

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-2845/1	Introduction Number AB-0239
Description use of certain federal funds for broadband expansion grants	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Agency/Prepared By PSC/ Jenna Schmidt (608) 267-7709	Authorized Signature Jenna Schmidt (608) 267-7709
Date 4/6/2021	

Fiscal Estimate Narratives

PSC 4/6/2021

LRB Number	21-2845/1	Introduction Number	AB-0239	Estimate Type	Original
Description use of certain federal funds for broadband expansion grants					

Assumptions Used in Arriving at Fiscal Estimate

2021 AB 239 requires the Governor to allocate \$500,000,000 of federal funds received under the American Rescue Plan Act of 2021 for making broadband expansion grants. Under the bill the Commission shall award \$125,000,000 in each calendar year beginning with 2021 and ending in 2024. 2021 AB 239 also requires the Commission to submit an annual report to the Joint Committee on Finance detailing evaluation criteria, grant recipients and the evaluation of the recipient applications.

The Commission requires additional staff resources to successfully and prudently administer the broadband expansion grant program at this funding level. Accurate coverage maps are a vital tool for the Commissioners when they make grant award decisions. Therefore, additional staff resources are necessary to ensure that mapping data is as up to date as possible and accurately reflects ongoing projects. This is especially important as funding levels and funding sources increase and an increasing number of projects are in the construction phase. In addition, the Commission is committed to administering a program with strong performance and fiscal monitoring controls. As such, additional staff resources are needed to perform critical tasks throughout the grant life cycle, from grant round planning to reporting and accountability analyses upon project completion. The additional staff resources will ensure the ongoing financial integrity of the program and will allow the Commission to maintain the highest standard for strategic investment. The cost associated with the 4.0 FTE needed to administer this additional funding is \$377,366.

This fiscal estimate reflects the cost and additional FTEs associated with administering the broadband expansion grants funded under this bill and are in addition to those included in 2021 SB 111. The estimate does not reflect costs associated with other key aspects of broadband access including affordability, local outreach, technical assistance, digital inclusion programming and internet adoption support.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 21-2845/1		Introduction Number AB-0239	
Description use of certain federal funds for broadband expansion grants			
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 funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$325,366		\$
(FTE Position Changes)	(4.0 FTE)		
State Operations - Other Costs	52,000		
Local Assistance			
Aids to Individuals or Organizations	125,000,000		
TOTAL State Costs by Category	\$125,377,366		\$
B. State Costs by Source of Funds			
GPR			
FED	125,377,366		
PRO/PRS			
SEG/SEG-S			
III. 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	\$125,377,366		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By			
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PSC/ Jenna Schmidt (608) 267-7709		Jenna Schmidt (608) 267-7709	4/6/2021

