

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	10,000,000	0	0	0	10,000,000
FY2027-2028	10,000,000	0	0	0	10,000,000
FY2028-2029	10,000,000	0	0	0	10,000,000
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB982 appropriates \$10,000,000 General Funds in FY2026-27 to the Nebraska Public Service Commission (PSC) for the continued implementation of the Broadband Bridge Program 793.

This bill has an emergency clause and thus would take effect the day after it is signed.

Expenditures:

The PSC has indicated if this additional \$10,000,000 in General Funds appropriation is passed, they would need to open a grant cycle beginning approximately May 2026. A complete awards cycle, would be as follows:

- Awards to be finalized around January 2027;
- Projects required to be completed around July 2028 (unless an extension request is granted); and
- Final award payments made around October - December 2028, after proof of project completion.

Historically, Broadband Bridge Program grants has been paid as follows: 25% upon project award, 25% nine months after award, and the final 50% of a project to be paid after completion, successful speed tests, and a completed review of reimbursement requests for actual expenses incurred. Awardees have 18 months to complete the projects, but may be granted an extension. Thus, reappropriation would be needed at the end of the current biennium.

Additionally, the PSC has noted that if additional GF appropriations are provided supporting new grant awards, they would require administrative costs for the second ½ of FY2026-27, all of FY2027-28, and the first ½ of FY2028-29. Currently, the PSC is only allowed to complete administration of existing Broadband Bridge grants (LB261 2025). As such, the PSC only has sufficient appropriation to cover personal services and operating costs for the first ½ of FY2026-27. PSC anticipates the following expenditures:

LB815 Estimated Broadband Bridge Expenses	FY2026-27	FY2027-28	FY2028-29
PSL & Benefits	\$103,270	\$221,649	\$119,187
Operating	\$12,325	\$24,650	\$12,325
Distribution of Aid	\$2,384,405	\$4,753,701	\$2,368,488
Total	\$2,500,000	\$5,000,000	\$2,500,000

LFO assumes this would be an ongoing appropriation. Unspent funds would need to be reappropriated to conform with the agency's expenditures schedule. LFO does not find a basis to disagree with the PSC's expenditure timeline for a new award cycle, nor with the need for some of the funds to be used for administrative costs for this biennium and the next.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 982 AM: AGENCY/POLT. SUB: Public Service Commission

REVIEWED BY: Joe Massey DATE: 1/22/2026 PHONE: (402) 471-4181

COMMENTS: No basis to disagree with the Public Service Commission's assessment of fiscal impact from LB 982

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

2026

LB⁽¹⁾ 982

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Public Service Commission

Prepared by: ⁽³⁾ Laurie Casados

Date Prepared: 1/16/2026

Phone: ⁽⁵⁾ 402-471-0252

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

FY 2026-27

FY 2027-28

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See table below		See table below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See table below		See table below	

Explanation of Estimate:

This bill provides \$10,000,000 of general fund appropriation for the continued implementation of the Broadband Bridge Program. If this additional appropriation is provided, the Commission could open a grant cycle beginning approximately May 2026. Based on the time required to complete an award cycle, awards could be finalized around January 2027. Projects would be required to be completed around July 2028, unless an extension request is granted. Final award payments would be made following project completion, likely between October – December 2028. The Commission will require appropriations for aid and administrative costs throughout this period.

During the 2025 Legislative Session, LB 261 reappropriated the remaining appropriation balance existing on June 30, 2025 (less \$1,900,000) solely to allow the Commission to complete administration of existing Broadband Bridge grants at that time and eliminated funding for any additional annual awards under the program. LB 261 provided only sufficient appropriation for personal services and operating costs in FY 2026–2027 to cover one-half of that fiscal year. If additional General Fund appropriations are provided to support new grant awards under this program, the Commission would require appropriation for administrative costs for the second half of FY 2026–2027, all of FY2027-2028, as well as the first half of FY 2028–2029.

Payments for grants awarded under the Broadband Bridge Program have historically been paid as follows; 25% upon project award, 25% nine months after award, and the final 50% of a project to be paid after project completion, submission of successful speed tests, and a completed review of reimbursement requests for actual expenses incurred. (Our estimates below assume that half of the awarded projects would be completely reimbursed toward the end of FY2027-2028, and the remaining projects would be completely reimbursed during the first half of FY2028-2029.) Awardees have 18 months to complete buildout of their awarded projects but may be granted project extensions for good cause. Based on that schedule, the table below provides an estimate as to the amount of appropriation needed for aid and associated administrative expenses required to complete this award cycle. Alternatively, the \$10 million in aid appropriation could be provided in FY2026-2027 with the remaining amount of aid appropriations, re-appropriated into each following year.

Estimated Breakdown of Major Objects of Expenditure:

Expenditures	2026-2027	2027-2028	2028-2029
PSL	\$73,075	\$153,458	\$80,565
Benefits	\$30,195	\$68,191	\$38,622
Operating	\$12,325	\$24,650	\$12,325
Travel	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0
Aid	\$2,384,405	\$4,753,701	\$2,368,488
Capital Improvements	\$0	\$0	\$0
Total	\$2,500,000	\$5,000,000	\$2,500,000

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 <u>EXPENDITURES</u> See table above	2027-28 <u>EXPENDITURES</u> See table above
	26-27	27-28		
Personal Services				
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				