

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4100/1

INTRODUCTION # AB-0670

Admin. Rule #

Subject

Operation and costs of municipal cable television systems.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

There are two parts to this bill that will have separate effects on municipalities.

1. The municipality will be required to prepare and maintain records on franchise fees, pole rentals and all other expenses a non-municipal cable television operator would incur. This provision will increase administrative costs for municipalities that operate cable television systems. However, this increase is likely to be minimal. At present, there are few municipal-operated systems in the state. Any increase will depend on the status of the existing record-keeping system and the extent of the changes that are needed to comply with the provision.

2. The second part of the bill prohibits the municipality from allocating municipal costs or indebtedness in a way that subsidizes directly or indirectly the provision of municipal cable television service. The fiscal effect is dependent on unpredictable variables such as the financial condition of the individual municipal-operated cable television system and the need to maintain and upgrade the infrastructure. This provision may affect the ability of individual municipal-operated cable television systems to borrow monies, to the extent that the costs of borrowing are affected by restricting the transaction to the use of the assets of the local cable system, rather than permitting the use of other assets of the municipality. The condition of each individual municipal-operated cable system determines its ability to borrow. Currently there are few municipal operated systems in the state. Thus, it is difficult to project the precise effect. Therefore, the fiscal effect of this provision is indeterminable.

Long-Range Fiscal Implications:

Prepared By: / Phone # / Agency Name

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Louis Cornelius
Louis Cornelius/266-8629

Date

2/1/00
02/01/00

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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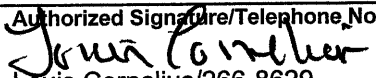
Subject
 Operation and costs of municipal cable television systems.

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ _____	\$ Indeterminable
NET CHANGE IN REVENUES	\$ _____	\$ Indeterminable

Prepared By: / Phone # / Agency Name Department of Commerce David Horton / 266-5860	Authorized Signature/Telephone No.  Louis Cornelius/266-8629	Date 2/1/00 02/01/00
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