

OFFICE OF FISCAL ANALYSIS

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sHB-6442

AN ACT CONCERNING EQUITABLE ACCESS TO BROADBAND.

As Amended by House "A" (LCO 9750)

House Calendar No.: 216

Senate Calendar No.: 550

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Policy & Mgmt., Off.	CC&PUCF - Cost	469,399	381,452
Policy & Mgmt., Off.	CC&PUCF - Revenue Gain	469,399	381,452
Department of Energy and Environmental Protection	FF - Cost	See Below	See Below

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund; FF=Federal Funds

Municipal Impact: None

Explanation

The bill as amended establishes a grant program administered by the Department of Energy and Environmental Protection (DEEP) for the purpose of broadband deployment and requires the Office of Policy and Management (OPM) to develop statewide broadband mapping.

The bill results in a cost to OPM of \$469,399 in FY 22 and \$381,452 in FY 23 to hire consultants to assist with the development of the statewide broadband maps. The bill also results in a corresponding revenue gain to the Consumer Counsel and Public Utility Control (PUC) Fund by increasing existing assessments on public service companies to cover associated costs.

The grant program established is subject to the availability of

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federal funding and is therefore not anticipated to result in a cost to the General Fund or the PUC fund in FY 22 or FY 23. It is anticipated that DEEP will need to hire 3 staff members for the purpose of program development and grant administration at a cost of \$506,500 in FY 22 and \$521,700 in FY 23 to be funded by federal sources.

The American Rescue Plan Act of 2021 (ARPA) provides state funding specifically for the development of broadband infrastructure. Presumably, any such ARPA funding designated by the legislature would be used to fund administrative costs and grants provided to applicants of the program.

The bill also requires the State Building Inspector to revise the State Building Code. This provision does not result in a fiscal impact.

House "A" struck the underlying bill and results in the fiscal impact described above.

The Out Years

There is no anticipated cost in the outyears resulting from the bill, as developing broadband mapping is anticipated to be a one-time cost. Furthermore, ARPA funding is currently set to expire in FY 24. As the grant program is subject to available federal funding, the bill does not contemplate any costs borne by the State after such expiration.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.