

## Department of Planning and Budget 2018 Fiscal Impact Statement

**1. Bill Number:** HB999

House of Origin     Introduced         Substitute         Engrossed  
 Second House        In Committee     Substitute         Enrolled

**2. Patron:** Byron

**3. Committee:** Finance

**4. Title:** Office of Telework Promotion and Broadband Assistance; Broadband Advisory Council; expiration.

**5. Summary:** Increases from 14 to 17 the total membership of the Broadband Advisory Council by adding one additional non-legislative members, who shall be a representative of a municipal broadband authority, and two additional members of the Senate. The bill also extends the expiration of the Council from July 1, 2018, to July1, 2021, and replaces the Secretary of Technology with the Secretary of Administration as an ex officio member of the Council. This legislation also shifts the responsibility for the Council’s expenses from the Secretary of Technology to the Secretary of Commerce and Trade, and shifts the responsibility for the Council’s support staff from the Office of Telework Promotion and Broadband Assistance to the Secretary of Commerce and Trade.

**6. Budget Amendment Necessary:** Yes, Item 1.

**7. Fiscal Impact Estimates:**

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2018	\$0	-
2019	\$2,400	General
2020	\$2,400	General
2021	\$2,400	General
2022	-	-
2023	-	-
2024	-	-

**8. Fiscal Implications:** This legislation would add two additional members of the Senate to the Broadband Advisory Council. Consistent with the existing statute, legislative members of the Council receive compensation and are eligible for reimbursement of reasonable and necessary expenses incurred in the performance of their duties. The compensation for these two additional members would be paid by the Senate of Virginia and the costs for reasonable and necessary expenditures would be paid from the budget of the Secretary of Commerce and Trade. Per the Office of the Clerk of the Senate, the fiscal impact to provide compensation for these two members is \$2,400 per year. The reimbursement for reasonable and necessary

expenses for these two members is not expected to generate a fiscal impact, provided that funding is transferred from the Secretary of Technology to the Secretary of Commerce and Trade. The House amendments to HB/SB30 transfer funding and responsibilities for broadband-related matters to the Secretary of Commerce and Trade.

This legislation would also add one additional non-legislative member to the Broadband Advisory Council. Consistent with the existing statute, non-legislative members of the Council serve without compensation but are eligible for reimbursement of reasonable and necessary expenses incurred in the performance of their duties. As indicated above, such costs would be paid from the budget of the Secretary of Commerce and Trade. The addition of two non-legislative member to the Council is not expected to create a state fiscal impact.

The bill reassigns staff responsibility for the Council from the Office of Telework Promotion and Broadband Assistance (OTPBA) to the Secretary of Commerce and Trade. OTPBA is funded through the Innovation and Entrepreneurship Investment Authority/Center for Innovative Technology (IEIA/CIT). CIT reports spending approximately \$10,000 to \$15,000 per year to support the Council from its funding allocated for broadband. The House and Senate amendments to HB/SB30 reassign IEIA/CIT to the Commerce and Trade secretariat.

This legislation would also extend the expiration of the Council from July 1, 2018 to July 1, 2021. Existing funding for the Council is included in HB30, as introduced, through the Office of the Secretary of Technology. Therefore, this provision of the legislation does not create a state fiscal impact. Replacing the Secretary of Technology with the Secretary of Administration as an ex officio member also does not generate a state fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** Secretary of Commerce and Trade, Secretary of Technology, Broadband Advisory Council

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** The House committee substitute version of SB991(H1) increases the membership of the Council from 14 members to 16 members by adding two non-legislative members. That bill assigns responsibility for the Council members' expenses and staff support to the Secretary of Administration.

Date: March 7, 2018  
File: HB999S3