



Fiscal Note
S.B. 130 5th Sub. (Gray)
 2017 General Session
 Universal Service Fund Amendments
 by Hinkins, D. (Gibson, Francis.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

UCA 36-12-13(2)(b)

Enactment of this bill could increase revenues to the Commerce Service Account - Public Utilities Regulatory Fee by \$279,900 in FY 2018, by \$190,800 in FY 2019, and by \$101,700 ongoing beginning in FY 2020. Of this amount, \$178,200 one-time in FY 2018 and \$89,100 one-time in FY 2019 would lapse to the General Fund. Enactment of this bill could also increase revenues to the Universal Public Telecommunications Service Support Fund, assuming the Public Service Commission adjusts surcharge rates to match fund disbursements. One aspect of the legislation, expansion of the state Lifeline Program to wireless customers, could require increased surcharge revenue to the fund of at least \$1.1 million; other changes in the legislation could further increase revenue needs.

Revenues	FY 2017	FY 2018	FY 2019
Commerce Service Fund	\$0	\$101,700	\$101,700
Universal Public Telecom Service	\$0	\$1,100,000	\$1,100,000
General Fund, One-Time	\$0	\$178,200	\$89,100
Total Revenues	\$0	\$1,379,900	\$1,290,800

Enactment of this bill could cost the Department of Commerce \$101,700 ongoing from the Commerce Service Account beginning in FY 2018 for personnel costs to support increased regulatory duties as prescribed by this legislation. Enactment of this bill could cost the Attorney General \$178,200 one-time in FY 2018 and \$89,100 one-time in FY 2019 from the General Fund for personnel costs to support a temporary increase in Universal Public Telecommunications Service Support Fund cases. These costs are offset by commensurate increases in public utilities regulatory fee collections, which lapse to the General Fund. Enactment of this bill could also increase expenditures from the Universal Public Telecommunications Service Support Fund. One aspect of the legislation, expansion of the state Lifeline Program to wireless customers, could increase disbursements from the fund by at least \$1.1 million; other changes in the legislation could further increase disbursements.

Expenditures	FY 2017	FY 2018	FY 2019
Commerce Service Fund	\$0	\$101,700	\$101,700
Universal Public Telecom Service	\$0	\$1,100,000	\$1,100,000
General Fund, One-Time	\$0	\$178,200	\$89,100
Total Expenditures	\$0	\$1,379,900	\$1,290,800

Net All Funds	\$0	\$0	\$0
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Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(d)

Broadband and internet providers will be subject to additional regulation and contributions of each access line to be made to the Universal Public Telecommunications Service Support Fund. The factors by which some of these costs can be offset or defrayed by each firm and the availability of funds to defray the costs is subjective and cannot be quantified. Customers could pay increased surcharges. Expansion of the state Lifeline Program to wireless customers could provide \$42 annually to at least 26,200 individuals, funded from the Universal Public Telecommunications Service Support Fund.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.