

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 581 - SB 1036**

February 27, 2019

**SUMMARY OF BILL:** Reduces, from 10 megabits per second (Mbps) to 9 Mbps, the minimum speed of broadband services, which projects deploying broadband service must meet, in order to be eligible for a grant under the Broadband Accessibility Grant Program (Program).

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Grants under the Program are provided from the Tennessee Broadband Accessibility Fund (TBAF). Funds for the TBAF are subject to appropriations from the General Fund by the General Assembly.
- Pursuant to Tenn. Code Ann. § 4-3-708(d), policies for the Program must provide for the awarding of grants to local governments, local government entities, corporations, limited liability companies, partnerships, cooperatives, or other business entities that provide broadband service.
- Decreasing by one Mbps the minimum required speed of broadband service for projects deploying such service in order to qualify for a grant under the Program will not result in a significant increase in the total amount of grant funding awarded from the TBAF or the total amount of funding appropriated to the TBAF.
- Any increase in local government revenue is estimated to be not significant.
- Based on information provided by the Department of Economic and Community Development, reducing by one Mbps the minimum required speed of broadband service will have no significant impact on the Department's ability to administer such Program; therefore, this legislation is estimated to have no significant impact on state or local government.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

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Assumption:

- Decreasing by one Mbps the required minimum speed of broadband service for projects deploying such service in order to qualify for a grant under the Program is not expected to result in any significant impact to commerce or jobs in Tennessee.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive style with a large initial 'K' and 'C'.

Krista Lee Carsner, Executive Director

/jdb