

# Legislative Analysis



## MULTILINE TELEPHONE SYSTEMS

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**House Bill 4249 (H-4) as reported from committee**  
**Sponsor: Rep. Michele Hoytenga**  
**1st Committee: Communications and Technology**  
**2nd Committee: Ways and Means**  
**Complete to 5-21-19**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Act 30 of 2019)*

**BRIEF SUMMARY:** House Bill 4249 would amend the Emergency 9-1-1 Service Enabling Act to eliminate the ability of the Michigan Public Service Commission (MPSC) to promulgate rules establishing requirements for multiline telephone systems (MLTS); to create new requirements and exemptions for MLTS operators; and to repeal a requirement that each service user with an MLTS install the necessary equipment and software to provide specific location information for a 9-1-1 call by December 31, 2019.

**FISCAL IMPACT:** House Bill 4249 would not be expected to have a significant fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) or other units of state and local government. (See **Fiscal Information**, below, for more detail.)

### **THE APPARENT PROBLEM:**

The Emergency 9-1-1 Service Enabling Act established emergency 9-1-1 districts and provides for the maintenance of universal emergency 9-1-1 service systems. Usually, when an individual calls 9-1-1, the caller's phone number and address are displayed to a public safety answering point (PSAP). The system identifies the caller's location, enabling emergency services to be sent to the appropriate place. However, the system might not properly locate a call made from an MLTS, particularly if the building the person is calling from is large or the site is remote from the provided location information.

In 2015, MPSC amended rule R 484.903 to require MLTS operators to install necessary equipment and software to ensure that the specific location information of a 9-1-1 call will be relayed through the system. The deadline for installation of that equipment has been extended several times. The current December 31, 2019, deadline was established by 2016 PA 244.

Some have criticized the requirements and deadlines currently set by the MPSC as being cost-prohibitive for smaller businesses or organizations. Legislation has been offered as a compromise between those requirements and new requirements that would provide more time and other exemptions to affected organizations without compromising public safety.

### **THE CONTENT OF THE BILL:**

House Bill 4249 would amend section 413 of the Emergency 9-1-1 Service Enabling Act to eliminate the ability of MPSC to promulgate rules establishing requirements for *multiline telephone systems (MLTS)* and to create new requirements and exemptions for *MLTS operators*.

**Multiline telephone system** (MLTS) would mean a system composed of a common control unit or units, telephone sets with unique telephone numbers, and control hardware and software.

**Multiline telephone system operator** would mean a service user who owns, leases, or rents from a third party and operates an MLTS.

#### MLTS Operator Requirements and Exemptions

An MLTS operator would have to ensure that the MLTS system is capable of routing 9-1-1 calls to the 9-1-1 network so that they can be answered by a PSAP, resulting in an accurate automatic location identification (ALI) and automatic number identification (ANI) that can be verified in the 9-1-1 location database to include the **specific location** of the **communications device** from which the call was made.

**Communications device** would mean a device that is integrated into the design and operation of the multiline telephone system and by using the multiline telephone system is 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, cellular phone, wireless communications device, interconnected voice over the internet device, or any other means.

**Specific location** would mean a room or unit number, room name, or equivalent unique designation of a portion of a structure or building to which a 9-1-1 emergency response team may be dispatched, and the caller quickly located, that is not more than 7,000 square feet.

The proposed MLTS operator requirements would apply to locations with more than 7,000 square feet of **work space**; however, single-floor locations that have less than 20,000 square feet of work space and fewer than 20 communications devices would be exempt from these requirements until the installation of a new MLTS system after January 1, 2020.

**Work space** would mean the physical building area where work is normally preformed, measured by net square footage, including offices; production, warehouse, and shop floors; storage areas; hallways; conference rooms; break rooms; and other common areas. It would not include wall thickness; shafts; heating, ventilation, or air condition equipment spaces; mechanical or electrical spaces; or similar areas to which employees do not normally have access.

A **farm** with fewer than 20 communications devices in one building would also be exempt from providing the specific location of each device until the installment of a new MLTS after January 1, 2020.

**Farm** would mean the land, plants, animals, building, structures, including ponds used for agricultural or aquacultural activities, machinery, equipment, and other appurtenances used in the commercial production of farm products, as defined in the Michigan Right to Farm Act (MCL 286.472). However, farm would not include a farm producing or selling any product or crop that is unable to be sold in interstate commerce (e.g., marijuana).

A *house of worship* with fewer than 20 communications devices within various property types would be exempt from providing the specific location of each communications device until the installation of a new MLTS purchased after January 1, 2020. This exemption would not extend to a school controlled by the house of worship at the same address.

*House of worship* would include buildings or other facilities owned by a religious society and used predominantly for religious services or for teaching the religious truths and beliefs of the society, as described in the General Property Tax Act (MCL 211.7s).

An MLTS operator would be exempt from the specific location identification requirements if the building maintained, on a 24-hour basis, an *alternative method of notification* and adequate means of signaling and responding to emergencies, including at least a communications system that provides the specific location of 9-1-1 calls from within the building, or if the building were serviced with its own appropriate medical, fire, and security personnel.

*Alternative method of notification* would mean an existing internal system that will locate the communications device used to make a 9-1-1 call and initiate an emergency response.

An MLTS operator not serviced by *enhanced 9-1-1 (E9-1-1)* service would be exempt until the service was available.

*Enhanced 9-1-1* or *E9-1-1* would mean an advanced form of 9-1-1 service that transmits the caller's telephone number to the PSAP, for cross-referencing with an address database to determine the caller's location, which is relayed to a video monitor for the emergency dispatcher to direct public safety personnel responding to the emergency.

#### Requirements per Location Type

**For a single building with one floor, on one contiguous property, with its own street address,** the MLTS operator would have to be able to identify the specific location of each communication device, including street address. If the location met all other requirements, but with **multiple floors**, the operator would also have to be able to identify the specific floor.

**For separate buildings using one MLTS, located on a single floor, on a single property, with a common street address,** the operator would have to be able to identify the specific location of each communications device in each building in addition to the address and any unique building identifier, if applicable. If the location met all other requirements, but with **multiple floors**, the operator would also have to be able to identify the specific floor.

**For separate buildings using one MLTS, with work space on single or multiple floors, on separate properties, with different street addresses,** the operator would have to be able to identify the specific location of each communications device in each building, including the address and any unique building identifier, if applicable.

**For a farm with fewer than 20 communications devices located in a single building,** the operator would have to be able to identify the specific location of each communications device, including the street address.

**For a house of worship with fewer than 20 communications devices located in a single building**, the operator would have to identify, at a minimum, the street address of the property.

**For a house of worship with fewer than 20 communications devices, using one MLTS, located in multiple buildings on a single property, with a common street address**, the operator would have to identify at least the street address and a unique building identifier. If the house of worship met all other location requirements, but with **multiple buildings on separate properties with different addresses**, the operator would have to identify at least the specific street address of the caller's location and a unique building identifier.

#### Violations and Fines

An MLTS operator in violation of the act after December 31, 2020, would have to provide to the MPSC and the Emergency 9-1-1 Service Committee information on the failure to meet the deadline and, within 60 days after the violation, provide a plan to remedy the failure within six months. Additionally, the operator could be assessed a \$500 to \$5,000 fine per offense. An operator with 50 or fewer employees could be assessed a fine of up to \$500 per offense.

#### Repeal and Rescission

Additionally, the bill would repeal section 405 of the act, which currently requires each service user with an MLTS to install the necessary equipment and software to provide specific location information for a 9-1-1 call by December 31, 2019.

The bill would also rescind rules R 484.901 to R 484.906 of the Michigan Administrative Code, which are the corresponding rules pertaining to MLTS requirements.

MCL 484.1413 and MCL 484.1405 (repealed)

#### ***BACKGROUND INFORMATION:***

2012 PA 260 placed a sunset (expiration) date of December 31, 2021, on the Emergency 9-1-1 Service Enabling Act in its entirety.

#### ***FISCAL INFORMATION:***

House Bill 4249 would not be expected to have a significant fiscal impact on LARA or other units of state and local government. The bill may entail some marginal costs to local units of government depending on the extent to which the local unit is already compliant with the bill's requirements. The bill's definition of "work space" would likely require additional buildings with multiline phone systems to be equipped with the technology required for sending accurate location information. The number of buildings among local units of government that would be required to enhance their multiline phone system capabilities has not been determined but is not likely to be high or to entail significant costs. The state government's phone systems are currently compliant with the bill's requirements.

**ARGUMENTS:**

**For:**

Proponents of the bill maintain that it is a fair compromise, as MLTS systems that can accurately locate a caller are important for public safety, but upgrades can be costly for smaller organizations, businesses, or units of government. Because of that cost, some affected organizations might choose to reduce the amount of landlines in their location, which could also be a safety risk, as landlines tend to be more accurate than cellphones for locating emergency calls.

**Against:**

No arguments opposing the bill were offered in committee.

**POSITIONS:**

A representative of Andrews University testified in support of the bill. (4-17-19)

Frontier Communications indicated support for the bill. (4-17-19)

Representatives of the following entities testified to a neutral position on the bill (4-17-19):

Michigan Communication Directors Association  
National Federation of Independent Business

The following entities indicated a neutral position on the bill:

Michigan State Police (5-21-19)  
Michigan Association of Fire Chiefs (4-17-19)  
Michigan Sheriffs' Association (5-21-19)  
Small Business Association of Michigan (5-15-19)  
Michigan Manufacturers Association (5-15-19)  
Grand Rapids Area Chamber of Commerce (5-15-19)  
Michigan Association of Insurance Agents (5-15-19)  
Michigan Chamber of Commerce (5-15-19)  
Michigan Retailers Association (5-15-19)  
Michigan Restaurant and Lodging Association (5-15-19)  
Telecommunications Association of Michigan (5-15-19)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.