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**BILL ANALYSIS**

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Senate Bill 960 (as reported with amendment)
Sponsor: Senator Michael Switalski
Senate Committee: Appropriations
House Committee: Appropriations

PUBLIC ACT 74 of 2006

Date Completed: 1-24-07

CONTENT

The bill amended the Emergency Telephone Service Enabling Act to implement a portion of the FY 2005-06 Leadership Agreement on the budget. That Agreement included the appropriation of \$15 million from the Commercial Mobile Radio Service (CMRS) Fund to pay a portion of the debt service obligation of the State Building Authority for bonds issued to finance the Michigan Public Safety Communications System. The bill provides for this distribution from the Fund. The appropriation was included in the FY 2005-06 General Government appropriation bill (Public Act 146 of 2005).

Revenue in the CMRS Fund is generated from a monthly service charge on each CMRS connection that has a Michigan billing address.

MCL 484.1408

FISCAL IMPACT

In FY 2004-05, the monthly service charge generated \$30.1 million. Under the bill, the \$15 million FY 2005-06 allocation for Public Safety Communications System debt service costs came from the suppliers' portion of the CMRS Fund. Based on payments to CMRS suppliers, the balance in the CMRS supplier distribution category was sufficient to fund future payments to suppliers after the \$15 million allocations for debt service.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.