

Colorado Legislative Council Staff Fiscal Note

**STATE and LOCAL
REVISED CONDITIONAL FISCAL IMPACT**

(replaces fiscal note dated February 6, 2012)

Drafting Number: LLS 12-0157	Date: May 7, 2012
Prime Sponsor(s): Sen. Schwartz	Bill Status: House Agriculture
Rep. Coram	Fiscal Analyst: Alex Schatz (303-866-4375)

TITLE: CONCERNING ACCESS TO AFFORDABLE BROADBAND INTERNET CONNECTIVITY IN NONCOMPETITIVE RURAL AREAS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
Cash Funds	\$18,484	
FTE Position Change	0.3 FTE	
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

No later than January 1, 2013, this *reengrossed* bill requires the Office of Information Technology (OIT) and the Public Utilities Commission (PUC) to create a geographic database that identifies areas of the state without access to broadband services (e.g., high-speed internet). In addition, with no specific deadline, the OIT must complete a map of existing broadband assets owned by the state. The OIT may organize an advisory panel to make recommendations concerning the need for subsidies or other support mechanisms to develop broadband access in unserved areas of the state.

The OIT must obtain grant funding for costs associated with the bill, and the OIT may apply to the PUC for such grants.

Background

Based on previous efforts supported by federal funding, the OIT has map coverage of broadband access in the state categorized by 3 megabit per second (mbps) ranges. The OIT is also responsible for the state's digital trunked radio telecommunications infrastructure and is therefore in possession of mapping or other data related to broadband-capable components of this system. However, comprehensive mapping of state broadband assets does not currently exist.

With funds received from the settlement of certain telecommunication-related litigation, the PUC provides occasional grants from the Colorado Performance Assurance Plan. As the OIT has previously received grants from these PUC cash funds, it is anticipated that activities related to broadband access under this bill may be eligible for grant funding from the PUC.

State Expenditures

As shown in Table 1 below, the reengrossed bill increases costs in the Office of Information Technology by at least \$18,484 and 0.3 FTE in FY 2012-13. Any work by OIT under this bill is conditional upon the receipt of grant funding.

Table 1. Expenditures Under SB12-129	
Cost Components	FY 2012-13
Personal Services	\$18,199
FTE	0.3
Operating Expenses	285
TOTAL	\$18,484

The OIT and its staff will experience an increase in its workload to collect and format necessary data, primarily to compile the comprehensive map of state broadband assets. The fiscal note estimates one-time personal services equivalent to at least 0.3 FTE for the OIT to model, interpolate, or collect new data on broadband speeds (to complete the geographic database of areas of the state without broadband access), and to research and map all state broadband assets.

The PUC will also experience increased workload to assist in the mapping of areas of the state without broadband access. These PUC tasks can be accomplished within existing appropriations.

Local Government Impact

Conditioned upon the OIT forming an advisory panel with representatives from local government, a limited number of municipal, county, or special district participants may incur costs to attend meetings or produce materials for consideration by the panel.

State Appropriations

For FY 2012-13, the Office of Information Technology requires an appropriation of \$18,484 cash funds and 0.3 FTE.

Departments Contacted

Regulatory Agencies
Public Safety

Personnel
Transportation

Local Affairs
Office of Information Technology