

# SENATE BILL NO. 452

August 20, 2019, Introduced by Senator STAMAS and referred to the Committee on Appropriations.

A bill to amend 1986 PA 32, entitled  
"Emergency 9-1-1 service enabling act,"  
by amending section 408 (MCL 484.1408), as amended by 2018 PA 51.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 408. (1) Except as otherwise provided under this act, a  
2       service supplier shall bill and collect a state 9-1-1 service  
3       charge per month as determined under section 401a. The service  
4       supplier shall list the state 9-1-1 service charge authorized under  
5       this act as a separate line item on each bill as the "state 9-1-1



1 charge".

2 (2) Each service supplier may retain 2% of the state 9-1-1  
3 charge collected under this act to cover the supplier's costs for  
4 billing and collection.

5 (3) Except as otherwise provided under subsection (2), the  
6 money collected as the state 9-1-1 charge under subsection (1) must  
7 be deposited in the emergency 9-1-1 fund created in section 407 no  
8 later than 30 days after the end of the quarter in which the state  
9 9-1-1 charge was collected.

10 (4) All money collected and deposited in the emergency 9-1-1  
11 fund created in section 407 must be distributed as provided in this  
12 section. Annual money ~~in the fund~~ **collected** not exceeding  
13 \$37,000,000.00 must be distributed as follows:

14 (a) 65% must be disbursed to each county that has a final 9-1-  
15 1 plan in place. Forty percent of the 65% must be distributed  
16 quarterly on an equal basis to each county, and 60% of the 65% must  
17 be distributed quarterly based on a population per capita basis. A  
18 county shall only use money received by the county under this  
19 subdivision for 9-1-1 services as allowed under this act. A county  
20 shall repay to the fund any money expended under this subdivision  
21 for a purpose considered unnecessary or unreasonable by the  
22 committee or the auditor general.

23 (b) 25.56% must be available to reimburse local exchange  
24 providers for the costs related to wireless emergency service and  
25 to reimburse IP-based 9-1-1 service providers for the costs related  
26 to the transport, routing, or delivery to PSAPs of IP-based 9-1-1  
27 emergency service. Any cost reimbursement allowed under this  
28 subdivision must not include a cost that is not related to wireless  
29 emergency service or to IP-based 9-1-1 emergency service. A local



1 exchange provider or an IP-based 9-1-1 service provider may, on a  
2 quarterly basis, submit an invoice to the commission for  
3 reimbursement from the emergency 9-1-1 fund for allowed costs.  
4 Except as otherwise provided in subsection (5), within 45 days  
5 after the date an invoice is submitted to the commission, the  
6 commission shall approve, either in whole or in part, or deny the  
7 invoice.

8 (c) 5.5% must be available to PSAPs for training personnel  
9 assigned to 9-1-1 centers. A public safety agency or county shall  
10 make a written request for money from the fund to the committee.  
11 The committee shall semiannually authorize distribution of money  
12 from the fund to eligible public safety agencies or counties. A  
13 public safety agency or county that receives money under this  
14 subdivision shall create, maintain, and make available to the  
15 committee upon request a detailed record of expenditures relating  
16 to the preparation, administration, and carrying out of activities  
17 of its 9-1-1 training program. An eligible public safety agency or  
18 county shall repay to the fund any money expended by that public  
19 safety agency or county for a purpose considered unnecessary or  
20 unreasonable by the committee or the auditor general. The  
21 commission shall consult with and consider the recommendations of  
22 the committee in the promulgation of rules under section 413  
23 establishing training standards for 9-1-1 system personnel. Money  
24 must be disbursed on a biannual basis to an eligible public safety  
25 agency or county for training of PSAP personnel through courses  
26 certified by the committee only for either of the following  
27 purposes:

28 (i) To provide basic 9-1-1 operations training.

29 (ii) To provide in-service training to employees engaged in 9-



1 1-1 service.

2 (d) 1.5% must be credited to the department of state police to  
3 operate a regional dispatch center that receives and dispatches 9-  
4 1-1 calls, and 2.44% must be credited to the department of state  
5 police for costs to administer this act and to maintain the office  
6 of the state 9-1-1 coordinator.

7 (5) ~~Within 60 days of the effective date of the 2018~~  
8 ~~amendatory act that added this subsection, **By May 5, 2018,** the~~  
9 commission shall commence a proceeding to determine the recurring  
10 and nonrecurring cost categories for all IP-based 9-1-1 service  
11 providers. The commission shall allow any interested person to  
12 intervene in a proceeding under this subsection. Within 180 days  
13 after a proceeding is commenced under this subsection, the  
14 commission shall issue a final order adopting the recurring and  
15 nonrecurring cost categories for all IP-based 9-1-1 service  
16 providers considered just and reasonable by the commission. For  
17 cost studies first submitted by an IP-based 9-1-1 service provider  
18 after the commission completes the proceeding under this  
19 subsection, the commission shall, within 45 days of receiving an  
20 invoice, only approve those costs in the invoice that are both of  
21 the following:

22 (a) Consistent with the recurring and nonrecurring cost  
23 categories for IP-based 9-1-1 service providers approved by the  
24 commission under this subsection.

25 (b) For contracts entered into after ~~the effective date of the~~  
26 ~~2018 amendatory act that amended this section, **March 6, 2018,** the~~  
27 result of a competitively bid process as confirmed by supporting  
28 documentation.

29 (6) An IP-based 9-1-1 service provider shall file an updated



1 cost study not later than 5 years after the filing of an initial  
2 cost study and every 5 years thereafter.

3 (7) An IP-based 9-1-1 service provider must meet the next  
4 generation 9-1-1 standards set by the National Emergency Number  
5 Association to submit an invoice to the commission under subsection  
6 (4)(b) for reimbursement from the emergency 9-1-1 fund for allowed  
7 costs.

8 (8) Funds generated by the ~~fee~~**fees** in ~~section~~**sections** 401a  
9 **and 401c** in excess of \$37,000,000.00 annually must be reserved for  
10 approved costs under subsection (4)(b).

11 (9) Money received by a county under subsection (4)(a) must be  
12 distributed by the county to the primary PSAPs geographically  
13 located within the 9-1-1 service district by 1 of the following  
14 methods:

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

16 (b) If distribution is not provided for in the 9-1-1 service  
17 plan under subdivision (a), then according to any agreement for  
18 distribution between a county and a public agency.

19 (c) If distribution is not provided for in the 9-1-1 service  
20 plan under subdivision (a) or by agreement between the county and  
21 public agency under subdivision (b), then according to the  
22 population within the geographic area for which the PSAP serves as  
23 primary PSAP.

24 (d) If a county has multiple emergency 9-1-1 districts, money  
25 for that county must be distributed as provided in the emergency 9-  
26 1-1 districts' final 9-1-1 service plans.

27 (10) The commission shall consult with and consider  
28 recommendations of the committee in the promulgation of rules under  
29 section 413 establishing the standards for the receipt and



1 expenditure of 9-1-1 funds under this act. Receipt of 9-1-1 funds  
2 under this act is dependent on compliance with the standards  
3 established under this subsection.

4 (11) No later than December 1, 2020, the commission must issue  
5 a report to the legislature and governor containing the following  
6 information:

7 (a) The total costs incurred by counties or 9-1-1 service  
8 districts that have transitioned to an IP-based 9-1-1 service  
9 provider.

10 (b) The estimated transition costs to be incurred by counties  
11 or 9-1-1 service districts that have not transitioned to an IP-  
12 based 9-1-1 service provider and the estimated dates for  
13 transition.

14 (c) The estimated ongoing, annual costs of operating the 9-1-1  
15 network after the transition to an IP-based 9-1-1 service provider  
16 has been completed by all counties or 9-1-1 service districts  
17 choosing to transition.

18 (d) The current 9-1-1 funding system revenues as reported by  
19 the committee.

20 (e) The estimated costs of operating the IP-based 9-1-1  
21 network based on the estimates calculated in subdivisions (b) and  
22 (c).

23 (12) The commission may collect data from counties, 9-1-1  
24 service districts, IP-based 9-1-1 service providers, the state  
25 treasurer, and the state 9-1-1 committee that are reasonably  
26 required to complete the report under subsection (11). Counties, 9-  
27 1-1 service districts, IP-based 9-1-1 service providers, the state  
28 treasurer, and the state 9-1-1 committee shall submit to the  
29 commission any data that are reasonably required to compile the



1 report under subsection (11). At the request of the commission, the  
2 committee shall, in preparing the annual report to be submitted to  
3 the legislature and governor under section 412 by August 1, 2020,  
4 collect data from counties, 9-1-1 service districts, and IP-based  
5 9-1-1 service providers that the commission reasonably requires to  
6 compile the report under subsection (11) and submit that data to  
7 the commission.

