

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	841,667		881,896	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	841,667		881,896	

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

LB 549 adds new sections to the Nebraska Telecommunications Regulation Act.

Sections 3 and 4 provide definitions for “Geographic Information System Shapefiles” and “Rural Area”, for purposes of the Nebraska Telecommunications Regulation Act.

Section 5 requires every telecommunications company providing advanced telecommunications capability service in a rural area to provide certain filings with the Public Services Commission (PSC). The PSC shall create and maintain a geographic information system map by either contracting for and purchasing geographic information system services from a third party or working directly with any telecommunications company providing advanced telecommunications capability service in a rural area to input and process data. The geographic information system processing service shall be made available at no charge to any telecommunications company providing advanced telecommunications capability service that requires assistance with preparing shapefiles to fulfill the requirements of subsection (1) of this section (not currently codified).

The PSC would issue an RFP to contract with a third party to provide much of the work associated with LB 549. The PSC’s best estimate for such a contract is \$797,000 per year. In addition, the PSC estimates the need for 1.0 FTE (GIS Analyst) to manage the data collection and mapping efforts of the third party contractor and to manage the geographic information system map, with is outlined in section 5 (3) of the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 549	AM:	AGENCY/POLT. SUB: Nebraska Public Service Commission	
REVIEWED BY: Ann Linneman	DATE: 1-31-19	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Public Service Commission’s assessment of fiscal impact.			

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2019

LB⁽¹⁾ 549

FISCAL NOTE

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

Prepared by: ⁽³⁾ Laurie Casados Date Prepared: ⁽⁴⁾ 1/25/19 Phone: ⁽⁵⁾ 402-471-0252

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>841,667</u>	<u> </u>	<u>881,896</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>841,667</u>	<u> </u>	<u>881,896</u>	<u> </u>

Explanation of Estimate:

LB549 directs the Commission to create and maintain a 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, 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 5.4 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. LB549 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 seven years. Our best estimate of annual costs for the third party contractor is \$797,000 per year.

LB549 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 geographic information system map outlined in Section 4.3. The Commission anticipates this position would be hired in January 2020.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
GIS Analyst	1	1	25,247	51,503
Benefits.....			16,320	32,793
Operating.....			798,100	797,600
Travel.....			0	0
Capital outlay.....			2,000	0
Aid.....			0	0
Capital improvements.....			0	0
TOTAL.....			841,667	881,896