

Act No. 126
Public Acts of 2021
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**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2021**

Introduced by Reps. Calley, Bezotte, Sabo, Griffin, O’Neal, Yaroach, Markkanen, O’Malley, Breen,
Koleszar, Frederick and Whitsett

ENROLLED HOUSE BILL No. 5026

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 sections 102, 205, 303, 304, 305, 307, 308, 309, 310, 312, 320, 401a, 401c, 403, 408, 413, 713, and 717 (MCL 484.1102, 484.1205, 484.1303, 484.1304, 484.1305, 484.1307, 484.1308, 484.1309, 484.1310, 484.1312, 484.1320, 484.1401a, 484.1401c, 484.1403, 484.1408, 484.1413, 484.1713, and 484.1717), sections 102, 312, 401a, 401c, and 403 as amended by 2018 PA 51, sections 205, 303, 307, 308, and 320 as amended by 2007 PA 164, section 408 as amended by 2019 PA 76, section 413 as amended by 2019 PA 30, section 713 as added by 1999 PA 79, and section 717 as amended by 2012 PA 260, and by adding section 401f; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 102. As used in this act:

(a) “Automatic location identification” or “ALI” means a 9-1-1 service feature provided by the service supplier that automatically provides the name and service address or, for a CMRS service supplier, the location associated with the calling party’s telephone number as identified by automatic number identification to a 9-1-1 public safety answering point.

(b) “Automatic number identification” or “ANI” means a 9-1-1 service feature provided by the service supplier that automatically provides the calling party’s telephone number to a 9-1-1 public safety answering point.

(c) “Commercial mobile radio service” or “CMRS” means commercial mobile radio service regulated under section 3 of title I and section 332 of title III of the communications act of 1934, chapter 652, 48 Stat 1064, 47 USC 153 and 332, and the rules of the Federal Communications Commission or provided under the wireless emergency service order. Commercial mobile radio service or CMRS includes all of the following:

(i) A wireless 2-way communication device, including a radio telephone used in cellular telephone service or personal communication service.

(ii) A functional equivalent of a radio telephone communications line used in cellular telephone service or personal communication service.

(iii) A network radio access line.

- (d) "Commission" means the Michigan public service commission.
- (e) "Committee" means the emergency 9-1-1 service committee created under section 712.
- (f) "Common network costs" means the costs associated with the common network required to deliver a 9-1-1 call with ALI and ANI from a selective router or emergency services routing proxy to the proper PSAP and the costs associated with the 9-1-1 database and data distribution system of the primary 9-1-1 service supplier identified in a county 9-1-1 plan. As used in this subdivision, "common network" means the elements of a service supplier's network that are not exclusive to the supplier or technology capable of accessing the 9-1-1 system.
- (g) "Communication service" means a service 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 device, cellular telephone device, wireless communication device, interconnected voice over the internet device, or any other means.
- (h) "CMRS connection" means each number assigned to a CMRS customer.
- (i) "Consolidated dispatch" means a countywide or regional emergency dispatch service that provides dispatch service for 75% or more of the law enforcement, fire fighting, emergency medical service, and other emergency service agencies within the geographical area of a 9-1-1 service district or serves 75% or more of the population within a 9-1-1 service district.
- (j) "County 9-1-1 charge" means the charge allowed under sections 401b and 401e.
- (k) "Database service provider" means a service supplier who maintains and supplies or contracts to maintain and supply an ALI database or an MSAG.
- (l) "Direct dispatch method" means that the agency receiving the 9-1-1 call at the public safety answering point decides on the proper action to be taken and dispatches the appropriate available public safety service unit located closest to the request for public safety service.
- (m) "Emergency response service" or "ERS" means a public or private agency that responds to events or situations that are dangerous or that are considered by a member of the public to threaten the public safety. An emergency response service includes a police or fire department, an ambulance service, or any other public or private entity trained and able to alleviate a dangerous or threatening situation.
- (n) "Emergency service zone" or "ESZ" means the designation assigned by a county to each street name and address range that identifies which emergency response service is responsible for responding to an exchange access facility's premises.
- (o) "Emergency telephone charge" means the emergency telephone operational charge and emergency telephone technical charge allowed under section 401.
- (p) "Emergency 9-1-1 district" or "9-1-1 service district" means the area in which 9-1-1 service is provided or is planned to be provided to service users under a 9-1-1 system implemented under this act.
- (q) "Emergency 9-1-1 district board" means the governing body created by the board of commissioners of the county or counties with authority over an emergency 9-1-1 district.
- (r) "Emergency telephone operational charge" means a charge allowed under section 401 for nonnetwork technical equipment and other costs directly related to the dispatch facility and the operation of 1 or more PSAPs including, but not limited to, the costs of dispatch personnel and radio equipment necessary to provide 2-way communication between PSAPs and a public safety agency. Emergency telephone operational charge does not include non-PSAP related costs such as response vehicles and other personnel.
- (s) "Emergency telephone technical charge" means a charge as allowed under section 401 or 401d for costs directly related to 9-1-1 service including plant-related costs associated with the use of the public switched telephone network or IP-based 9-1-1 transport network from the end user to the selective router or emergency services routing proxy, the network start-up costs, customer notification costs, common network costs, administrative costs, database management costs, and network nonrecurring and recurring installation, maintenance, service, and equipment charges of a service supplier providing 9-1-1 service under this act. Emergency telephone technical charge does not include costs recovered under sections 401b(10) and 408(2).
- (t) "Exchange access facility" means the access from a particular service user's premises to the communication service. Exchange access facilities include service supplier provided access lines, PBX trunks, and centrex line trunk equivalents, all as defined by tariffs of the service suppliers as approved by the public service commission. Exchange access facilities do not include telephone pay station lines or WATS, FX, or incoming only lines.
- (u) "Final 9-1-1 service plan" means a tentative 9-1-1 service plan that has been approved under sections 305, 307, 308, 309, and 310 and has been modified only to reflect grammatical changes and necessary changes resulting from any failure of public safety agencies to be designated as PSAPs or secondary PSAPs under section 307.

(v) “IP-based 9-1-1 service provider” means the provider of a standards-based digital (Internet Protocol) secure redundant managed 9-1-1 transport network used for the routing and delivery of 9-1-1 connectivity with location information from a party requesting emergency services to a PSAP. An IP-based 9-1-1 network can interface with other networks and transport other emergency services applications. An IP-based 9-1-1 network may be constructed from a mix of dedicated and shared facilities or networks, and may be interconnected at local, regional, state, federal, national, and international levels to form an IP-based inter-network or intra-network of 9-1-1 connectivity.

(w) “Master street address guide” or “MSAG” means a perpetual database that contains information continuously provided by a service district that defines the geographic area of the service district and includes an alphabetical list of street names, the range of address numbers on each street, the names of each community in the service district, the emergency service zone of each service user, and the primary service answering point identification codes.

(x) “Obligations” means bonds, notes, installment purchase contracts, or lease purchase agreements to be issued by a public agency under a law of this state.

(y) “Person” means an individual, corporation, partnership, association, governmental entity, or any other legal entity.

(z) “Prepaid wireless telecommunications service” means a commercial mobile radio service that allows a caller to dial 9-1-1 to access the 9-1-1 system and is paid for in advance and sold in predetermined units or dollars of which the number declines with use in a known amount.

(aa) “Primary public safety answering point”, “PSAP”, or “primary PSAP” means a communications facility operated or answered on a 24-hour basis assigned responsibility by a public agency or county to receive 9-1-1 calls and to dispatch public safety response services, as appropriate, by the direct dispatch method, relay method, or transfer method. It is the first point of reception by a public safety agency of a 9-1-1 call and serves the participating jurisdictions.

(bb) “Prime rate” means the average predominant prime rate quoted by not less than 3 commercial financial institutions as determined by the department of treasury.

(cc) “Private safety entity” means a nongovernmental organization that provides emergency fire, ambulance, or medical services.

(dd) “Public agency” means a village, township, charter township, or city within the state and any special purpose district located in whole or in part within the state.

(ee) “Public safety agency” means a functional division of a public agency, county, or the state that provides fire fighting, law enforcement, ambulance, medical, or other emergency services.

(ff) “Qualified obligations” means obligations that meet 1 or more of the following:

(i) The proceeds of the obligations benefit the 9-1-1 district, and for which all of the following conditions are met:

(A) The proceeds of the obligations are used for capital expenditures, costs of a reserve fund securing the obligations, and costs of issuing the obligations. The proceeds of obligations must not be used for operational expenses.

(B) The weighted average maturity of the obligations does not exceed the useful life of the capital assets.

(C) The obligations do not in whole or in part appreciate in principal amount or are not sold at a discount of more than 10%.

(ii) The obligations are issued to refund obligations that meet the conditions described in subparagraph (i) and the net present value of the principal and interest to be paid on the refunding obligations, excluding the cost of issuance, will be less than the net present value of the principal and interest to be paid on the obligations being refunded, as calculated using a method approved by the department of treasury.

(gg) “Relay method” means that a PSAP notes pertinent information and relays it by a communication service to the appropriate public safety agency or other provider of emergency services that has an available emergency service unit located closest to the request for emergency service for dispatch of an emergency service unit.

(hh) “Secondary public safety answering point” or “secondary PSAP” means a communications facility of a public safety agency or private safety entity that receives 9-1-1 calls by the transfer method only and generally serves as a centralized location for a particular type of emergency call.

(ii) “Service supplier” means a person providing a communication service to a service user in this state.

(jj) “Service user” means a person receiving a communication service.

(kk) “State 9-1-1 charge” means the charge provided for under section 401a.

(ll) “Tariff” means the rate approved by the public service commission for 9-1-1 service provided by a particular service supplier. Tariff does not include a rate of a commercial mobile radio service by a particular supplier.

(mm) "Tentative 9-1-1 service plan" means a plan prepared by 1 or more counties for implementing a 9-1-1 system in a specified 9-1-1 service district.

(nn) "Transfer method" means that a PSAP transfers the 9-1-1 call directly to the appropriate public safety agency or other provider of emergency service that has an available emergency service unit located closest to the request for emergency service for dispatch of an emergency service unit.

(oo) "Universal emergency number service" or "9-1-1 service" means public communication service that provides service users with the ability to reach a public safety answering point by dialing the digits "9-1-1".

(pp) "Universal emergency number service system" or "9-1-1 system" means a system for providing 9-1-1 service under this act.

(qq) "Wireless emergency service order" means the order of the Federal Communications Commission, FCC docket No. 94-102, adopted June 12, 1996 with an effective date of October 1, 1996.

Sec. 205. (1) A 9-1-1 system established under this act must be capable of transmitting requests for law enforcement, fire fighting, and emergency medical and ambulance services to 1 or more public safety agencies which provide the requested service to the place where the call originates.

(2) A 9-1-1 system must process all 9-1-1 calls originating from telephones within an exchange any part of which is within the emergency 9-1-1 district served by the system. This requirement does not apply to any part of an exchange not located within the county or counties that established the 9-1-1 system if that part has been included in an implemented 9-1-1 system for the county within which that part is located.

(3) A 9-1-1 system must be capable of processing all 9-1-1 requests for service originating from devices connected to a communications service located within the emergency 9-1-1 district. A 9-1-1 request for service that is received, but is not from a location within the service district, must be processed to the extent technically feasible, via transfer or relay method, to the appropriate PSAP.

(4) A 9-1-1 system may provide for transmittal of requests for other emergency services, such as poison control, suicide prevention, and civil defense. Conferencing capability with counseling, aid to persons with disabilities, and other services as considered necessary for emergency response determination may be provided by the 9-1-1 system.

Sec. 303. (1) To establish an emergency 9-1-1 district and to cause 9-1-1 service to be implemented within that emergency 9-1-1 district, the board of commissioners of a county shall first adopt a tentative 9-1-1 service plan by resolution.

(2) A tentative 9-1-1 service plan must comply with chapter II and must address at a minimum all of the following:

(a) Technical considerations of the service supplier, including but not limited to, system equipment for facilities to be used in providing emergency 9-1-1 service.

(b) Operational considerations, including but not limited to, the designation of PSAPs and secondary PSAPs, the manner in which 9-1-1 calls will be processed, the dispatch functions to be performed, plans for documenting closest public safety service unit dispatching requirements, the dispatch of Michigan state police personnel, and identifying information systems to be utilized.

(c) Managerial considerations including the organizational form and agreements that would control technical, operational, and fiscal aspects of the emergency 9-1-1 service.

(d) Fiscal considerations including projected nonrecurring and recurring costs with a financial plan for implementing and operating the system.

(3) The tentative 9-1-1 service plan must require each public agency operating a PSAP under the 9-1-1 system to pay directly for all installation and recurring charges for terminal equipment, including call handling equipment, associated with the public agency's PSAP, and may require each public agency operating a PSAP under the 9-1-1 system to pay directly to the service supplier all installation and recurring charges for all 9-1-1 connectivity associated with the public agency's PSAP.

Sec. 304. A resolution adopting a tentative 9-1-1 service plan under section 303 must specify a time, date, and place for the public hearing to be held on the tentative 9-1-1 service plan under section 309. The date of the public hearing must be not less than 90 days after the date of the adoption of the resolution authorized by this section.

Sec. 305. Within 5 days after the adoption of a resolution authorized in section 303, the county clerk shall forward a copy of the resolution, together with a letter indicating where an electronic or paper copy of the tentative 9-1-1 service plan can be obtained, by certified mail, return receipt requested, to the clerk or other appropriate official of each public agency located within the 9-1-1 district of the tentative 9-1-1 service plan.

Sec. 307. (1) Any public safety agency designated in the tentative 9-1-1 service plan under section 303 intending to function as a PSAP or secondary PSAP must be designated as such under the final 9-1-1 service plan if the public safety agency files with the county clerk a notice of intent to function as a PSAP or secondary PSAP within 45 days after the public agency receives a copy of the resolution and letter under section 305. The notice of intent to function as a PSAP or secondary PSAP must be in substantially the following form:

NOTICE OF INTENT TO FUNCTION
AS A PSAP OR SECONDARY PSAP

Pursuant to section 307 of the emergency 9-1-1 service enabling act, _____ shall function as a (check one) _____ PSAP _____ Secondary PSAP within the 9-1-1 service district of the tentative 9-1-1 service plan adopted by resolution of the board of commissioners for the county of _____, on _____, 19_____.

(Acknowledgment)

(2) If a public safety agency designated as a PSAP or secondary PSAP in the tentative 9-1-1 service plan fails to file a notice of intent to function as a PSAP or secondary PSAP within the time period specified in subsection (1), the public safety agency must not be designated as a PSAP or secondary PSAP in the final 9-1-1 service plan.

Sec. 308. The clerk of each county that has adopted a tentative 9-1-1 service plan under section 303 shall give notice by publication of the hearing on the tentative 9-1-1 service plan to be held under section 309. The notice must be published twice in a newspaper or other media outlet of general circulation within the county, the first publication of the notice occurring at least 30 days prior to the date of the hearing. The notice must state all of the following:

- (a) The time, date, and place of the hearing.
- (b) A description of the boundaries of the 9-1-1 service district of the final 9-1-1 service plan.
- (c) If the board of commissioners of the county, after a hearing, adopts the final 9-1-1 service plan under this act, the state 9-1-1 charge and, if a county 9-1-1 charge has been approved, a county 9-1-1 charge must be collected on a uniform basis from all service users within the 9-1-1 service district.
- (d) The location where an electronic or paper copy of the tentative 9-1-1 service plan can be obtained.

Sec. 309. The board of commissioners shall conduct a hearing on the tentative 9-1-1 service plan at the time, place, and date specified in the notice published under section 308. All persons attending the meeting must be afforded a reasonable opportunity to be heard.

Sec. 310. After conducting the hearing on the tentative 9-1-1 service plan under this act, the board of commissioners of the affected county may adopt by resolution the tentative 9-1-1 service plan making it the final 9-1-1 service plan. Upon adoption of the resolution, the county, on behalf of public agencies located within the 9-1-1 service district, shall apply in writing to the service supplier or suppliers designated to provide 9-1-1 service within the 9-1-1 service district under the final 9-1-1 service plan.

Sec. 312. (1) Except as otherwise provided under subsection (2), after a final 9-1-1 service plan has been adopted under section 310, a county may amend the final 9-1-1 service plan only by complying with the procedures described in sections 301 to 310. Upon adoption of an amended final 9-1-1 service plan by the county board of commissioners, the county shall forward the amended final 9-1-1 service plan to the service supplier or suppliers designated to provide 9-1-1 service within the 9-1-1 service district as amended. Upon receipt of the amended final 9-1-1 service plan, each designated service supplier shall implement as soon as feasible the amendments to the final 9-1-1 service plan in the 9-1-1 service district as amended.

(2) The county board of commissioners may by resolution make minor amendments to the final 9-1-1 service plan for any of the following:

- (a) Changes in PSAP premises equipment, including, but not limited to, computer-aided dispatch systems, call processing equipment, and computer mapping.
- (b) Changes involving the participating public safety agencies within a 9-1-1 service district.
- (c) Changes involving the addition or deletion of primary or secondary PSAPs within the 9-1-1 service district.

- (d) Changes in the 9-1-1 charges collected by the county subject to the limits under this act.
- (e) Changes in 9-1-1 service providers to include IP-based 9-1-1 service providers that meet the next generation 9-1-1 standards set by the National Emergency Number Association.

Sec. 320. (1) The county shall create an emergency 9-1-1 district board if a county creates a consolidated dispatch within an emergency 9-1-1 district after March 2, 1994.

(2) The membership of the board and the board's powers and duties are determined by the county board of commissioners. The membership of the board must include a representative of the county sheriff or his or her designated representative, a representative of the Michigan state police designated by the director of the Michigan state police, and a firefighter. If the emergency 9-1-1 district consists of more than 1 county, the president of the Michigan Sheriffs' Association shall appoint the sheriff representative.

(3) A county or other public agency may make appropriations to the emergency 9-1-1 district board.

(4) A public agency may contract with the emergency 9-1-1 district board, and persons who are both members of the board and of the governing body of the public agency may vote both on the board and the body if approved by the contract.

(5) The basis under which a consolidated dispatch meets the requirement for being a primary PSAP under section 102 determines the system to be used in dispatching participating service units.

Sec. 401a. (1) Each service supplier within a 9-1-1 service district shall bill and collect a state 9-1-1 charge from all service users, except for users of a prepaid wireless telecommunications service, of the service supplier within the geographical boundaries of the 9-1-1 service district or as otherwise provided by this section. The state 9-1-1 charge must be uniform per each service user within the 9-1-1 service district.

(2) The state 9-1-1 charge must be collected in accordance with the regular billings of the service supplier. Except as otherwise provided under this act, the amount collected for the state 9-1-1 charge must be remitted quarterly by the service supplier to the state treasurer and deposited in the emergency 9-1-1 fund created under section 407. The charge allowed under this section must be listed separately on the customer's bill or payment receipt or otherwise disclosed to the consumer.

(3) Subject to section 401f, the state 9-1-1 charge is 25 cents. The state 9-1-1 charge must reflect the actual costs of operating, maintaining, upgrading, and other reasonable and necessary expenditures for the 9-1-1 system in this state.

(4) If a service user has multiple access points or access lines, the state 9-1-1 charge will be imposed separately on each of the first 10 access points or access lines and then 1 charge for each 10 access points or access lines per billed account.

Sec. 401c. (1) A seller shall collect a prepaid wireless 9-1-1 surcharge from a consumer for each retail transaction occurring in this state.

(2) Until February 28, 2022, the amount of the prepaid wireless 9-1-1 surcharge is 5.0% per retail transaction. Subject to section 401f, beginning March 1, 2022, the amount of the prepaid wireless 9-1-1 surcharge is 6.0% per retail transaction. The charge allowed under this section must be either separately stated on an invoice, receipt, or other similar document that is provided to a consumer by the seller or otherwise disclosed to the consumer.

(3) Each of the following transactions is considered to have occurred in this state:

(a) A retail transaction that is effected in person by a consumer at a business location of a seller located in this state.

(b) A retail transaction that is treated as occurring in this state as provided in section 3c of the use tax act, 1937 PA 94, MCL 205.93c, as that section applies to a prepaid wireless calling service.

(4) A prepaid wireless 9-1-1 surcharge is the liability of the consumer and not of the seller or of any provider.

(5) Except as otherwise provided in subsection (6) and subject to section 401f, if a prepaid wireless telecommunications service is sold with 1 or more products or services for a single, nonitemized price, the seller shall collect 5.0% until February 28, 2022, and 6.0% beginning March 1, 2022, on the entire nonitemized price unless the seller elects to do the following:

(a) If the amount of the prepaid wireless telecommunications service is disclosed to the consumer as a dollar amount, apply the percentage to that dollar amount.

(b) If the seller can identify the portion of the price that is attributable to the prepaid wireless telecommunications service by reasonable and verifiable standards from its books and records that are kept in the regular course of business for other purposes including, but not limited to, nontax purposes, apply the percentage to that portion.

(6) If a minimal amount of prepaid wireless telecommunications service is sold with a prepaid wireless device for a single, nonitemized price, a seller may elect not to apply the percentage specified in subsection (5)(a) to that transaction. As used in this subsection, “minimal amount” means an amount of service denominated as 10 minutes or less or \$5.00 or less.

(7) The seller shall remit the prepaid wireless 9-1-1 surcharge monthly to the state treasurer who shall deposit it in the emergency 9-1-1 fund created in section 407.

(8) A seller may retain 2% of prepaid wireless 9-1-1 surcharges that are collected by the seller to reimburse the seller for its direct costs in collecting and remitting the prepaid wireless 9-1-1 surcharges.

(9) A provider or seller of prepaid wireless telecommunications service is not liable for damages to any person resulting from or incurred in connection with the provision of, or failure to provide, 9-1-1 service or for identifying or failing to identify the telephone number, address, location, or name associated with any person or device that is accessing or attempting to access 9-1-1 service.

(10) A provider or seller of prepaid wireless telecommunications service is not liable for damages to any person resulting from or incurred in connection with the provision of any lawful assistance to any investigative or law enforcement officer of the United States, this state, or any other state in connection with any lawful investigation or other law enforcement activity by that law enforcement officer.

(11) The department, in cooperation and in conjunction with the state 9-1-1 committee, shall review the emergency 9-1-1 fund created in section 407 for collection and remittance compliance under this section. The review must contain findings on at least all of the following:

(a) The amount of money owed to the emergency 9-1-1 fund created in section 407 under this section.

(b) The amount of money remitted to the emergency 9-1-1 fund created in section 407 under this section.

(c) Any other pertinent information to locate and address noncompliance with this section as determined by the department or the state 9-1-1 committee.

(d) Any other pertinent information on the prepaid mobile wireless calling service and prepaid wireless calling service marketplace that may help accurately predict revenue under this section.

(12) By not later than June 30, 2023, the department and the state 9-1-1 committee shall issue a report to the legislature regarding the findings under subsection (11). In addition to the required information under subsection (11), the report must contain recommendations to the legislature to increase compliance with this section.

(13) Subject to subsection (14), to determine whether a seller has correctly collected and remitted the prepaid wireless 9-1-1 surcharge due under this section, the department may examine the books, records, and papers and audit the accounts of a seller or any other records to the same extent as provided under 1941 PA 122, MCL 205.1 to 205.31. An examination or audit performed by the department under this section must be done in accordance with the procedures under section 21 of 1941 PA 122, MCL 205.21. An assessment, decision, or order of the department issued as a result of an examination or audit under this section is subject to appeal as provided under section 22 of 1941 PA 122, MCL 205.22. An assessment or claim for a refund is subject to the time periods specified under section 27a(2) to (4) of 1941 PA 122, MCL 205.27a. Before initiating an examination or audit under this subsection, the department shall consult with the commission and the attorney general to determine whether the commission has initiated an investigation or the attorney general has commenced a civil action under section 403.

(14) If the commission is investigating a seller or the attorney general has commenced a civil action against a seller under section 403, the department shall not examine or audit the seller under subsection (13) for the same conduct that is being investigated by the commission or for which a civil action has commenced under section 403.

(15) As used in this section:

(a) “Consumer” means a person who purchases prepaid wireless telecommunications services in a retail transaction.

(b) “Department” means the department of treasury.

(c) “Prepaid wireless 9-1-1 surcharge” means the fee that is required to be collected by a seller from a consumer in the amount established under subsection (2).

(d) “Provider” means a person that provides prepaid wireless telecommunications services under a license issued by the Federal Communications Commission.

(e) “Retail transaction” means the purchase of prepaid wireless telecommunications service from a seller for any purpose other than resale.

(f) “Seller” means a person who sells prepaid wireless telecommunications service to another person.

Sec. 401f. (1) After December 31, 2025, the department of treasury shall notify the commission on a quarterly basis of the balance available for distribution under section 408(4)(b). If the balance available for distribution under section 408(4)(b) exceeds \$12,000,000.00 for 3 consecutive quarters, the commission may initiate a proceeding to reduce the state 9-1-1 charge in section 401a and the prepaid wireless 9-1-1 surcharge under section 401c proportionately to ensure that the average quarterly balance to be distributed under section 408(4)(b) is sufficient to reimburse at least 6 months of ongoing approved costs related to transport, routing, or delivery to PSAPs of IP-based 9-1-1 emergency service.

(2) If all emergency 9-1-1 districts in this state have not been fully converted to or contracted with an IP-based 9-1-1 service provider at the time of the proceeding under subsection (1), the commission shall take that into consideration along with any incurred cost that has not been reimbursed to the IP-based 9-1-1 service provider when determining the reduction described in subsection (1).

(3) The commission may request from the department of treasury any data reasonably necessary to make a determination under subsection (1). The department of treasury shall provide the data requested under this subsection in a timely fashion.

(4) The commission must allow an interested person to intervene in a proceeding under subsection (1).

(5) Within 180 days after a proceeding commences under subsection (1), the commission shall issue a final order. The commission shall notify the legislature and IP-based 9-1-1 service providers of a final order within 10 days of issuing the final order.

(6) Reductions to the state 9-1-1 charge under section 401a and the prepaid wireless 9-1-1 surcharge under section 401c take effect 60 days after the commission issues a final order under subsection (5).

Sec. 403. (1) Each service supplier is solely responsible for the billing of the state and county 9-1-1 charge and transmitting the money collected to the emergency 9-1-1 fund and to the counties as required under this act.

(2) The committee, a county, or a 9-1-1 service district shall notify the commission if the committee, county, or 9-1-1 service district is aware of a service supplier, CMRS supplier, reseller, or retailer of a prepaid wireless telecommunications service that has failed to report, charge, collect, or transmit the 9-1-1 charges in section 401a, 401b, or 401c. The committee, a county, or a 9-1-1 service district shall include with the notification under this subsection all information, testimony, exhibits, or other documents and information the committee, county, or 9-1-1 service district possesses that support the notification. Subject to subsection (5), before the attorney general commences a suit under subsection (3), the commission shall investigate any failure to report, charge, collect, or transmit charges and attempt to resolve those complaints. Before the commission initiates an investigation under this subsection, the commission shall consult with the department of treasury to determine whether the department of treasury initiated an examination or audit under section 401c.

(3) Subject to subsection (5), upon referral by the commission, the attorney general may commence a civil action against a service supplier, CMRS supplier, reseller, or retailer of a prepaid wireless telecommunications service for appropriate relief for failure to report, charge, collect, and transmit the state 9-1-1 charges in sections 401a and 401c. An action under this subsection may be brought in the Ingham County circuit court or the circuit court in a county in which the defendant resides or is doing business. The court has jurisdiction to restrain the violation and to require compliance with this section. Before the attorney general commences a civil action under this subsection, the attorney general shall consult with the department of treasury to determine whether the department of treasury initiated an examination or audit under section 401c.

(4) This section does not prohibit a county from taking any action authorized by law against an entity that fails to remit the county 9-1-1 charge under section 401b.

(5) If the department of treasury is examining or auditing a retailer of a prepaid wireless telecommunications service under section 401c, the commission shall not initiate an investigation and the attorney general shall not commence a civil action under this section against a retailer of a prepaid wireless telecommunications service for the same conduct that is being examined or audited by the department of treasury under section 401c.

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) Except as otherwise provided in subsection (11), 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. 40% 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 monthly 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. The commission shall notify the department of treasury within 5 business days of the commission's approval of the invoice. The department of treasury shall pay the approved invoice within 30 days of receiving notice from the commission.

(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) 100% of the money deposited in the emergency 9-1-1 fund under a bill making appropriations for the fiscal year ending September 30, 2022 must be used for the purposes described in subsection (4)(b).

Sec. 413. (1) The commission may promulgate rules to establish 1 or more of the following:

(a) Uniform procedures, policies, and protocols governing 9-1-1 services in counties and PSAPs in this state.

(b) Standards for the training of PSAP personnel.

(c) Uniform procedures, policies, and standards for the receipt and expenditure of 9-1-1 funds under sections 401a, 401b, 401c, 401d, 401e, 406, and 408.

(d) The penalties and remedies for violations of this act and the rules promulgated under this act.

(2) The commission shall consult with and consider the recommendations of the committee in the promulgation of rules under this section.

(3) The commission's rule-making authority is limited to that expressly granted under this section.

(4) The rules promulgated under this section do not apply to service suppliers.

(5) A multiline telephone system must comply with the most up-to-date version of 47 CFR 9.15 to 9.17.

(6) As used in this section, "multiline telephone system" means a system composed of common control unit or units, telephone sets with unique telephone numbers, and control hardware and software.

Sec. 713. (1) The committee shall consist of 21 members as follows:

(a) The director of the department of state police or his or her designated representative.

(b) The director of the department of licensing and regulatory affairs or his or her designated representative.

(c) The chair of the Michigan public service commission or his or her designated representative.

(d) The president of the Michigan Sheriffs' Association or his or her designated representative.

(e) The president of the Michigan Association of Chiefs of Police or his or her designated representative.

(f) The president of the Michigan Association of Fire Chiefs or his or her designated representative.

(g) The executive director of the Michigan Association of Counties or his or her designated representative.

(h) The executive director of the Deputy Sheriffs' Association of Michigan or his or her designated representative.

(i) Three members of the general public, 1 member to be appointed by the governor, 1 member to be appointed by the speaker of the house of representatives, and 1 member to be appointed by the majority leader of the senate. The 3 members of the general public shall have expertise relating to telephone systems, rural health care concerns, or emergency radio communications, dispatching, and services. The members of the general public shall serve for terms of 2 years.

(j) The executive director of the Michigan Fraternal Order of Police or his or her designated representative.

(k) The president of the Michigan State Police Troopers Association or his or her designated representative.

(l) The president of the Michigan chapter of the Association of Public Safety Communications Officials or his or her designated representative.

(m) The president of the Michigan chapter of the National Emergency Number Association or his or her designated representative.

(n) The president of the Telecommunications Association of Michigan or his or her designated representative.

(o) The chair of the Upper Peninsula 9-1-1 Authority or his or her designated representative.

(p) The executive director of the Michigan Association of Ambulance Services or his or her designated representative.

(q) The president of the Michigan Professional Firefighters Union or his or her designated representative.

(r) The president of the Michigan Communications Directors Association or his or her designated representative.

(s) One representative of commercial mobile radio service, to be appointed by the governor.

(2) A majority of the members of the committee constitute a quorum for the purpose of conducting business and exercising the powers of the committee. Official action of the committee may be taken on a vote of a majority of the members of the committee.

(3) The committee shall elect 1 of its members who is not a member of the wireline or commercial mobile radio service industry to serve as chairperson. The chairperson of the committee shall serve for a term of 1 year.

(4) The committee may adopt, amend, and rescind bylaws, rules, and regulations for the conduct of its business.

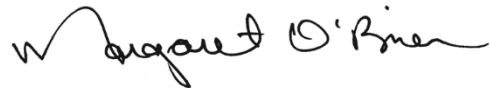
(5) Members of the committee shall serve without compensation, but are entitled to actual and necessary expenses incurred in the performance of official duties under this chapter.

Sec. 717. This act is repealed effective December 31, 2027.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor