

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$15,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$15,000,000			

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

LB 1208 is the Broadband Pole Replacement Fund Act.

Section 2 provides definitions for the Act.

Section 3 creates the Broadband Pole Replacement Fund which shall consist of money appropriated or transferred by the Legislature, including from available federal Funds, and grants, gifts, and donations.

Section 4 establishes the broadband pole replacement program with the Public Service Commission (PSC). The PSC shall receive and review applications for pole reimbursements and make awards as provided for under LB 1208. The lesser of five thousand dollars (\$5,000) or fifty percent (50%) of the total amount paid or incurred by applicants shall be eligible for reimbursement. One hundred percent (100%) of the documented and reasonable administrative expenses incurred by applicants in preparing and submitting the reimbursement application, in an amount not to exceed five percent (5%) of eligible replacement costs shall be eligible for reimbursement.

Section 5 appropriates fifteen million dollars (\$15,000,000) from Federal Funds to the PSC. These funds shall be allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021 (ARPA).

The PSC estimates the need for additional staff to assist in the creation and tracking of applications. Additionally, an attorney, auditor, and accountant’s services would be needed. The cost for these staffing needs will be paid with Federal Funds. There is no basis to disagree with the PSC estimates.

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2022

LB⁽¹⁾ 1208

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

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	<u>7,500,000</u>	<u>15,000,000</u>	<u>7,500,000</u>	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u><u>7,500,000</u></u>	<u><u>15,000,000</u></u>	<u><u>7,500,000</u></u>	_____

Explanation of Estimate:

LB1208 creates the Broadband Pole Replacement Fund and allocates \$15 million for eligible utility pole replacement. The purpose of the Fund would be to reimburse the costs of replacing utility poles that would need to accommodate new facilities placed on a pole by a retail provider of qualifying broadband service, for the purpose of providing qualifying broadband service access to residences or businesses within an unserved area of the state. The Commission would be responsible for administering the Broadband Pole Replacement Program and providing staff assistance for operation of the program.

The Commission would be responsible for creating an application, receiving and reviewing applications for pole reimbursements, for awarding program reimbursements, and for promulgating rules and regulations necessary for the administration of the program. The Commission would also be responsible for all federal auditing and reporting requirements on a quarterly and annual basis.

The Commission would reallocate existing staff resources, including a staff Analyst to assist in the creation of an application, and for tracking and reviewing submitted applications; an Attorney for the promulgation of rules and regulations and managing the program through the Commission docketing process; an Auditor for the auditing and reporting requirements related to use of federal funds; and an Accountant for processing a potentially large number of program payments; as well as other administrative support staff.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Administrative Support Allocation	_____	_____	<u>64,773</u>	<u>66,068</u>
Benefits.....	_____	_____	<u>17,109</u>	<u>17,305</u>
Operating.....	_____	_____	<u>10,000</u>	<u>10,000</u>
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	<u>7,408,118</u>	<u>7,406,627</u>
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u><u>7,500,000</u></u>	<u><u>7,500,000</u></u>