

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-4457/1	Introduction Number AB-0573
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Description
 broadband mapping and the use of certain federal funds for wireless broadband and cellular service expansion grants

Fiscal Effect

State:

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

Local:

<input checked="" type="checkbox"/> No Local Government Costs	5.Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
	<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <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	20.155(1)(m)

Agency/Prepared By	Authorized Signature	Date
PSC/ Jenna Schmidt (608) 267-7709	Jenna Schmidt (608) 267-7709	10/13/2021

Fiscal Estimate Narratives

PSC 10/13/2021

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Description broadband mapping and the use of certain federal funds for wireless broadband and cellular service expansion grants					

Assumptions Used in Arriving at Fiscal Estimate

2021 AB 573 requires the governor to allocate \$70.0 million of funds accepted under the federal American Rescue Plan Act of 2021 (ARPA) to the Public Service Commission (Commission) to award grants for constructing wireless broadband and cellular service infrastructure. 2021 AB 573 requires the Commission to give priority to proposed projects that expand wireless broadband service or cellular service to areas designated by the Federal Communications Commission (FCC) as unserved or underserved. The bill also requires grant recipients to contribute matching funds of at least 20 percent of the grant. The ARPA-funded grants must be awarded by October 1, 2024. Any unspent funds must be distributed to cities, villages and towns in equal amounts for making technological investments.

4.0 project positions are needed to successfully and responsibly administer the program. Staff activities will include program development, outreach, technical assistance, application and program evaluation, as well as grant recipient monitoring. The cost associated with 4.0 project positions is \$426,400, as detailed below:

Salary: \$247,500

Fringe Benefits: \$126,900

Supplies and Services: \$52,000

Total: \$426,400

2021 AB 573 also allocates \$5.0 million of ARPA funds to the Commission to establish and maintain a publicly accessible map of broadband service availability. The bill requires fixed, mass market broadband service providers to disclose to the Commission information on the properties served and technology type, consistent with FCC mapping requirements. The Commission shall use this data to update the availability map twice each year. 2021 AB 573 allows the Commission to contract with a private vendor to establish and maintain the map. 1.0 FTE is needed to develop and manage vendor contract(s) related to mapping activities, which may include acquisition of coverage data and an intelligence platform. The FTE will also assist with overall map development and data integrity. The cost associated with 1.0 FTE is \$116,900, as detailed below:

Salary: \$77,000

Fringe Benefits: \$26,900

Supplies and Services: \$13,000

Total: \$116,900

The eligibility of ARPA funds for these purposes would need to be validated.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description broadband mapping and the use of certain federal funds for wireless broadband and cellular service expansion grants			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Grant Program Funding: \$70.0 million Mapping Funding: \$5.0 million **Note: The annualized costs below also include 4.0 project positions.**			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$478,300		\$
(FTE Position Changes)	(1.0 FTE)		
State Operations - Other Costs	65,000		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$543,300		\$
B. State Costs by Source of Funds			
GPR			
FED	543,300		
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			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$543,300		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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