

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 24, 2021**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3853** by Anderson (Relating to middle mile broadband service provided by an electric utility.), As Passed 2nd House

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3853, As Passed 2nd House : a negative impact of (\$214,432) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five- Year Impact:**

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$107,216)
2023	(\$107,216)
2024	(\$107,216)
2025	(\$107,216)
2026	(\$107,216)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$107,216)	1.0
2023	(\$107,216)	1.0
2024	(\$107,216)	1.0
2025	(\$107,216)	1.0
2026	(\$107,216)	1.0

**Fiscal Analysis**

The bill would allow an electric utility to provide broadband facilities for Internet Service Providers to use and provide broadband services to end-use customers. This process would require an electric utility that plans to deploy middle mile broadband to submit a detailed written plan to the Public Utility Commission (PUC). The PUC would be required to approve, modify, or reject a plan no later than 181 days from the date the plan is submitted.

This bill would require the Office of Public Utility Counsel (OPUC) to participate in providing broadband on behalf of the state's residential and small commercial consumers.

## **Methodology**

The PUC anticipates that this bill would have no significant fiscal impact and the provisions of the bill could be implemented using existing resources.

OPUC anticipates having to hire 1 FTE, for an expense of \$107,216 annually, in order to ensure that it can represent residential and small commercial consumers in this process.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 473 Public Utility Commission of Texas, 475 Office of Public Utility Counsel

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