

### Fiscal Estimate - 2019 Session

Original                     
  Updated                     
  Corrected                     
  Supplemental

<b>LRB Number</b> <b>19-4875/1</b>	<b>Introduction Number</b> <b>SB-838</b>
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**Description**  
 requirements for broadband expansion grants and making an appropriation

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		<b>5. Types of Local Government Units Affected</b>
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> PSC/ Jenna Schmidt (608) 267-7709	<b>Authorized Signature</b> Jenna Schmidt (608) 267-7709	<b>Date</b> 2/27/2020
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## Fiscal Estimate Narratives

PSC 2/27/2020

LRB Number	<b>19-4875/1</b>	Introduction Number	<b>SB-838</b>	Estimate Type	<b>Original</b>
<b>Description</b> requirements for broadband expansion grants and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

2019 SB 838 creates a definition for broadband infrastructure, which must be used when determining eligibility for the Commission's Broadband Expansion Grant Program. The bill defines broadband infrastructure as infrastructure that provides broadband service at the faster of 25 megabits per second download and 3 megabits per second upload or the minimum download and upload speeds designated by the Federal Communications Committee. The bill also requires grant applicants to specify the type of broadband infrastructure that will be constructed with grant funds when submitting applications.

2019 SB 838 requires grant recipients to submit construction progress reports as well as information on the number of service connections and average upload and download speeds of said service connections. 2019 SB 838 also requires a grant recipient to reimburse the Commission if the recipient fails to complete construction of an awarded project or the service provided by the project does not meet the speed requirements set forth in the broadband infrastructure definition. An appropriation is created to record receipt of these funds, which will be used in subsequent grant rounds to fund additional projects. 2019 SB 838 requires the Commission to promulgate rules related to the submission of construction progress reports and reimbursements.

2019 SB 838 also requires biennial performance audits of the Broadband Expansion Grant Program by the Legislative Audit Bureau.

Commission resources will be needed to update the state broadband maps to incorporate the broadband infrastructure definition created by this bill. This work effort can be absorbed by existing staff resources. While the Commission already requires construction progress reports and has a process in place to ensure that the Commission will be made whole if projects do not achieve results, additional staff resources will be needed to ensure appropriate implementation of the requirements set forth in this bill. The Commission will also need to devote staff resources to the rulemaking process related to construction progress reports and reimbursements. The associated workload can be absorbed with existing staff resources. The Commission may also incur costs related to the biennial performance audit requirement. These costs can be absorbed within the Commission's existing budget.

### Long-Range Fiscal Implications