



128th MAINE LEGISLATURE

LD 1399

LR 1305(02)

An Act To Encourage Broadband Coverage in Rural Maine

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$66,040	\$6,386,094	\$6,389,632	\$6,393,263
Appropriations/Allocations				
General Fund	\$66,040	\$136,094	\$139,632	\$143,263
Revenue				
General Fund	\$0	(\$6,250,000)	(\$6,250,000)	(\$6,250,000)

Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$66,040 in fiscal year 2017-18 and \$136,094 in fiscal year 2018-19 to a newly established Office of Broadband Development within the Department of Economic and Community Development for one Public Service Executive II position to serve as President of the Maine Broadband Initiative beginning January 1, 2018.

The bill replaces the ConnectME Authority with the Maine Broadband Initiative. Revenue generated from the telecommunications excise tax will now be credited to the Maine Broadband Initiative Fund instead of the General Fund. This is estimated to reduce General Fund revenue by \$6,250,000 annually beginning in fiscal year 2018-19. The Maine Broadband Initiative is authorized to issue bonds for the purpose of construction of advanced communications technology infrastructure and for the fulfillment of other undertakings it may assume. These bonds do not constitute a debt of the State or of any agency or political subdivision of the State but are payable solely from the revenue of the initiative, and neither the faith nor the credit nor taxing power of the State or any political subdivision of the State is pledged to payment of the bonds.

Additional costs to the University of Maine System and the Department of Economic and Community Development to serve on the Board of Directors of the Maine Broadband Initiative can be absorbed within existing budgeted resources.