpose. Beginning three years after the bill's effective date, such an entity could collocate on the MPSCS for a commercial or business purpose only in a service needs area.

("Commercial or business purpose" would not include uses of 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 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.)

The DTMB would have to use any money collected from collocation leasing of the MPSCS for the construction or maintenance of the system, including the payment of debt service for bonds that financed the construction or maintenance.

The DTMB Director would have to deny a public safety agency or person permission to install, attach, or continue to collocate equipment to a tower constructed under the Act if he or she, or his or her designee, determined that it would interfere with the optimum operation of the MPSCS or any current or planned public safety communications collocated on a tower.

MCL 28.281-28.283

Legislative Analyst: Julie Cassidy

## **FISCAL IMPACT**

The bill could have an indeterminate but positive fiscal impact on the Department of Technology, Management, and Budget. The DTMB could receive additional revenue from the leasing costs paid to the DTMB by the entities that would be allowed to collocate on the State's MPSCS towers. Any revenue received by the DTMB from the leases would be used for construction or maintenance costs or for the debt service costs on the bonds used to finance the construction and maintenance of the MPSCS. The amount of additional revenue would depend on the number of entities that chose to lease space on the MPSCS.

Fiscal Analyst: Joe Carrasco

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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.