



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 305

PRINTERS NO. 1737

PRIME SPONSOR: Snyder

COST / (SAVINGS)

| FUND | FY 2018/19 | FY 2019/20 |
|--------------|-------------------|-------------------|
| General Fund | See fiscal impact | See fiscal impact |

SUMMARY: Instructs the Department of General Services to include, in its surveys and inventories of Commonwealth real estate structures and assets, information on the possible use of such assets for fixed or mobile broadband services.

ANALYSIS: HB 305 establishes the freestanding State-Owned Assets and Mobile Broadband Services Act. The bill directs the Department of General Services (DGS) to include, in its surveys and inventories of Commonwealth real estate structures and assets, information on the possible use of those assets for fixed or mobile broadband services. The bill directs DGS to utilize information on the possible use of Commonwealth assets for broadband services when analyzing resources available to expand broadband access in underserved or unserved areas of the Commonwealth.

- An “underserved area” is defined as “an area...that is demonstrated to have limited access to fixed broadband services or mobile broadband services.”
- An “unserved area” is defined as “an area...that is demonstrated to not have access to fixed broadband services or mobile broadband service.”

HB 305 allows any county to transmit to DGS an inventory of county-owned assets that may be used to provide broadband services in underserved and unserved areas. DGS must include information regarding such county assets in its inventory and its analysis of resources available to provide broadband services in underserved and unserved areas.

HB 305 permits state agencies responsible for state-owned assets in an unserved or underserved area to lease or convey a license or other interest in the asset to a qualified provider of wireless broadband service in such area, as long as the provider can show to DGS evidence of compliance with structural, permitting and other guidelines, which will be reviewed by DGS or its designee.

- A “qualified provider” is defined as “a provider of mobile broadband service that has obtained all governmental approvals required for the provision of mobile broadband service in the unserved area or underserved area in which it seeks to provide the service.”

Under the bill, DGS or its designee must develop guidelines regarding the following:

- Qualifications for broadband service providers.
- The process of negotiating and finalizing site occupancy agreements.

These guidelines will be applicable to qualified providers that are seeking to enter into a lease (or other interest) in a state asset for purposes of providing broadband services.

Additionally, DGS or its designee must identify an appropriate timeline of no more than 30 days for the approval of site occupancy agreements.

The provisions of the bill are not applicable to the State Police and the PA Historical and Museum Commission (PHMC).

Effective date: Immediately

FISCAL IMPACT: According to the Department of General Services, the enactment of this legislation could result in the need to hire one additional full-time position to oversee the annual inventories required by the bill. The Department indicates an annual cost of approximately \$150,000 would be incurred for salary, benefits and other associated expenditures.

PREPARED BY: Thomas Gwinn
House Appropriations Committee (R)

DATE: June 20, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.