

Act No. 78
Public Acts of 1999
Approved by the Governor
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STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 1999

Introduced by Reps. Scranton, DeHart, Birkholz, Howell, LaSata, Garcia, Caul, Middaugh and Bovin

ENROLLED HOUSE BILL No. 4658

AN ACT to amend 1986 PA 32, entitled "An act to provide for the establishment of emergency telephone districts; to provide for the installation, operation, modification, and maintenance of universal emergency number 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, telephone service suppliers, and others; to create an emergency telephone service committee; to provide remedies; to provide penalties; and to repeal certain parts of this act on specific dates," by amending section 201 (MCL 484.1201), as amended by 1994 PA 29, and by adding sections 407, 408, 409, 410, 411, and 412; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 201. Except as provided in sections 407 to 412, a universal emergency number service system shall not be implemented pursuant to this act unless a tariff exists for each service supplier designated by the final 9-1-1 service plan to provide 9-1-1 service in the universal emergency number system.

Sec. 407. (1) The CMRS emergency telephone fund is created within the state treasury to provide money to implement the wireless emergency service order and this act.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. Money may be deposited into the fund by electronic funds transfer. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The state treasurer shall establish restricted subaccounts within the fund for each of the categories listed in section 409(1)(a) to (e).

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(4) The department of treasury shall expend money from the fund, upon appropriation, only as provided in this act. The disbursement of money may be by electronic funds transfer.

(5) The auditor general shall audit the fund at least annually.

Sec. 408. (1) Until 2 years after the effective date of this section, a CMRS supplier or a reseller shall include a service charge of 55 cents per month for each CMRS connection that has a billing address in this state. Beginning 2 years after the effective date of this section, a CMRS supplier or a reseller shall include a service charge of 52 cents per month for each CMRS connection that has a billing address in this state. The CMRS supplier or reseller shall list the service charge as a separate line item on each bill. The service charge shall be listed on the bill as the "emergency 9-1-1 charge".

(2) Except as provided in this section, the money collected as the service charge under subsection (1) shall be deposited in the CMRS emergency telephone fund created in section 407 not later than 30 days after the end of the quarter in which the service charge was collected.

(3) From each service charge billed under subsection (1), each CMRS supplier or reseller who billed the customer shall retain 1/2 of 1 cent to cover the costs of billing and collection as the only reimbursement from this charge for billing and collection costs.

(4) A CMRS supplier or reseller is not liable for an uncollected service charge billed under subsection (1) for which the CMRS supplier or reseller has billed the CMRS user. If only a partial payment of a bill is received by a CMRS supplier or reseller, the CMRS supplier or reseller shall credit the amount received as follows in priority order:

- (a) For services provided.
- (b) For the reimbursement under subsection (3).
- (c) For the balance of the service charge.

(5) Amounts received under subsection (4)(c) shall be forwarded to the CMRS emergency telephone fund created in section 407. Any uncollected portion of the service charge that is not received shall be billed on subsequent billings and, upon receipt, amounts in excess of the reimbursement under subsection (3) shall be forwarded to the CMRS emergency telephone fund created in section 407. The service charge paid by a CMRS user is not subject to a state or local tax.

(6) A CMRS supplier or reseller shall implement the billing provisions of this section not later than 120 days after the effective date of this section.

Sec. 409. (1) All money collected and deposited in the CMRS emergency telephone fund created in section 407 shall be distributed as follows:

(a) Twenty-five cents of each monthly service charge collected under section 408 shall be disbursed to reimburse CMRS suppliers licensed by the federal communications commission for providing and installing equipment that implements the wireless emergency service order and this act.

(b) Except as provided in subsection (4), 10 cents of each monthly service charge collected under section 408 shall be disbursed equally to each county that has a final 9-1-1 plan in place that includes implementing the wireless emergency service order and this act. Money received by a county under this subdivision shall only be used to implement the wireless emergency service order and this act. Money expended under this subdivision for a purpose considered unnecessary or unreasonable by the committee or the auditor general to implement the wireless emergency service order and this act shall be repaid to the fund.

(c) Except as provided in subsection (4), 15 cents of each monthly service charge collected under section 408 shall be disbursed on a per capita basis to each county that has a final 9-1-1 plan in place that includes implementing the wireless emergency service order and this act. The committee shall certify to the department of treasury annually which counties have a final 9-1-1 plan in place. The most recent census conducted by the United States census bureau shall be used to determine the population of each county in determining the per capita basis in this subdivision. Money received by a county under this subdivision shall only be used to implement the wireless emergency service order and this act. Money expended under this subdivision for a purpose considered unnecessary or unreasonable by the committee or the auditor general to implement the wireless emergency service order and this act shall be repaid to the fund.

(d) One and one-half cents of each monthly service charge collected under section 408 shall be available to PSAPs for training personnel assigned to 9-1-1 centers. A written request for money from the fund shall be made by a public safety agency or county 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. Money expended by an eligible public safety agency or county for a purpose considered unnecessary or unreasonable by the committee or the auditor general shall be repaid to the fund. Money shall be disbursed to an eligible public safety agency or county for training of PSAP personnel through courses certified by the commission on law enforcement standards 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.

(e) Until 2 years after the effective date of this section, three cents of each monthly service charge collected under section 408 shall be used by the department of state police to fund priority issues of 9-1-1 coverage. The department of state police shall annually prepare a list of projects in priority order that the department of state police recommends for funding under this subdivision. The legislature shall annually approve these projects by law. If a project provides infrastructure or equipment for use by CMRS suppliers, the department of state police shall charge a reasonable fee for use of the infrastructure or equipment. Fees collected under this subdivision shall be deposited in the fund and used for the purposes of this subdivision.

(2) Money received by a county under subsection (1)(b) and (c) shall 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 telephone districts, money for that county shall be distributed as provided in the emergency telephone districts' final 9-1-1 service plans.

(3) If a county with a final 9-1-1 plan in place does not accept 9-1-1 calls through the direct dispatch method, relay method, or transfer method from a CMRS user, the revenues available to the county under subsection (1) shall be disbursed to the public agency or county responsible for accepting and responding to those calls.

(4) Beginning 1 year after the effective date of this section, a county is not eligible to receive disbursements under subsection (1)(b) or (c) unless the county is in compliance with the wireless emergency service order and this act.

Sec. 410. (1) The committee shall appoint a subcommittee to review expenditures from the CMRS emergency telephone fund created in section 407. The subcommittee shall consist of the member of the committee representing the department of state police provided for in section 712, who shall be the chairperson of the subcommittee, and all of the following:

(a) The member of the committee who represents a commercial mobile radio service as provided for in section 713(1).

(b) One member of the committee who represents a public safety agency who is not associated with the service supplier industry.

(c) The member of the committee who represents the Michigan association of counties as appointed under section 713(1).

(d) One member appointed by the chairperson of the committee who represents the commercial mobile radio service industry but who is not a member of the committee.

(2) A majority of the members of the subcommittee created under subsection (1) constitute a quorum for the purpose of conducting business and exercising the powers of the subcommittee. Official action of the subcommittee may be taken upon a vote of a majority of the subcommittee members. The chairperson of the subcommittee shall not have a vote unless the other members of the subcommittee cast a tie vote.

(3) The subcommittee created in subsection (1) shall review invoices submitted by CMRS suppliers for reimbursement from the CMRS emergency telephone fund created in section 407 in accordance with the wireless emergency service order and this act and shall make recommendations to the committee regarding approval or disapproval of payment on the invoice. The subcommittee may recommend to the committee approval of payment of an expense of a CMRS supplier before the expense is incurred. Before review by the subcommittee, the staff assigned by the department of state police to assist the committee, as provided for under section 714, shall remove all information that identifies the CMRS supplier submitting the invoice. The subcommittee shall review the validity of the invoices and recommend approval or disapproval to the committee. Upon receipt of recommendations from the subcommittee, the committee shall review and approve or disapprove the invoices and authorize payment of approved invoices.

(4) An invoice shall not be approved for payment of either of the following:

(a) An expense that is not related to complying with the wireless emergency service order and this act.

(b) An expense that exceeds 125% of the CMRS emergency telephone charges submitted by a CMRS supplier unless the expense was recommended for approval by the subcommittee created in subsection (1) before the expense was incurred.

(5) Notwithstanding section 716, specific information submitted by a CMRS supplier under this section is exempt from the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and shall not be released by the chairperson or any member of the committee or their staff without the permission of the CMRS supplier that submitted the information. However, information submitted by CMRS suppliers under this section may be released in the aggregate if the number of CMRS users or the expenses and revenues of a CMRS supplier cannot be identified.

Sec. 411. (1) A CMRS supplier may use money received from the CMRS emergency telephone fund created in section 407 for monthly recurring costs, start-up costs, and nonrecurring costs associated with installation, service, software, and hardware necessary to comply with the wireless emergency service order and this act.

(2) If the total amount from the invoices approved for payment under section 410 exceeds the amount remaining in the CMRS emergency telephone fund created in section 407 in any quarter, all CMRS suppliers that have submitted invoices and that are approved by the committee to receive payment shall receive a pro rata share of the money in the fund that is available in that quarter. Any unpaid balance shall be carried over to the following quarter until all of the approved payments are made.

Sec. 412. (1) The committee shall conduct and complete a cost study and make a report on the service charge required in section 408 not later than April 30, 2000, and August 30 annually after 2000. The report of the study shall include at a minimum all of the following:

(a) The extent of emergency telephone service implementation in this state by CMRS suppliers under the wireless emergency service order and this act.

(b) The actual costs incurred by PSAPs and CMRS suppliers in complying with the wireless emergency service order and this act.

(c) The service charge required in section 408 and a recommendation to change the service charge amount if needed to fund the costs of meeting the time frames in the wireless emergency service order and this act.

(d) A description of any commercial applications developed as a result of implementing this act.

(e) A detailed record of expenditures by each county relating to the implementation of the wireless emergency service order and this act.

(2) The committee shall deliver the report of the study prepared under subsection (1) to the secretary of the senate, the clerk of the house of representatives, and the standing committees of the senate and house of representatives having jurisdiction over issues pertaining to telecommunication technology.

(3) Upon receipt of the report, the legislature must consider the findings of the report and determine whether an adjustment to the fee is necessary.

Enacting section 1. Section 408 of the emergency telephone service enabling act, 1986 PA 32, MCL 484.1408, as added by this amendatory act, is repealed effective January 1, 2004.

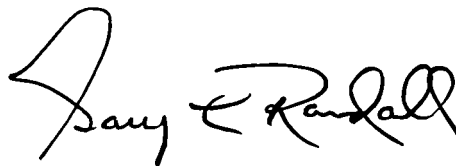
Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 90th Legislature are enacted into law:

(a) House Bill No. 4659.

(b) Senate Bill No. 492.

(c) Senate Bill No. 493.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.