



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 679 (as reported without amendment)
Sponsor: Senator Bruce Patterson
Committee: Energy Policy and Public Utilities

CONTENT

The bill would amend the Emergency Telephone Service Enabling Act to extend the Act until December 31, 2008. Currently, the Act is scheduled to sunset on December 31, 2007.

The Act provides for the creation of 9-1-1 service districts, as well as the assessment of emergency telephone operational and technical charges to fund dispatch facilities and primary safety answering points, and reimburse service suppliers for their costs of providing 9-1-1 access.

MCL 484.1717

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

Together with Senate Bill 815, the bill would continue until December 31, 2008, a charge-based funding mechanism for 9-1-1 service in the State that otherwise will sunset December 31, 2007. Retaining the funding mechanism would generate charge-based revenue of approximately \$28.4 million annually to be used to fund costs related to 9-1-1 service in the State.

Under the current statute, 29 cents is charged monthly on each cell phone bill in the State. The revenue from this surcharge is distributed by the State in the following way: 25 cents to counties, one cent to the Michigan State Police, one and one-half cents for training, one-half cent for providers for billing costs, and one cent to landline network providers. This surcharge brings in approximately \$20 million annually, and other provisions in the statute allowing technical charges for communication companies add approximately \$8.4 million. The bills also would allow counties to continue to apply local surcharges to fund 9-1-1 systems as under current law.

Date Completed: 10-18-07

Fiscal Analyst: Bruce Baker