



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 1172 (Substitute S-1 as reported)
Sponsor: Senator Cameron S. Brown
Committee: Technology and Energy

CONTENT

The bill would amend the Emergency Telephone Service Enabling Act to do the following:

- Delete a provision prohibiting the levy or collection of the emergency telephone technical charge and the emergency telephone operational charge after December 31, 2006.
- Require the State 9-1-1 Director, by December 1, 2006, to issue to the Legislature and the Governor a report making recommendations for stable, equitable long-term funding of the State's 9-1-1 system.
- Delay the Act's December 31, 2006, sunset until December 31, 2007.

("Emergency telephone operational charge" means a charge for nonnetwork technical equipment and other costs directly related to the dispatch facility and the operation of one or more public safety answering points (PSAPs), including the costs of dispatch personnel and radio equipment necessary to provide two-way communication between PSAPs and a public safety agency.

"Emergency telephone technical charge" means a charge for the network start-up costs, customer notification costs, billing costs (including an allowance for uncollectibles for technical and operational charges), and network nonrecurring and recurring installation, maintenance, service, and equipment charges for a service supplier providing 9-1-1 service under the Act.)

MCL 484.1301 et al.

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would enable the provision of the Act that requires a 29-cent monthly surcharge on cell phone bills to continue beyond the current sunset date of December 31, 2006. Surcharge funds are distributed to various recipients to assist in the provision of local and State 9-1-1 services. From the 29-cent surcharge, 15 cents go to counties (per capita), 10 cents to counties (by formula), 1.5 cents for training, 1 cent for necessary land lines, 1 cent to the Department of State Police (0.5 cent each for 9-1-1 operations and State 9-1-1 administration), and 0.5 cent for commercial provider surcharge processing. The estimated annual surcharge revenue collection is currently \$17.9 million. The cost of the bill's requirement that the State 9-1-1 Director issue a report on future funding recommendations could be assumed by existing resources.

Date Completed: 5-8-06

Fiscal Analyst: Bruce Baker