

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5468

A bill to amend 1986 PA 32, entitled
"Emergency 9-1-1 service enabling act,"
by amending sections 102, 401a, 401b, 401c, 401d, and 717 (MCL
484.1102, 484.1401a, 484.1401b, 484.1401c, 484.1401d, and
484.1717), section 102 as amended and sections 401c and 401d as
added by 2007 PA 164 and sections 401a, 401b, and 717 as amended by
2008 PA 379.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 102. As used in this act:
- 2 (a) "Automatic location identification" or "ALI" means a 9-1-1
- 3 service feature provided by the service supplier that automatically
- 4 provides the name and service address or, for a CMRS service
- 5 supplier, the location associated with the calling party's

1 telephone number as identified by automatic number identification
2 to a 9-1-1 public safety answering point.

3 (b) "Automatic number identification" or "ANI" means a 9-1-1
4 service feature provided by the service supplier that automatically
5 provides the calling party's telephone number to a 9-1-1 public
6 safety answering point.

7 (c) "Commercial mobile radio service" or "CMRS" means
8 commercial mobile radio service regulated under section 3 of title
9 I and section 332 of title III of the communications act of 1934,
10 chapter 652, 48 Stat. 1064, 47 USC 153 and 332, and the rules of
11 the federal communications commission or provided under the
12 wireless emergency service order. Commercial mobile radio service
13 or CMRS includes all of the following:

14 (i) A wireless 2-way communication device, including a radio
15 telephone used in cellular telephone service or personal
16 communication service.

17 (ii) A functional equivalent of a radio telephone
18 communications line used in cellular telephone service or personal
19 communication service.

20 (iii) A network radio access line.

21 (d) "Commission" means the Michigan public service commission.

22 (e) "Committee" means the emergency 9-1-1 service committee
23 created under section 712.

24 (f) "Common network costs" means the costs associated with the
25 common network required to deliver a 9-1-1 call with ALI and ANI
26 from a selective router to the proper PSAP and the costs associated
27 with the 9-1-1 database and data distribution system of the primary

1 9-1-1 service supplier identified in a county 9-1-1 plan. As used
2 in this subdivision, "common network" means the elements of a
3 service supplier's network that are not exclusive to the supplier
4 or technology capable of accessing the 9-1-1 system.

5 (g) "Communication service" means a service capable of
6 accessing, connecting with, or interfacing with a 9-1-1 system,
7 exclusively through the numerals 9-1-1, by dialing, initializing,
8 or otherwise activating the 9-1-1 system through the numerals 9-1-1
9 by means of a local telephone device, cellular telephone device,
10 wireless communication device, interconnected voice over the
11 internet device, or any other means.

12 (h) "CMRS connection" means each number assigned to a CMRS
13 customer.

14 (i) "Consolidated dispatch" means a countywide or regional
15 emergency dispatch service that provides dispatch service for 75%
16 or more of the law enforcement, fire fighting, emergency medical
17 service, and other emergency service agencies within the
18 geographical area of a 9-1-1 service district or serves 75% or more
19 of the population within a 9-1-1 service district.

20 (j) "County 9-1-1 charge" means the charge allowed under
21 sections 401b ,~~401c,~~ and 401e.

22 (k) "Database service provider" means a service supplier who
23 maintains and supplies or contracts to maintain and supply an ALI
24 database or an MSAG.

25 (l) "Direct dispatch method" means that the agency receiving
26 the 9-1-1 call at the public safety answering point decides on the
27 proper action to be taken and dispatches the appropriate available

1 public safety service unit located closest to the request for
2 public safety service.

3 (m) "Emergency response service" or "ERS" means a public or
4 private agency that responds to events or situations that are
5 dangerous or that are considered by a member of the public to
6 threaten the public safety. An emergency response service includes
7 a police or fire department, an ambulance service, or any other
8 public or private entity trained and able to alleviate a dangerous
9 or threatening situation.

10 (n) "Emergency service zone" or "ESZ" means the designation
11 assigned by a county to each street name and address range that
12 identifies which emergency response service is responsible for
13 responding to an exchange access facility's premises.

14 (o) "Emergency telephone charge" means **THE** emergency telephone
15 operational charge and emergency telephone technical charge allowed
16 under section 401.

17 (p) "Emergency 9-1-1 district" or "9-1-1 service district"
18 means the area in which 9-1-1 service is provided or is planned to
19 be provided to service users under a 9-1-1 system implemented under
20 this act.

21 (q) "Emergency 9-1-1 district board" means the governing body
22 created by the board of commissioners of the county or counties
23 with authority over an emergency 9-1-1 district.

24 (r) "Emergency telephone operational charge" means a charge
25 allowed under section 401 for nonnetwork technical equipment and
26 other costs directly related to the dispatch facility and the
27 operation of 1 or more PSAPs including, but not limited to, the

1 costs of dispatch personnel and radio equipment necessary to
2 provide 2-way communication between PSAPs and a public safety
3 agency. Emergency telephone operational charge does not include
4 non-PSAP related costs such as response vehicles and other
5 personnel.

6 (s) "Emergency telephone technical charge" means a charge as
7 allowed under section 401 or 401d for costs directly related to 9-
8 1-1 service including plant-related costs associated with the use
9 of the public switched telephone network from the end user to the
10 selective router, the network start-up costs, customer notification
11 costs, common network costs, administrative costs, database
12 management costs, and network nonrecurring and recurring
13 installation, maintenance, service, and equipment charges of a
14 service supplier providing 9-1-1 service under this act. Emergency
15 telephone technical charge does not include costs recovered under
16 sections ~~401b(9)~~ **401B(10)** and 408(2).

17 (t) "Exchange access facility" means the access from a
18 particular service user's premises to the communication service.
19 Exchange access facilities include service supplier provided access
20 lines, PBX trunks, and centrex line trunk equivalents, all as
21 defined by tariffs of the service suppliers as approved by the
22 public service commission. Exchange access facilities do not
23 include telephone pay station lines or WATS, FX, or incoming only
24 lines.

25 (u) "Final 9-1-1 service plan" means a tentative 9-1-1 service
26 plan that has been modified only to reflect necessary changes
27 resulting from ~~any exclusions of public agencies from the 9-1-1~~

1 ~~service district of the tentative 9-1-1 service plan under section~~
2 ~~306 and~~ any failure of public safety agencies to be designated as
3 PSAPs or secondary PSAPs under section 307.

4 (v) "Master street address guide" or "MSAG" means a perpetual
5 database that contains information continuously provided by a
6 service district that defines the geographic area of the service
7 district and includes an alphabetical list of street names, the
8 range of address numbers on each street, the names of each
9 community in the service district, the emergency service zone of
10 each service user, and the primary service answering point
11 identification codes.

12 (w) "Obligations" means bonds, notes, installment purchase
13 contracts, or lease purchase agreements to be issued by a public
14 agency under a law of this state.

15 (x) "Person" means an individual, corporation, partnership,
16 association, governmental entity, or any other legal entity.

17 **(Y) "PREPAID WIRELESS TELECOMMUNICATIONS SERVICE" MEANS A**
18 **COMMERCIAL MOBILE RADIO SERVICE THAT ALLOWS A CALLER TO DIAL 9-1-1**
19 **TO ACCESS THE 9-1-1 SYSTEM AND IS PAID FOR IN ADVANCE AND SOLD IN**
20 **PREDETERMINED UNITS OR DOLLARS OF WHICH THE NUMBER DECLINES WITH**
21 **USE IN A KNOWN AMOUNT.**

22 **(Z)** ~~(y)~~ "Primary public safety answering point", "PSAP", or
23 "primary PSAP" means a communications facility operated or answered
24 on a 24-hour basis assigned responsibility by a public agency or
25 county to receive 9-1-1 calls and to dispatch public safety
26 response services, as appropriate, by the direct dispatch method,
27 relay method, or transfer method. It is the first point of

1 reception by a public safety agency of a 9-1-1 call and serves the
2 jurisdictions in which it is located and other participating
3 jurisdictions, if any.

4 (AA) ~~(z)~~ "Prime rate" means the average predominant prime rate
5 quoted by not less than 3 commercial financial institutions as
6 determined by the department of treasury.

7 (BB) ~~(aa)~~ "Private safety entity" means a nongovernmental
8 organization that provides emergency fire, ambulance, or medical
9 services.

10 (CC) ~~(bb)~~ "Public agency" means a village, township, charter
11 township, or city within the state and any special purpose district
12 located in whole or in part within the state.

13 (DD) ~~(cc)~~ "Public safety agency" means a functional division
14 of a public agency, county, or the state that provides fire
15 fighting, law enforcement, ambulance, medical, or other emergency
16 services.

17 (EE) ~~(dd)~~ "Qualified obligations" means obligations that meet
18 1 or more of the following:

19 (i) The proceeds of the obligations benefit the 9-1-1 district,
20 and for which all of the following conditions are met:

21 (A) The proceeds of the obligations are used for capital
22 expenditures, costs of a reserve fund securing the obligations, and
23 costs of issuing the obligations. The proceeds of obligations shall
24 not be used for operational expenses.

25 (B) The weighted average maturity of the obligations does not
26 exceed the useful life of the capital assets.

27 (C) The obligations shall not in whole or in part appreciate

1 in principal amount or be sold at a discount of more than 10%.

2 (ii) The obligations are issued to refund obligations that meet
3 the conditions described in subparagraph (i) and the net present
4 value of the principal and interest to be paid on the refunding
5 obligations, excluding the cost of issuance, will be less than the
6 net present value of the principal and interest to be paid on the
7 obligations being refunded, as calculated using a method approved
8 by the department of treasury.

9 (FF) ~~(ee)~~ "Relay method" means that a PSAP notes pertinent
10 information and relays it by a communication service to the
11 appropriate public safety agency or other provider of emergency
12 services that has an available emergency service unit located
13 closest to the request for emergency service for dispatch of an
14 emergency service unit.

15 (GG) ~~(ff)~~ "Secondary public safety answering point" or
16 "secondary PSAP" means a communications facility of a public safety
17 agency or private safety entity that receives 9-1-1 calls by the
18 transfer method only and generally serves as a centralized location
19 for a particular type of emergency call.

20 (HH) ~~(gg)~~ "Service supplier" means a person providing a
21 communication service to a service user in this state.

22 (II) ~~(hh)~~ "Service user" means a person receiving a
23 communication service.

24 (JJ) ~~(ii)~~ "State 9-1-1 charge" means the charge provided for
25 under ~~sections~~ **SECTION 401a.** ~~and 401e.~~

26 (KK) ~~(jj)~~ "Tariff" means the rate approved by the public
27 service commission for 9-1-1 service provided by a particular

1 service supplier. Tariff does not include a rate of a commercial
2 mobile radio service by a particular supplier.

3 (II) ~~(kk)~~—"Tentative 9-1-1 service plan" means a plan prepared
4 by 1 or more counties for implementing a 9-1-1 system in a
5 specified 9-1-1 service district.

6 (MM) ~~(ll)~~—"Transfer method" means that a PSAP transfers the 9-
7 1-1 call directly to the appropriate public safety agency or other
8 provider of emergency service that has an available emergency
9 service unit located closest to the request for emergency service
10 for dispatch of an emergency service unit.

11 (NN) ~~(mm)~~—"Universal emergency number service" or "9-1-1
12 service" means public communication service that provides service
13 users with the ability to reach a public safety answering point by
14 dialing the digits "9-1-1".

15 (OO) ~~(nn)~~—"Universal emergency number service system" or "9-1-
16 1 system" means a system for providing 9-1-1 service under this
17 act.

18 (PP) ~~(oo)~~—"Wireless emergency service order" means the order
19 of the federal communications commission, FCC docket No. 94-102,
20 adopted June 12, 1996 with an effective date of October 1, 1996.

21 Sec. 401a. (1) ~~Except as otherwise provided under section~~
22 ~~401c, each~~ **EACH** service supplier within a 9-1-1 service district
23 shall bill and collect a state 9-1-1 charge from all service users,
24 **EXCEPT FOR USERS OF A PREPAID WIRELESS TELECOMMUNICATIONS SERVICE,**
25 of the service supplier within the geographical boundaries of the
26 9-1-1 service district or as otherwise provided by this section.
27 The billing and collection of the state 9-1-1 charge shall begin

1 July 1, 2008. The state 9-1-1 charge shall be uniform per each
2 service user within the 9-1-1 service district.

3 (2) The amount of the state 9-1-1 charge payable monthly by a
4 service user shall be established as provided under subsection (4).
5 The amount of the state 9-1-1 charge shall not be more than 25
6 cents or less than 15 cents. The charge may be adjusted annually as
7 provided under subsection (4).

8 (3) The state 9-1-1 charge shall be collected in accordance
9 with the regular billings of the service supplier. Except as
10 otherwise provided under this act, the amount collected for the
11 state 9-1-1 charge shall be remitted quarterly by the service
12 supplier to the state treasurer and deposited in the emergency 9-1-
13 1 fund created under section 407. The charge allowed under this
14 section shall be listed separately on the customer's bill or
15 payment receipt **OR OTHERWISE DISCLOSED TO THE CONSUMER.**

16 (4) The initial state 9-1-1 charge shall be 19 cents and shall
17 be effective July 1, 2008. The state 9-1-1 charge shall reflect the
18 actual costs of operating, maintaining, upgrading, and other
19 reasonable and necessary expenditures for the 9-1-1 system in this
20 state. The state 9-1-1 charge may be reviewed and adjusted as
21 provided under subsection (5).

22 (5) The commission in consultation with the committee shall
23 review and may adjust the state 9-1-1 charge under this section and
24 the distribution percentages under section 408 to be effective on
25 July 1, 2009 and July 1, 2010. Any adjustment to the charge by the
26 commission shall be made no later than May 1 of the preceding year
27 and shall be based on the committee's recommendations under section

1 412. Any adjustments to the state 9-1-1 charge or distribution
2 percentages after December 31, 2010 shall be made by the
3 legislature.

4 (6) If a service user has multiple access points or access
5 lines, the state 9-1-1 charge will be imposed separately on each of
6 the first 10 access points or access lines and then 1 charge for
7 each 10 access points or access lines per billed account.

8 (7) This section takes effect July 1, 2008.

9 Sec. 401b. (1) In addition to the charge allowed under section
10 401a, after June 30, 2008 a county board of commissioners may
11 assess a county 9-1-1 charge to service users, **EXCEPT FOR USERS OF**
12 **A PREPAID WIRELESS TELECOMMUNICATIONS SERVICE**, located within that
13 county by 1 of the following methods:

14 (a) Up to \$0.42 per month by resolution.

15 (b) Up to \$3.00 per month with the approval of the voters in
16 the county.

17 (c) Any combination of subdivisions (a) and (b) with a maximum
18 county 9-1-1 charge of \$3.00 per month.

19 (2) A county assessing a county 9-1-1 charge amount approved
20 in the commission's order in case number U-15489 that exceeds the
21 amounts established in subsection (1) may continue to assess the
22 amount approved by the commission. Any proposed increase to the
23 amount approved in the commission order is subject to subsection
24 (1).

25 (3) The charge assessed under this section and section 401e
26 shall not exceed the amount necessary and reasonable to implement,
27 maintain, and operate the 9-1-1 system in the county.

1 (4) If the voters approve the charge to be assessed on the
2 service user's monthly bill on a ballot question under this
3 section, the service provider's bill shall state the following:

4 "This amount is for your 9-1-1 service which has been approved
5 by the voters on (DATE OF VOTER APPROVAL). This is not a charge
6 assessed by your service supplier. If you have questions concerning
7 your 9-1-1 service, you may call (INCLUDE APPROPRIATE TELEPHONE
8 NUMBER)."

9 (5) Within 90 days after the first day of each fiscal or
10 calendar year of a county, an annual accounting shall be made of
11 the charge approved under this section.

12 (6) Except as otherwise provided in subsection (10), the
13 county 9-1-1 charge collected under this section shall be paid
14 quarterly directly to the county and distributed by the county to
15 the primary PSAPs by 1 of the following methods:

16 (a) As provided in the final 9-1-1 service plan.

17 (b) If distribution is not provided for in the plan, then
18 according to any agreement for distribution between the county and
19 public agencies.

20 (c) If distribution is not provided in the plan or by
21 agreement, then according to population within the emergency 9-1-1
22 district.

23 (7) Subject to subsection (1), the county may adjust the
24 county 9-1-1 charge annually to be effective July 1. The county
25 shall notify the committee no later than May 15 of each year of any
26 change in the county 9-1-1 charge under this section.

27 (8) If a county has multiple emergency response districts, the

1 county 9-1-1 charge collected under this section shall be
2 distributed under subsection (6) in proportion to the population
3 within the emergency 9-1-1 district.

4 (9) This section shall not preclude the distribution of
5 funding to secondary PSAPs if the distribution is determined by the
6 primary PSAPs within the emergency 9-1-1 district to be the most
7 effective method for dispatching of fire or emergency medical
8 services and the distribution is approved within the final 9-1-1
9 service plan.

10 (10) The service supplier may retain 2% of the approved county
11 9-1-1 charge to cover the supplier's costs for billings and
12 collections under this section.

13 (11) The charge allowed under this section shall be listed
14 separately on the customer's bill **OR OTHERWISE DISCLOSED TO THE**
15 **CONSUMER** and shall state by which means the charge was approved
16 under subsection (1).

17 (12) Information submitted by a service supplier to a county
18 under this section is exempt from the freedom of information act,
19 1976 PA 442, MCL 15.231 to 15.246, and shall not be released by the
20 county without the consent of the service supplier. Unless required
21 or permitted by statute, court rule, subpoena, or court order, or
22 except as necessary for a county, the commission, committee, or
23 public agency to pursue or defend the public's interest in any
24 public contract or litigation, a county treasurer, the commission,
25 committee, agency, or any employee or representative of a PSAP,
26 database administrator, or public agency shall not divulge any
27 information acquired with respect to customers, revenues or

1 expenses, trade secrets, access line counts, commercial
2 information, or any other proprietary information with respect to a
3 service supplier while acting or claiming to act as an employee,
4 agent, or representative. An aggregation of information that does
5 not identify or effectively identify the number of customers,
6 revenues or expenses, trade secrets, access lines, commercial
7 information, and other proprietary information attributable to a
8 specific service supplier may be made public.

9 (13) If a service user has multiple access points or access
10 lines, the county 9-1-1 charge will be imposed separately on each
11 of the first 10 access points or access lines and then 1 charge for
12 each 10 access points or access lines per billed account.

13 (14) A county 9-1-1 charge assessed under subsection (1) shall
14 be used only to fund costs approved as allowable in a published
15 report by the committee ~~prior to~~ **BEFORE** December 1, 2008. The
16 committee shall notify the standing committees of the senate and
17 house of representatives having jurisdiction over issues pertaining
18 to communication technology at least 90 days ~~prior to~~ **BEFORE**
19 modifying what constitutes an allowable cost under this subsection.

20 ~~—— (15) Notwithstanding any other provision of this act, the~~
21 ~~county 9-1-1 charge levied under this section shall not be levied~~
22 ~~after the repeal date provided in section 717. If all or a portion~~
23 ~~of the county 9-1-1 charge levied under this section has been~~
24 ~~pledged as security for the payment of qualified obligations, the~~
25 ~~county 9-1-1 charge shall be levied and collected only to the~~
26 ~~extent required to pay the qualified obligations or satisfy the~~
27 ~~pledge.~~

1 Sec. 401c. ~~(1) Each CMRS supplier or reseller shall collect an~~
2 ~~emergency 9-1-1 charge from each of its prepaid customers. The~~
3 ~~amount of the emergency 9-1-1 charge shall be established annually~~
4 ~~by the committee by combining the amounts determined under~~
5 ~~subsections (2) and (3).~~

6 ~~—— (2) The CMRS supplier or reseller shall have a 1-time option~~
7 ~~of selecting 1 of the following methods of determining the portion~~
8 ~~of the emergency 9-1-1 charge that represents the state 9-1-1~~
9 ~~charge amount:~~

10 ~~—— (a) By dividing the total earned prepaid revenue received by~~
11 ~~the CMRS supplier or reseller within the monthly 9-1-1 reporting~~
12 ~~period by \$50.00 and then multiplying that number by the amount of~~
13 ~~the state 9-1-1 charge as established under section 401a.~~

14 ~~—— (b) By multiplying the amount of the state 9-1-1 charge as~~
15 ~~established under section 401a for each active prepaid account of~~
16 ~~the CMRS supplier or reseller.~~

17 ~~—— (3) The committee shall review and annually establish the~~
18 ~~portion of the emergency 9-1-1 charge assessed under this section~~
19 ~~that represents the county 9-1-1 charge amount. The charge shall be~~
20 ~~based on the weighted average of all county 9-1-1 charges imposed~~
21 ~~statewide.~~

22 ~~—— (4) The CMRS shall deposit the amount collected under this~~
23 ~~section into the emergency 9-1-1 fund to be distributed as provided~~
24 ~~under section 408.~~

25 ~~—— (5) This section takes effect July 1, 2008.~~

26 ~~—— (6) As used in this section:~~

27 ~~—— (a) "Active prepaid accounts" means a customer who has~~

~~recharged or replenished his or her account at least once during the billing period or calendar month and has a sufficient positive balance at the end of each month equal to or greater than the amount of the emergency 9-1-1 charge established under this section.~~

~~—— (b) "CMRS reseller" means a provider who purchases telecommunication services from another telecommunication service provider and then resells, uses a component part of, or integrates the purchased services into a mobile telecommunication service.~~

~~—— (c) "Earned prepaid revenue" means new revenue that has been generated from prepaid service accounts since the close of the last billing period or calendar month.~~

~~—— (d) "Prepaid customer" means a CMRS subscriber who pays in full prospectively for the service and has 1 of the following:~~

~~—— (i) A Michigan telephone number or a Michigan identification number for the service.~~

~~—— (ii) A service for exclusive use in an automotive vehicle and whose place of primary use is within this state. As used in this sub-subparagraph, "place of primary use" means that phrase as defined under 4 USC 124.~~

(1) A SELLER SHALL COLLECT A PREPAID WIRELESS 9-1-1 SURCHARGE FROM A CONSUMER FOR EACH RETAIL TRANSACTION OCCURRING IN THIS STATE.

(2) THE AMOUNT OF THE PREPAID WIRELESS 9-1-1 SURCHARGE SHALL BE 1.92% PER RETAIL TRANSACTION. THE CHARGE ALLOWED UNDER THIS SECTION SHALL BE EITHER SEPARATELY STATED ON AN INVOICE, RECEIPT, OR OTHER SIMILAR DOCUMENT THAT IS PROVIDED TO A CONSUMER BY THE

1 SELLER OR OTHERWISE DISCLOSED TO THE CONSUMER.

2 (3) EACH OF THE FOLLOWING TRANSACTIONS SHALL BE CONSIDERED TO
3 HAVE OCCURRED IN THIS STATE:

4 (A) A RETAIL TRANSACTION THAT IS EFFECTED IN PERSON BY A
5 CONSUMER AT A BUSINESS LOCATION OF A SELLER LOCATED IN THIS STATE.

6 (B) A RETAIL TRANSACTION THAT IS TREATED AS OCCURRING IN THIS
7 STATE AS PROVIDED IN SECTION 3C OF THE USE TAX ACT, 1937 PA 94, MCL
8 205.93C, AS THAT SECTION APPLIES TO A PREPAID WIRELESS CALLING
9 SERVICE.

10 (4) A PREPAID WIRELESS 9-1-1 SURCHARGE IS THE LIABILITY OF THE
11 CONSUMER AND NOT OF THE SELLER OR OF ANY PROVIDER.

12 (5) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6), IF A
13 PREPAID WIRELESS TELECOMMUNICATIONS SERVICE IS SOLD WITH 1 OR MORE
14 PRODUCTS OR SERVICES FOR A SINGLE, NONITEMIZED PRICE, THE SELLER
15 SHALL COLLECT 1.92% ON THE ENTIRE NONITEMIZED PRICE UNLESS THE
16 SELLER ELECTS TO DO THE FOLLOWING:

17 (A) IF THE AMOUNT OF THE PREPAID WIRELESS TELECOMMUNICATIONS
18 SERVICE IS DISCLOSED TO THE CONSUMER AS A DOLLAR AMOUNT, APPLY THE
19 PERCENTAGE TO THAT DOLLAR AMOUNT.

20 (B) IF THE SELLER CAN IDENTIFY THE PORTION OF THE PRICE THAT
21 IS ATTRIBUTABLE TO THE PREPAID WIRELESS TELECOMMUNICATIONS SERVICE
22 BY REASONABLE AND VERIFIABLE STANDARDS FROM ITS BOOKS AND RECORDS
23 THAT ARE KEPT IN THE REGULAR COURSE OF BUSINESS FOR OTHER PURPOSES
24 INCLUDING, BUT NOT LIMITED TO, NONTAX PURPOSES, APPLY THE
25 PERCENTAGE TO THAT PORTION.

26 (6) IF A MINIMAL AMOUNT OF PREPAID WIRELESS TELECOMMUNICATIONS
27 SERVICE IS SOLD WITH A PREPAID WIRELESS DEVICE FOR A SINGLE,

1 NONITEMIZED PRICE, A SELLER MAY ELECT NOT TO APPLY THE PERCENTAGE
2 SPECIFIED IN SUBSECTION (5) (A) TO THAT TRANSACTION. AS USED IN THIS
3 SUBSECTION, "MINIMAL AMOUNT" MEANS AN AMOUNT OF SERVICE DENOMINATED
4 AS 10 MINUTES OR LESS OR \$5.00 OR LESS.

5 (7) THE PREPAID WIRELESS 9-1-1 SURCHARGE SHALL BE REMITTED AT
6 THE SAME TIME AND IN THE SAME MANNER AS THE TAXES PROVIDED BY THE
7 GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.51 TO 205.78. THE
8 DEPARTMENT SHALL ESTABLISH RECORD KEEPING, PAYMENT, AND OTHER
9 PROCEDURES FOR PROVIDERS OR SELLERS THAT ARE SUBSTANTIALLY SIMILAR
10 TO THOSE APPLICABLE PROCEDURES FOR TAXPAYERS IMPOSED UNDER THE
11 GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.51 TO 205.78. THE
12 DEPARTMENT SHALL DEPOSIT THE PREPAID WIRELESS 9-1-1 SURCHARGES IN
13 THE EMERGENCY 9-1-1 FUND CREATED IN SECTION 407.

14 (8) THE PREPAID WIRELESS 9-1-1 SURCHARGE IMPOSED BY THIS ACT
15 SHALL BE ADMINISTERED BY THE DEPARTMENT UNDER 1941 PA 122, MCL
16 205.1 TO 205.31, AND THIS ACT. IF THE PROVISIONS OF 1941 PA 122,
17 MCL 205.1 TO 205.31, AND THIS ACT CONFLICT, THE PROVISIONS OF THIS
18 ACT APPLY.

19 (9) THE DEPARTMENT SHALL PROMULGATE RULES TO IMPLEMENT THIS
20 SECTION PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969
21 PA 306, MCL 24.201 TO 24.328.

22 (10) A SELLER MAY RETAIN 2% OF PREPAID WIRELESS 9-1-1
23 SURCHARGES THAT ARE COLLECTED BY THE SELLER TO REIMBURSE THE SELLER
24 FOR ITS DIRECT COSTS IN COLLECTING AND REMITTING THE PREPAID
25 WIRELESS 9-1-1 SURCHARGES.

26 (11) A PROVIDER OR SELLER OF PREPAID WIRELESS
27 TELECOMMUNICATIONS SERVICE IS NOT LIABLE FOR DAMAGES TO ANY PERSON

1 RESULTING FROM OR INCURRED IN CONNECTION WITH THE PROVISION OF, OR
2 FAILURE TO PROVIDE, 9-1-1 SERVICE OR FOR IDENTIFYING OR FAILING TO
3 IDENTIFY THE TELEPHONE NUMBER, ADDRESS, LOCATION, OR NAME
4 ASSOCIATED WITH ANY PERSON OR DEVICE THAT IS ACCESSING OR
5 ATTEMPTING TO ACCESS 9-1-1 SERVICE.

6 (12) A PROVIDER OR SELLER OF PREPAID WIRELESS
7 TELECOMMUNICATIONS SERVICE IS NOT LIABLE FOR DAMAGES TO ANY PERSON
8 RESULTING FROM OR INCURRED IN CONNECTION WITH THE PROVISION OF ANY
9 LAWFUL ASSISTANCE TO ANY INVESTIGATIVE OR LAW ENFORCEMENT OFFICER
10 OF THE UNITED STATES, THIS STATE, OR ANY OTHER STATE IN CONNECTION
11 WITH ANY LAWFUL INVESTIGATION OR OTHER LAW ENFORCEMENT ACTIVITY BY
12 THAT LAW ENFORCEMENT OFFICER.

13 (13) AS USED IN THIS SECTION:

14 (A) "CONSUMER" MEANS A PERSON WHO PURCHASES PREPAID WIRELESS
15 TELECOMMUNICATIONS SERVICES IN A RETAIL TRANSACTION.

16 (B) "DEPARTMENT" MEANS THE MICHIGAN DEPARTMENT OF TREASURY.

17 (C) "PREPAID WIRELESS 9-1-1 SURCHARGE" MEANS THE FEE THAT IS
18 REQUIRED TO BE COLLECTED BY A SELLER FROM A CONSUMER IN THE AMOUNT
19 ESTABLISHED UNDER SUBSECTION (2).

20 (D) "PROVIDER" MEANS A PERSON THAT PROVIDES PREPAID WIRELESS
21 TELECOMMUNICATIONS SERVICES UNDER A LICENSE ISSUED BY THE FEDERAL
22 COMMUNICATIONS COMMISSION.

23 (E) "RETAIL TRANSACTION" MEANS THE PURCHASE OF PREPAID
24 WIRELESS TELECOMMUNICATIONS SERVICE FROM A SELLER FOR ANY PURPOSE
25 OTHER THAN RESALE.

26 (F) "SELLER" MEANS A PERSON WHO SELLS PREPAID WIRELESS
27 TELECOMMUNICATIONS SERVICE TO ANOTHER PERSON.

1 Sec. 401d. (1) Each local exchange provider within a 9-1-1
2 service district shall provide a billing and collection service for
3 an emergency telephone technical charge from all service users,
4 **EXCEPT FOR USERS OF A PREPAID WIRELESS TELECOMMUNICATIONS SERVICE,**
5 of the provider within the geographical boundaries of the emergency
6 telephone or 9-1-1 service district. The billing and collection of
7 the emergency telephone technical charge used for billing cost
8 shall begin as soon as feasible after the final 9-1-1 service plan
9 has been approved. The billing and collection of the emergency
10 telephone technical charge not already collected for billing costs
11 shall begin as soon as feasible after installation and operation of
12 the 9-1-1 system. The emergency telephone technical charge shall be
13 uniform per each exchange access facility within the 9-1-1 service
14 district. The portion of the emergency telephone technical charge
15 that represents start-up costs, nonrecurring billing, installation,
16 service, and equipment charges of the service supplier, including
17 the costs of updating equipment necessary for conversion to 9-1-1
18 service, shall be amortized at the prime rate plus 1% over a period
19 not to exceed 10 years and shall be billed and collected from all
20 service users only until those amounts are fully recouped by the
21 service supplier. The prime rate to be used for amortization shall
22 be set before the first assessment of nonrecurring charges and
23 remain at that rate for 5 years, at which time a new rate may be
24 set for the remaining amortization period. Recurring costs and
25 charges included in the emergency telephone technical charge shall
26 continue to be billed to the service user.

27 (2) The amount of the emergency telephone technical charge to

1 be billed to the service user shall be computed by dividing the
2 total emergency telephone technical charge by the number of
3 exchange access facilities within the 9-1-1 service district.

4 (3) The amount of emergency telephone technical charge payable
5 monthly by a service user for recurring costs and charges shall not
6 exceed 4% of the lesser of \$20.00 or the highest monthly rate
7 charged by the local exchange provider for primary basic local
8 exchange service ~~under section 304 of the Michigan~~
9 ~~telecommunications act, 1991 PA 179, MCL 484.2304,~~ within the 9-1-1
10 service district. The amount of emergency telephone technical
11 charge payable monthly by a service user for nonrecurring costs and
12 charges shall not exceed 5% of the lesser of \$20.00 or the highest
13 monthly rate charged by the provider for primary basic local
14 exchange service ~~under section 304 of the Michigan~~
15 ~~telecommunications act, 1991 PA 179, MCL 484.2304,~~ within the 9-1-1
16 service district. The difference, if any, between the amount of the
17 emergency telephone technical charge computed under subsection (2)
18 and the maximum permitted under this section shall be paid by the
19 county from funds available to the county or through cooperative
20 arrangements with public agencies within the 9-1-1 service
21 district.

22 (4) The emergency telephone technical charge shall be
23 collected in accordance with the regular billings of the local
24 exchange provider. The emergency telephone technical charge payable
25 by service users under this act shall be added to and shall be
26 stated separately in the billings to service users **OR OTHERWISE**
27 **DISCLOSED TO THE CONSUMER.**

1 (5) As used in this section, "local exchange provider" means a
2 provider of basic local exchange service as defined in section 102
3 of the Michigan telecommunications act, 1991 PA 179, MCL 484.2102.

4 Sec. 717. This act is repealed effective December 31,
5 ~~2014~~.2021.

6 Enacting section 1. This amendatory act takes effect January
7 1, 2013.