

Act No. 76
Public Acts of 2019
Approved by the Governor
September 30, 2019

Filed with the Secretary of State
September 30, 2019

EFFECTIVE DATE: September 30, 2019

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2019**

Introduced by Senator Stamas

ENROLLED SENATE BILL No. 452

AN ACT to amend 1986 PA 32, entitled "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," by amending section 408 (MCL 484.1408), as amended by 2018 PA 51.

The People of the State of Michigan enact:

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

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

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

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

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

(b) 25.56% must be available to reimburse local exchange providers for the costs related to wireless emergency service and to reimburse IP-based 9-1-1 service providers for the costs related to the transport, routing, or delivery to PSAPs of IP-based 9-1-1 emergency service. Any cost reimbursement allowed under this subdivision must not include a cost that is not related to wireless emergency service or to IP-based 9-1-1 emergency service. A local exchange provider or an IP-based 9-1-1 service provider may, on a quarterly basis, submit an invoice to the commission for reimbursement from the emergency 9-1-1 fund for allowed costs. Except as otherwise provided in subsection (5), within 45 days after the date an invoice is submitted to the commission, the commission shall approve, either in whole or in part, or deny the invoice.

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

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

(ii) To provide in-service training to employees engaged in 9-1-1 service.

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

(5) By May 5, 2018, the commission shall commence a proceeding to determine the recurring and nonrecurring cost categories for all IP-based 9-1-1 service providers. The commission shall allow any interested person to intervene in a proceeding under this subsection. Within 180 days after a proceeding is commenced under this subsection, the commission shall issue a final order adopting the recurring and nonrecurring cost categories for all IP-based 9-1-1 service providers considered just and reasonable by the commission. For cost studies first submitted by an IP-based 9-1-1 service provider after the commission completes the proceeding under this subsection, the commission shall, within 45 days of receiving an invoice, only approve those costs in the invoice that are both of the following:

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

(b) For contracts entered into after March 6, 2018, the result of a competitively bid process as confirmed by supporting documentation.

(6) An IP-based 9-1-1 service provider shall file an updated cost study not later than 5 years after the filing of an initial cost study and every 5 years thereafter.

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

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

(9) Money received by a county under subsection (4)(a) must be distributed by the county to the primary PSAPs geographically located within the 9-1-1 service district 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 9-1-1 service plan under subdivision (a), then according to any agreement for distribution between a county and a public agency.

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

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

(10) The commission shall consult with and consider recommendations of the committee in the promulgation of rules under section 413 establishing the standards for the receipt and expenditure of 9-1-1 funds under this act. Receipt of 9-1-1 funds under this act is dependent on compliance with the standards established under this subsection.

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

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

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

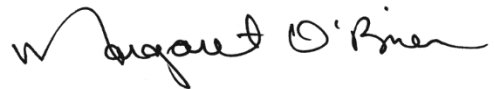
(c) The estimated ongoing, annual costs of operating the 9-1-1 network after the transition to an IP-based 9-1-1 service provider has been completed by all counties or 9-1-1 service districts choosing to transition.

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

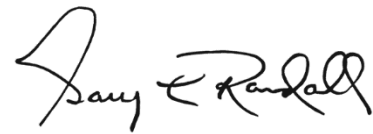
(e) The estimated costs of operating the IP-based 9-1-1 network based on the estimates calculated in subdivisions (b) and (c).

(12) The commission may collect data from counties, 9-1-1 service districts, IP-based 9-1-1 service providers, the state treasurer, and the state 9-1-1 committee that are reasonably required to complete the report under subsection (11). Counties, 9-1-1 service districts, IP-based 9-1-1 service providers, the state treasurer, and the state 9-1-1 committee shall submit to the commission any data that are reasonably required to compile the report under subsection (11). At the request of the commission, the committee shall, in preparing the annual report to be submitted to the legislature and governor under section 412 by August 1, 2020, collect data from counties, 9-1-1 service districts, and IP-based 9-1-1 service providers that the commission reasonably requires to compile the report under subsection (11) and submit that data to the commission.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor