

Department of Planning and Budget
2020 Special Session I - Fiscal Impact Statement

1. Bill Number: SB5115

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: McDougle

3. Committee: Finance and Appropriations

4. Title: Broadband funding.

5. Summary: Appropriates to the Department of Housing and Community Development a sum sufficient to expand access to broadband services in underserved and unserved areas of the Commonwealth.

6. Budget Amendment Necessary: See item 8, below.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: This is an appropriation bill that is separate from HB5005/SB5015, the Governor's introduced budget, establishing a sum sufficient authorization through FY 2022 to expand broadband services. Currently, HB5005/SB5015, as introduced, provides \$49.73 million the first year and \$34.73 million the second year from the general fund for broadband grants, and \$1.16 million in each year from the general fund for administrative support.

Depending on the intent of this bill and the pace at which it anticipates expansion of broadband, the Department of Housing and Community Development (DHCD) may require resources and authorization to hire additional administrative staff to efficiently implement an expanded program. According to the Report on Commonwealth Connect 2.0: Governor Northam's 2020 Plan to Connect Virginia, to achieve full broadband connectivity, an investment of an additional \$278.0 million is required. The projected timeline in achieving full connectivity, as outlined in the report, extends through FY 2028. The portion of this funding that the department could commit through FY 2022 is unknown.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development.

10. Technical Amendment Necessary: No.

11. Other Comments: None.