

Sprint pays Kent County \$1.45M after failing to collect 911 surcharge

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GRAND RAPIDS, MI -- Sprint has paid Kent County about \$1.45 million for 911 surcharge dollars it failed to collect from phone users the past two years.

Sprint customers should now see their monthly phone bills go up by 70 cents per phone -- [an increase voters approved in November 2016](#) to help fund an overhaul of the county's 911 dispatch system.

The increase was levied on top of a 45-cent monthly surcharge already being collected for dispatch services. It went into effect July 2017. Kent County officials say Sprint collected the 45-cent surcharge but never started collecting the increase.

County officials believe the failure to collect the surcharge was unintentional. Sprint paid the county after they were notified and agreed with the county's assessment.

"We can't thank Sprint enough for being a good partner, a good business partner, the way that they handled it," said Kent County Administrator Wayman Britt.

In a statement to MLive, Sprint representatives said they "do not anticipate to seek reimbursement from Sprint customers for this error." The statement did not address why the under-collection occurred.

Kent County voters approve surcharge for 911 dispatch system

The 911 surcharge brought in about \$8.1 million in 2018. Sprint is one of 10 networks that collect about 90 percent of the surcharge countywide.

About half of the 70-cent surcharge increase is used to fund countywide fire dispatch services. The other half is being used to upgrade the county's outdated dispatching system to an 800 MHz frequency system.

The new system will allow emergency first responders to communicate directly with local police agencies and state police officers. The county has borrowed [about \\$25 million to pay for the system implementation](#).

Kent County Sheriff Michelle LaJoye-Young estimates the system will go online fall 2020.

The failure by Sprint to collect the additional surcharge dollars hasn't hampered that rollout, LaJoye-Young said. County leaders noticed the problem earlier this year, she said

"There was beginning to be a deficit that would develop without these revenues," she said.

The county has no way to audit telecommunications carriers to ensure the companies are collecting and distributing the full surcharge amount.

To find out if the county was being underpaid and to what extent, the County Administrator's Office and Fiscal Services Department had to conduct an internal analysis of funds received.

Sprint agreed with the county's assessment of the undercollection amount and paid out \$1,449,765. The Kent County Board of Commissioners last week approved to appropriate that amount.

The county plans to conduct similar assessments on other network providers. While there was a "real anomaly" that county officials noticed with Sprint's payments, Britt said there's no indication yet that other providers are also failing to collect or distribute the surcharge.

The county, he said, wants to "make sure taxpayers are getting all they're paying for."

"These are the early stages of our looking into this," Britt said. "We wanted to make sure we had a good process that can be repeatable."