

Multiple Agency Fiscal Note Summary

Bill Number: 1746 2S HB AMS WM S2935.1	Title: State broadband map
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	2.4	1,157,009	1,157,009	1,157,009	2.4	1,068,840	1,068,840	1,068,840	2.4	1,068,840	1,068,840	1,068,840
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	2.4	1,157,009	1,157,009	1,157,009	2.4	1,068,840	1,068,840	1,068,840	2.4	1,068,840	1,068,840	1,068,840

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 5/ 5/2023
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Individual State Agency Fiscal Note

Bill Number: 1746 2S HB AMS WM S2935.1	Title: State broadband map	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.4	2.4	2.4	2.4	2.4
Account					
General Fund-State 001-1	572,589	584,420	1,157,009	1,068,840	1,068,840
Total \$	572,589	584,420	1,157,009	1,068,840	1,068,840

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Angela Kleis	Phone: 360-786-7469	Date: 04/06/2023
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 04/10/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 04/10/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 05/04/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Differences between the first striking amendment of the second substitute bill (AMS ENET S2542.1) and the second striking amendment (AMS WM 2935.1):

- Section 1 clarifies legislative intent and participation in.
- Section 4(3) clarifies that the state broadband office has discretion in administering state grants to any covered entity that has not submitted data to the FCC within the previous year.
- Section 4(7) modifies the definition of covered entity to those required to submit data biannually to the FCC, and does not specifically clarify entities that operate satellite infrastructure or which own or operate broadband infrastructure.

The bill would not create new fiscal impacts to the department, and maintains expenditures to develop and maintain a state broadband map as subject to appropriation, which are described in the expenditure analysis as illustrative.

Bill summary:

Section 2 amends RCW 43.155.160 requiring end-user location address information for each Public Works Board (PWB) Broadband Program application. Only objectors that submitted mapping data to the federal communications commission in the previous year may submit an objection to a proposed broadband project that applied for PWB funding. When evaluating applications, applicants that submitted broadband mapping data to the FCC may be given priority.

Section 3 amends RCW 43.330.534 providing the department the authority to assist in developing accurate broadband infrastructure mapping.

Section 4 adds a new section to RCW 43.330 requiring the department to make reasonable efforts to improve federal mapping data, including to maintain an FCC data license; to review and analyze the data under the license; to inform public and private broadband providers, including entities that own or operate broadband infrastructure and satellite infrastructure that they must submit data to the FCC.

Section 4(3) the department may not award state grants to an entity that did not submit required mapping information during the calendar year of noncompliance as well as the following calendar year. Eligibility for federal funds is not affected by noncompliance.

Section 4(4) the department can share mapping data with contractors or state, tribal, or local partners if a data sharing agreement, as described in RCW 39.26.340 and RCW 39.34.240, as applicable, is used.

Section 4(5) subject to appropriation, the department may contract for private or third-party consultant to develop and maintain the state broadband map.

Section 4(6) subject to amounts appropriated, the department may conduct a survey of broadband infrastructure owned or leased by state agencies to supplement mapping information submitted by providers. State agencies have 120 days to respond to the survey and information submitted is not subject to disclosure.

Section 4(8) the department may adopt rules to implement this section.

Section 5 amends RCW 43.155.165 to permit funds from the state broadband account to be used to improve the accuracy

of the national broadband map and to submit bulk challenges to it. Funds may also be used to develop and maintain a state broadband map.

Section 6 amends RCW 42.56.270 to exempt data submitted to develop and maintain the state broadband map from disclosure.

Section 8 adds that Section 2 is effective as of January 1, 2024.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Agency assumptions:

Section 4(1) and 4(2): Agency assumptions and costs to verify state broadband data:

- The department would license data from the federal communications commission (FCC) with the intent to assist in developing an accurate picture of state broadband deployment.
- The department assumes that it would create a broadband data dashboard in collaboration with the department's Information Services team to aid in identifying areas where broadband data verification consultants would be ideally deployed. This effort would be supported by the collection of third-party datasets of provider service availability, rather than contracting with for data verification services.

1.0 FTE Commerce Specialist 4 (2,088 hours) in FY24-FY29, to function as an agency expert for a program area such as community enhancement, trade or economic development. Activities may include representing the agency at legislative hearings or state and national meetings; providing high-level consultative assistance to other recognized experts; developing, negotiating and monitoring complex contracts, including the contract for broadband data verification. This team member will be coordinating with broadband providers and seeking input into broadband data verification efforts; reviewing and analyzing the state broadband database in comparison to submitted FCC data and third-party broadband data, along with coordinating with departmental IT personnel to identify changes in broadband service and those that require data verification; and organizing bulk challenges to the national broadband map.

0.5 FTE IT Applications Developer Sr. (1,044 hours) in FY24-FY29, to design, develop and maintain a database for comparing state broadband data to the data submitted to the FCC, and evaluating areas that likely require data verification.

0.5 FTE IT Data Analyst Journey (1,044 hours) in FY24-FY29, for data analysis, data cleansing, reports, system integrations and testing.

Salaries and Benefits:

FY24: \$265,865

FY25-FY29: \$274,756 each fiscal year

Professional Service Contracts:

Three contracts for data and/or services. (1) A contract for data services to assist with initial development of the state broadband database. (2) An annual license for FCC data.

FY24-FY25: \$200,000 each fiscal year
FY26-FY29: \$150,000 each fiscal year

Goods and Services:

FY24: \$19,254
FY25-FY29: \$19,269 each fiscal year

Intra-agency Reimbursements:

FY24: \$87,470
FY25-FY29: \$90,395 each fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration.

Total costs:

FY24: \$572,589
FY25: \$584,420
FY26-FY29: \$534,420 each fiscal year

Section 4 (5): Illustrative agency assumptions and costs to develop and maintain a state broadband map:

- The work to develop and maintain a state broadband map is subject to appropriation and for illustrative purposes, the assumptions and costs that follow outline implementation details.
- The department assumes beginning the work to develop and maintain a state broadband map in July 1, 2023.
- In this illustration, the department assumes operational and staffing efficiencies with the work to verify data submitted by covered agencies to the FCC. This includes the ability to leverage the required departmental staff to review and analyze FCC data and to manage the data verification contract, in addition to the department's Information Services team.
- Based on the FCC's Broadband Data Collection schedule, the department would require data to be submitted within 15 days of September 1, 2023 (for June 30, 2023 data) and March 1, 2024 (for December 31, 2023 data) for data verification efforts. The department assumes this will remain the general data reporting schedule and will update it as the FCC updates it.
- The department would conduct outreach, engagement and procurement activities in June of the appropriation year so that the collection of granular broadband availability data can meet the current data filing schedule, and to create an initial state fabric for the first operational state map by July 1 of the next calendar year after the appropriation.

1.0 FTE Management Analyst 5 (2,088 hours) in FY24-FY29, to coordinate with Information Services on data collection, synthesis, and creation of the state broadband map; to provide expert level advice and consultation to executive management, internal departments and outside organizations with varying issues, diverse and conflicting interests. Expert level expectations includes performing proactive intervention and/or providing solutions having statewide or precedent

setting impact; serving as the agency representative for business analysis teams or projects with other public and private entities concerning business operations on behalf of executive management; and implementing process improvement solutions to the state broadband map, and providing support for the bulk challenges submittals twice annually.

0.10 FTE WMS 2 (209 hours) in FY24-FY29, to provide leadership, oversight, supervision, rules coordination and decision making over all elements of the program. Staff provide expert policy advice or consultation on a range of issues specific to the program and to areas that have agency wide implications.

0.50 FTE IT Applications Developer Sr. (1,044 hours) in FY24-FY29, to design, develop and maintain the state broadband map.

Salaries and Benefits:

FY24: \$220,789

FY25-FY29: \$228,147 each fiscal year

Professional Service Contracts:

A contract for GIS services to assist with initial development of the state broadband map and add appropriate data layers.

FY24-FY25: \$100,000 each fiscal year

Goods and Services:

FY24: \$21,299

FY25: \$21,312

FY26-FY29: \$17,112 each fiscal year

Travel:

Outreach to public and private broadband providers, communities and residents during development of the state broadband map, including the first year of operability to raise awareness, provide community demonstrations, and other coordination efforts to verify accuracy of location information submitted by providers.

FY24-FY25: \$9,925 each fiscal year

Equipment:

The department assumes standard workstations in FY24 and replacement computer in FY28.

FY24: \$5,000

FY28: \$2,400

Intra-agency Reimbursements:

FY24: \$72,640

FY25-FY29: \$75,060 each fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration.

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Total illustrative costs to develop and maintain a state broadband map:

FY24: \$429,653
 FY25: \$434,444
 FY26-FY27: \$320,319 each fiscal year
 FY28: \$322,719
 FY29: \$320,319

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	572,589	584,420	1,157,009	1,068,840	1,068,840
Total \$			572,589	584,420	1,157,009	1,068,840	1,068,840

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.4	2.4	2.4	2.4	2.4
A-Salaries and Wages	201,072	207,103	408,175	414,206	414,206
B-Employee Benefits	64,793	67,653	132,446	135,306	135,306
C-Professional Service Contracts	200,000	200,000	400,000	300,000	300,000
E-Goods and Other Services	19,254	19,269	38,523	38,538	38,538
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	87,470	90,395	177,865	180,790	180,790
9-					
Total \$	572,589	584,420	1,157,009	1,068,840	1,068,840

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Services - Indirect	111,168	0.4	0.4	0.4	0.4	0.4
Commerce Specialist 4	86,212	1.0	1.0	1.0	1.0	1.0
IT App Development	120,457	0.5	0.5	0.5	0.5	0.5
IT Data Management	109,262	0.5	0.5	0.5	0.5	0.5
Total FTEs		2.4	2.4	2.4	2.4	2.4

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

The department may adopt rules to implement state broadband mapping requirements to Title 365 WAC.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1746 2S HB AMS WM S2935.1	Title: State broadband map
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Cities that choose to apply for broadband grant funding.
- Counties: Counties that choose to apply for broadband grant funding.
- Special Districts: Public utility districts that choose to apply for broadband grant funding.
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: The amount of funding to be appropriated for the grant program, the number of applicants, and the amount(s) applied for.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 04/06/2023
Leg. Committee Contact: Angela Kleis	Phone: 360-786-7469	Date: 04/06/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 04/06/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 05/05/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This note is on 1746 2SHB AMS WM S2935.1 and compares it to 1746 2SHB AMS ENET S2542.1.

CHANGES BETWEEN THIS VERSION AND THE PREVIOUS BILL VERSION

This amended version of the bill revises the definition of covered entity to include those providers that are required to submit a biannual broadband data collection filing to the federal communications commission (FCC).

These changes include:

Sec.1 is amended to clarify that it is the legislature's intent to provide incentives for certain covered entities to submit key broadband coverage and infrastructure data to the state and the federal government.

Sec.4 (3) is amended to state that the statewide broadband office may exercise discretion when administering state grants awarded to covered entities as defined in the subsection.

Sec.4 (7) (a) amends the definition of "covered entity" to be a broadband service provider or entity which is required to submit a biannual broadband data collection filing to the FCC.

These changes do not impact the fiscal impacts discussed below.

SUMMARY OF CURRENT BILL VERSION

This legislation will require the State Broadband Office (SBO) to make certain efforts to improve the mapping of broadband infrastructure in the state. The bill outlines the authority and responsibilities of the SBO and the objection process for existing broadband service providers. The amended bill allows the Public Works Board to assign priority to applicants that have supplied mapping data to the FCC.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

The SBO has limited resources available to assist local governments with grant writing services. These resources cannot be used to apply to state or local funding sources. It is assumed that local governments will incur costs associated with preparing and submitting a competitive grant application. These costs may include staff time needed to collect and analyze broadband service information from "covered entities" (although the Washington State Association of Counties reports that this data has mostly already been gathered by counties). Costs may also be incurred to conduct community outreach prior to submitting the pre-application and, if selected, the final application. These costs are unknown and indeterminate.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This legislation amends provisions that would allow the Public Works Board to prioritize applications from broadband service providers who submit mapping data. While the bill encourages public-private partnerships that increase the deployment and adoption of broadband service and applications, including those that provide service to rural and unserved areas of the state, it is unknown how new funding priorities will affect the distribution of grant funding between applicants or the development of new partnerships, the number of new applicants, or the amount distributed to local governments.

SOURCES

Department of Commerce State Broadband Office

