

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$769,511		\$664,152	
CASH FUNDS				
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$769,511</b>		<b>\$664,152</b>	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 914 requires the Public Service Commission (PSC) to create and maintain an official Nebraska location fabric broadband access map and repository on or before July 1, 2024. The bill provides definitions and requirements regarding information that must be included.

The PSC may contract with private parties to create, improve, and maintain the map and repository.

Any recipient of support from the Nebraska Telecommunications Universal Service Fund (NUSF) shall comply with the bill's provisions. Any grant recipient under the Nebraska Broadband Bridge Act shall comply with the bill's provisions. Finally, any grant recipient of federal broadband funding administered by the PSC shall comply with the bill's provisions.

After the Federal Communications Commission completes the national Broadband Serviceable Location Fabric and accompanying National Broadband Availability Map the PSC shall annually evaluate whether the continued maintenance of an annually updated map is necessary.

The PSC estimates the need for 1.5 additional FTE to address the bill's provisions. Assuming the utilization of a third-party contractor to address the highly technical requirements, create, improve and maintain the map and repository is estimated to cost \$600,000 in the first year and \$500,000 annually thereafter.

There is no basis to disagree with the PSC estimates.

The PSC has assigned the bill's costs to General Funds. It is possible that Federal Funds could be utilized to pay for LB 914's provisions. In absence of such direction, it is assumed that the bill's costs will fall to the General Fund. It should also be noted that if Federal Funds are utilized, they may not be available for this purpose in future years. In such a case, it is assumed that General Funds would need to be used to replace those dollars.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	914	AM:	AGENCY/POLT. SUB: Nebraska Public Service Commission	
REVIEWED BY:	Ann Linneman	DATE:	2-3-2022	PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Public Service Commission's assessment of fiscal impact.				

Please complete ALL (5) blanks in the first three lines.

2022

LB<sup>(1)</sup> 914 revised

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Public Service Commission

Prepared by: <sup>(3)</sup> Suzanne Hinzman Date Prepared: <sup>(4)</sup> 2/3/2022 Phone: <sup>(5)</sup> 402-471-0240

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>769,551</u>	<u>                    </u>	<u>664,152</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>769,551</u>	<u>                    </u>	<u>664,152</u>	<u>                    </u>

Explanation of Estimate:

LB 914 directs the Commission to create and maintain a location fabric broadband access map and broadband data repository. It provides the Commission with the option to contract with a third party to create, improve, and maintain the map and repository. Carriers that receive support from the Nebraska Universal Service Fund, the Broadband Bridge Act grant program, are Eligible Telecommunications Carriers (ETCs), or that wish to participate in those programs as challenging parties or otherwise, as well as recipients of any federal grants administered by the Commission, are required to participate in the data collection process.

To enact the mapping provisions of the bill, the Commission would require two additional staff, whose costs are included in the fiscal note, and contract with a third party, which would be entered into after issuing an RFP. Given the technical nature of what is required through this bill, we anticipate that a third-party contractor might better meet the needs of the program. Some of the data elements required for this project already exist, such as an address point layer and statewide parcel data. However, one primary duty for the development of this map and repository would be the collection of information from existing broadband providers. The third-party contractor would be analyzing collected data, connecting it to existing data sources, and designing user-friendly interfaces for the broadband access map and data repository.

In addition, we interpret Section 2, subsection (a) of the bill to require speed test information to be collected in order to determine download and upload speeds “experienced.” An additional third-party contractor may be required for fulfilling any speed test requirements outlined in this program. The costs of such a contract to fulfill both the mapping and testing requirements of this bill can only be estimated at this time. We estimate the cost of a third-party contract for the mapping and testing requirements to be \$600,000 the first year and \$500,000 for each year thereafter.

The Commission would require one full FTE for a staff analyst that would be responsible for managing data requests, answering and responding to issues, providing technical expertise to broadband providers that need assistance, and working with the third-party contractor to make sure objectives are met. The Commission would also require an additional .5 FTE for an attorney. Responsibilities of the attorney would include developing the RFP, or RFPs, managing contractual obligations, managing the data collection cycles through the normal Commission docketing process, and overseeing the collection and dissemination of data, and monitoring federal mapping processes

and developments.

**Technical Note:** As the bill does not identify a specific funding source, we assume the costs would be general funded. However, if the intent is to utilize available federal funds, the bill would need to be amended to allow for a federal appropriation.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Analyst	1	1	65,518	66,828
Attorney	.5	.5	33,800	34,476
Benefits.....			49,370	49,688
Operating.....			620,863	513,160
Travel.....			0	0
Capital outlay.....			0	0
Aid.....			0	0
Capital improvements.....			0	0
<b>TOTAL.....</b>			<b>769,551</b>	<b>664,152</b>