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BILL ANALYSIS

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Senate Bill 1172 (as introduced 3-21-06)
Sponsor: Senator Cameron S. Brown
Committee: Technology and Energy

Date Completed: 5-3-06

CONTENT

The bill would amend the Emergency Telephone Service Enabling Act to delay the Act's December 31, 2006, sunset until December 31, 2010.

MCL 484.1201 et al.

BACKGROUND

The Act was enacted in 1986 to facilitate the statewide development of the 9-1-1 system, and to provide funding for the system. Under the Act, county boards of commissioners singly or jointly may establish emergency telephone districts that a caller can reach by dialing 9-1-1. Typically, 9-1-1 calls are routed by local exchange carriers to public safety answering points (PSAPs), which are staffed 24 hours per day by attendants who direct the calls to police, fire, and health emergency response providers. The Act also set up a process for "service suppliers" (telephone companies, or carriers) to pass on to their subscribers part of the suppliers' technical costs.

Subsequent amendments also allow service suppliers to levy emergency telephone operational charges to assist counties in complying with the Federal Communications Commission's (FCC's) wireless emergency service order. The FCC issued the order in 1996 to require enhanced 9-1-1 (E911) services to be made available for calls made from cellular telephones.

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.

Fiscal Analyst: Bruce Baker

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