

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	813,729		812,201	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	813,729		812,201	

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

LB 1114 changes provisions of the Nebraska Telecommunications Regulation Act.

Section 3 provides a definition for “Geographic information system shapefiles” (shapefiles).

Section 4 requires every telecommunications company providing advanced telecommunications capability service in Nebraska to file with the Public Service Commission shapefiles of the territory in which the company offers such service with street address or land parcel level of detail and the connection speed and type of technology for each serviceable street address or land parcel.

The PSC shall use the shapefiles to create a statewide geographic information system map that clearly conveys certain information identified in the bill. The PSC is also required to make the geographic information system processing services available at no charge to any telecommunications company providing advanced telecommunications capability service that requires assistance with preparing shapefiles to fulfill the requirements under the bill.

The PSC estimates the need to hire 1.0 additional FTE to manage the project, work with providers and assist with the request for proposal. In addition, the PSC would need to contract with a third party to map broadband availability, speed, and technology type as required by the bill. The estimated cost of such a contract is \$725,000 per year for two years. There is no basis to disagree with these estimates.

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2018

LB⁽¹⁾ 1114

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Public Service Commission

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>813,729</u>	_____	<u>812,201</u>	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>813,729</u>	_____	<u>812,201</u>	_____

Explanation of Estimate:

LB1114 directs the Commission to create and maintain a statewide geographic information system (GIS), either on its own or through a contract with a third party vendor for GIS services. The Commission is charged with developing and/or collecting from providers GIS shapefiles that contain information detailing the territories where telecommunications companies provide advanced telecommunications services in Nebraska, the location of towers used to transmit and receive advanced telecommunications services, and connection speed and type of technology available at a street address or land parcel level. In addition, section 4.4 of this bill requires the Commission to provide, at no cost, GIS processing assistance for preparation of the aforementioned data to any requesting telecommunications provider.

In order to fulfill the obligations of this bill, the Commission would issue an RFP to contract with a third party to map broadband availability, speed, and technology type at a street address or land parcel level of detail. The Commission has prior experience with these mapping services to enable an estimation of costs. In 2012, as part of a grant from the National Telecommunications and Information Administration (NTIA), the Commission contracted with a third party vendor to collect broadband deployment data from providers and then map broadband availability at the census block level. Under that contract, providers were asked to voluntarily submit GIS data to the contractor on a semiannual basis. This data was collected, compiled, and aggregated for submission to the NTIA, then made available to the public via a mapping website. The contract to fulfill those provisions was approximately \$750,000 for two years. LB1114 requires a more granular level of detail than the previous mapping project and also would require a greater level of interaction with broadband providers. Therefore, we anticipate costs for this third party vendor will be significantly higher than the 2012 contract, not only due to the complexity of the project but also considering general inflation for these types of services over the last six years. Our best estimate of annual costs for the third party contractor is \$725,000 per year.

LB1114 would also require additional staff time to manage the project, work with the telecommunications providers and also to assist with the RFP. For these additional duties, the Commission would need to add 1 FTE for a GIS Analyst to manage the data collection and mapping efforts of the third party contractor and to manage the statewide geographic information system map outlined in Section 4.3.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>GIS Analyst</u>	<u>1</u>	<u>1</u>	<u>53,019</u>	<u>53,814</u>
Benefits.....			<u>32,310</u>	<u>32,787</u>
Operating.....			<u>726,400</u>	<u>725,600</u>
Travel.....			<u>0</u>	<u>0</u>
Capital outlay.....			<u>2,000</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u>813,729</u>	<u>812,201</u>