

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	633,737		386,035	
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>633,737</b>		<b>386,035</b>	

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

LB 652 is the 911 Emergency Services Communications Act.

Section 2 provides the Act's purposes are to establish a statewide governing authority and to establish a funding mechanism that ensures all Nebraskans have comparable accessibility to communicate for 911 emergency services.

Section 4 provides definitions for the Act.

Section 5 establishes the Public Service Commission (PSC) as the statewide governing authority for 911 emergency services communication. The PSC shall develop and establish a funding mechanism to carry out the provisions of the Act. Furthermore, the PSC shall be responsible for the implementation and operation of coordinated, intrastate networks for 911 emergency service communication and operation of any equipment approved by the PSC. The PSC shall create a position of a state 911 coordinator and may enter into contracts with other state agencies, experts, agents, employees, vendors, or consultants to carry out the Act.

Section 5 specifies that funding from the 911 surcharge is not intended to fully fund emergency services.

Section 6 creates the 911 Emergency Services Communication Fund. The fund shall provide dedicated and sustainable funding to make 911 emergency services communication available to all persons in the state. The fund shall consist of surcharges credited to the fund as well as money appropriated by the Legislature and any Federal Funds received. The fund shall not be subject to any fiscal-year limitation or lapse provision of unexpended balance at the end of any fiscal year or biennium.

Section 7 requires the PSC to require every 911 emergency services communication provider to collect and remit surcharges established by the PSC.

Section 8 creates the Statewide 911 Advisory Board to provide strategic recommendations and guidance. Twelve members, appointed by the Governor shall compose the Board.

Section 9 requires the PSC, in conjunction with the Board, to create a master plan to implement next-generation 911 statewide.

Section 13 states that, beginning July 1, 2017, each 911 emergency services communications provider shall collect a surcharge set by the PSC of up to seventy cents (\$0.70) on all active telephone numbers or functional equivalents every month from service users with the capability to complete a 911 call. This provision does not apply to prepaid wireless telecommunications service.

Section 32 amends the authorized uses of the currently existing Enhanced Wireless 911 Fund to allow for expenditures in support of this bill's provisions. On June 30, 2017, the State Treasurer shall transfer any money in the Enhanced Wireless 911 Fund to the 911 Emergency Services Communication Fund.

The Office of the CIO estimates that, beginning July 1, 2017, the state will incur an annual cost of approximately \$229,320 to pay the surcharge created in the Act. This estimate is based on the maximum rate allowed and the current number of telephone numbers in state government. This cost is not identified in the table above due to the effective date of this surcharge. The date established is outside the fiscal years shown above.

LB652, CONTINUED

The PSC estimates the need to create three positions, based on the bill's provisions. In addition, \$250,000 is included in the first year's estimate to address creation of the required Master Plan. \$100,000 per year is included for ongoing support via contractual services. There is no basis to disagree with these estimates.

The PSC, like the CIO, does not include any new surcharge estimates due to the timing of their implementation and the fiscal years that are reported in their submitted fiscal note response. Beginning in fiscal year 2017-18, additional revenue from the new surcharge should be realized in an amount sufficient to sustain the bill's provisions.

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

**2015**

**LB<sup>(1)</sup> 652**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska Public Service Commission

Prepared by: <sup>(3)</sup> John Burvainis

Date Prepared: <sup>(4)</sup> 3/4/15

Phone: <sup>(5)</sup> 471-0240

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	633,737		386,035	
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>633,737</b>		<b>386,035</b>	

**Explanation of Estimate:**

To carry out the provisions of Section 5 of the proposal, a Director, Administrative Assistant, and a Technical Analyst are included in the estimate. The Director will serve as the State 911 Coordinator, and the Analyst will fulfill the requirements for providing technical assistance to PSAPs, supporting 911 organizations and other public safety and emergency medical service entities under Section 5 (4). Contractual services of \$250,000 are included to create a master plan required under Section 9. Also under the Contractual Services area, \$100,000 is included in each year for on-going support.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Director	1.0	1.0	87,859	92,027
Administrative Assistant	1.0	1.0	32,140	33,665
Technical Analyst	1.0	1.0	63,468	66,479
Benefits.....			68,729	72,089
Operating.....			368,671	119,375
Travel.....			2,400	2,400
Capital outlay.....			10,470	
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>633,737</b>	<b>386,035</b>

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

**2015**

**LB<sup>(1)</sup> 652**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska State Patrol

Prepared by: <sup>(3)</sup> Carol Aversman

Date Prepared: <sup>(4)</sup> 2/2/2015

Phone: <sup>(5)</sup> 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

Explanation of Estimate:

**No Fiscal Impact**

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	<b><u>\$0</u></b>	<b><u>\$0</u></b>

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

**2015**

**LB<sup>(1)</sup> 652**

**FISCAL  
NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services – Office of the CIO

Prepared by: <sup>(3)</sup> Rick Becker Date Prepared: <sup>(4)</sup> 01/27/2015 Phone: <sup>(5)</sup> 402-471-7984

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**Explanation of Estimate:**

LB652 would establish a statewide governing authority and funding mechanism for statewide 911 emergency services communications.

Section 13 of the bill provides that: “[b]eginning July 1, 2017, each 911 emergency services communication provider shall collect a surcharge set by the commission of up to seventy cents on all active telephone numbers or functional equivalents every month from service users with the capability to complete a 911 call...”

Telecommunications surcharges such as these are passed on to agencies by the Office of the CIO (OCIO). Because the surcharge is not implemented until July 1, 2017, there would be no fiscal impact for FY 2015-16 or FY 2016-17.

In future years, assuming the maximum rate allowed (\$0.70 per telephone number) and assuming approximately the same number of telephone numbers in state government as today to which the fee would be applicable (27,300), the increased cost to state government agencies billed by the OCIO could be \$229,320 per year (.70 per number x 12 months = \$8.40 per year x 27,300 telephone numbers = \$229,320).

The OCIO may need a corresponding increase in revolving fund appropriation to allow for payment of this surcharge.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Benefits.....</b>	_____	_____	_____	_____
<b>Operating.....</b>	_____	_____	_____	_____
<b>Travel.....</b>	_____	_____	_____	_____
<b>Capital outlay.....</b>	_____	_____	_____	_____
<b>Aid.....</b>	_____	_____	_____	_____
<b>Capital improvements.....</b>	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____