Fiscal Note

State of Alaska

Division:

Agency:

Approved By:

Regulatory Commission of Alaska

Office of Management and Budget

April A. Wilkerson, Administrative Services Director

Bill Version: **SB 83** 2019 Legislative Session Fiscal Note Number: () Publish Date: Identifier: SB83-DCCED-RCA-03-20-19 Department: Department of Commerce, Community and Title: **TELECOMMUNICATIONS Economic Development** REGULATION/EXEMPTIONS Appropriation: Regulatory Commission of Alaska Sponsor: **BIRCH** Allocation: Regulatory Commission of Alaska Requester: (S) Labor & Commerce OMB Component Number: 2417 **Expenditures/Revenues** Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars) Included in FY2020 Governor's Appropriation FY2020 **Out-Year Cost Estimates** Requested Request **OPERATING EXPENDITURES** FY 2020 FY 2025 FY 2020 **FY 2021 FY 2022 FY 2023 FY 2024** Personal Services Travel Services Commodities Capital Outlay **Grants & Benefits** Miscellaneous 0.0 0.0 0.0 0.0 0.0 0.0 **Total Operating** 0.0 **Fund Source (Operating Only)** None **Total** 0.0 0.0 0.0 0.0 0.0 0.0 0.0 **Positions** Full-time Part-time Temporary Change in Revenues None 0.0 0.0 0.0 0.0 0.0 Total 0.0 0.0 Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required) Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required) Does the bill create or modify a new fund or account? 0 (Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section) **ASSOCIATED REGULATIONS** Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/23 Why this fiscal note differs from previous version/comments: Not applicable, initial version based on the Governor's 2/13/19 budget. Prepared By: Stephen McAlpine, Chairman Phone: (907)276-6222

Date:

Date:

03/18/2019

03/20/19

FISCAL NOTE ANALYSIS

STATE OF ALASKA 2018 LEGISLATIVE SESSION

BILL NO. SB 83

Analysis

SB 83 retains AS 42.05.840, the statute allowing the RCA to establish a universal service fund to be used to ensure the provision of long distance service at reasonable rates throughout Alaska and to otherwise preserve universal service. The RCA will continue to have oversight responsibility for the Alaska Universal Service Fund. Among the retained statutes governing telecommunications service is AS 42.04.100, requiring the RCA to establish a Communications Carrier Section to develop, administer, and recommend policies and programs related to communications in the state involving wire, cable, radio, and space satellites. Under the current version of SB 83, the Regulatory Cost Charge (RCC) - which funds the agency's annual operating budget as applied to telecommunications industry sectors will be broadened to include any otherwise economically deregulated public utility that would otherwise be exempted from paying RCCs. The effect of this change will likely spread the costs of retained telecommunications regulatory functions under SB 83 over a greater number of customers, and thus would likely be more equitable than the current situation. The RCA expects to implement the provisions of this legislation with existing resources.

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