

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 1009 (Substitute S-3 as reported)  
Sponsor: Senator Christopher D. Dingell  
First Committee: Judiciary  
Second Committee: Technology and Energy

### **CONTENT**

The bill would amend the Emergency Telephone Service Enabling Act to authorize an emergency telephone district board, a 9-1-1 service district, or a county, on behalf of a 9-1-1 service area created by the county, to pledge revenues for the repayment of qualified obligations. (Under Senate Bill 1010 (S-3), "qualified obligations" would refer to bonds, notes, installment purchase contracts, or lease purchase agreements whose proceeds were used for capital expenditures, costs of a reserve fund securing the obligations, and costs of issuance. The proceeds could not be used for operational expenses.) The bill would prohibit a public service agency from withdrawing its jurisdiction from a 9-1-1 service district until outstanding obligations were paid.

The bill also would revise user fees for 9-1-1 services. Currently, charges may not exceed a certain percentage of the highest monthly flat rate charged by a service supplier for a one-party access line. Under the bill, the fees could not exceed the specified percentage of either that amount or of \$20, whichever was less.

The bill provides that the emergency telephone technical charge and the emergency telephone operational charge could not be levied or collected after December 31, 2006. If all or part of the operational charge, however, had been pledged as security for the payment of qualified obligations, the operational charge could be levied and collected to the extent required to pay the obligations or satisfy the pledge.

The bill is tie-barred to Senate Bill 1010 and House Bills 5289 and 5653, which would amend the Act to provide for wireless emergency telephone service.

MCL 484.1401 et al.

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The bill would make it easier for local governments to borrow funds to make capital improvements for their 9-1-1 service district.

Date Completed: 5-21-98

Fiscal Analyst: B. Baker