

HF4659 - 1A - Broadband Equity, Access, and Deployment Program

Chief Author: **Kaela Berg**
 Committee: **Agriculture Finance And Policy**
 Date Completed: **4/24/2024 3:01:38 PM**
 Lead Agency: **Employment and Economic Dvlpmt**
 Other Agencies:
 Attorney General Labor and Industry Dept
 Public Utilities Commission

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Attorney General	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
Employment and Economic Dvlpmt						
General Fund	-	-	1,736	1,736	1,736	1,736
Labor and Industry Dept						
Construction Code	-	-	38	15	15	15
Public Utilities Commission						
General Fund	-	-	-	-	-	-
State Total						
General Fund	-	-	1,736	1,736	1,736	1,736
Construction Code	-	-	38	15	15	15
Total	-	-	1,774	1,751	1,751	1,751
Biennial Total			1,774			3,502

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Attorney General	-	-	-	-	-
General Fund	-	-	-	-	-
Employment and Economic Dvlpmt					
General Fund	-	-	8	8	8
Labor and Industry Dept					
Construction Code	-	-	.25	.1	.1
Public Utilities Commission					
General Fund	-	-	.25	.25	.25
Total	-	-	8.5	8.35	8.35

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 4/24/2024 3:01:38 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Attorney General		-	-	-	-	-
General Fund		-	-	-	-	-
Employment and Economic Dvlpmt						
General Fund		-	-	1,736	1,736	1,736
Labor and Industry Dept						
Construction Code		-	-	38	15	15
Public Utilities Commission		-	-	-	-	-
General Fund		-	-	-	-	-
	Total	-	-	1,774	1,751	1,751
	Biennial Total			1,774		3,502
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Attorney General		-	-	-	-	-
General Fund						
Expenditures		-	-	19	19	19
Absorbed Costs		-	-	(19)	(19)	(19)
Employment and Economic Dvlpmt						
General Fund		-	-	1,736	1,736	1,736
Labor and Industry Dept						
Construction Code		-	-	38	15	15
Public Utilities Commission		-	-	-	-	-
General Fund		-	-	39	39	39
	Total	-	-	1,813	1,790	1,790
	Biennial Total			1,813		3,580
2 - Revenues, Transfers In*						
Attorney General		-	-	-	-	-
General Fund		-	-	-	-	-
Employment and Economic Dvlpmt						
General Fund		-	-	-	-	-
Labor and Industry Dept						
Construction Code		-	-	-	-	-
Public Utilities Commission		-	-	-	-	-
General Fund		-	-	39	39	39
	Total	-	-	39	39	39
	Biennial Total			39		78

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 Date Completed: **4/24/2024 3:01:38 PM**
 Agency: **Employment and Economic Dvlpmt**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	1,736	1,736	1,736	1,736
Total	-	-	1,736	1,736	1,736	1,736
Biennial Total			1,736			3,472

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	8	8	8
Total	-	-	8	8	8

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 4/24/2024 3:00:53 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	1,736	1,736	1,736
Total	-	-	-	1,736	1,736	1,736
	Biennial Total			1,736		3,472
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	1,736	1,736	1,736
Total	-	-	-	1,736	1,736	1,736
	Biennial Total			1,736		3,472
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total			-		-

Bill Description

HF 4659 is a bill related to labor; requiring safety standards for broadband industry installers; implementing the Broadband Equity, Access, and Deployment Program; amending Minnesota Statutes 2022, sections 116J.395, subdivision 6; 216B.17, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 116J;181. For projects that trigger this statute managed by the Minnesota Department of Employment and Economic Development (“DEED”), this will require the agency to receive, maintain and respond to data requests related to prevailing wage records associated with those programs.

HF4659 modifies the Border to Border grant programs as administered by the Office of Broadband Development to create a new “workforce best practices” standard that an escalating percentage of applicants to the Border to Border Broadband Grant Program will be required to adhere to, starting at fifty percent in 2024, sixty percent in 2025 and seventy percent in 2026 and thereafter. This new workforce best practices standards requires an applicant to choose one of two paths. Path one requires them to provide credible evidence of support for the application from a labor, labor-management or other workforce organizations with certain experience, and pay prevailing wage as defined in section 117.42 subdivision 6. Path two requires the applicant to ensure that workers receive a minimum amount of annual skills training, provide employer-paid family health insurance coverage and employer-paid retirement benefit payments at a minimum amount. The bill also directs the commissioner when not enough qualified applicants apply able to adhere to the workforce best practices standards to consult with and solicit such applicants.

Subdivision 2 of the bill provides direction to DEED for how the agency shall implement the Broadband, Equity, Access and Deployment (BEAD) Program funds; a program and funding originating from the federal Infrastructure Investment and Jobs Act (IIJA). The legislature has directed DEED to administer the federal BEAD program through the existing Border to Border Broadband Grant program. HF4659 further directs DEED to implement the state’s BEAD program so that it prioritizes applicants for state funding with certain characteristics. The bill also provides a directive of how the agency shall score BEAD projects.

HF4659 further creates a reporting requirement for grantees biennially about the workforce employed on funded projects including, who the workforce is employed by, job titles, full-time equivalent position information, estimates of the workforce needs for the entirety of the project, a description of wages, benefits, applicable wage scales, overtime rates and a description of how wages are calculated along with any other workforce information as determined by the Commissioner. The bill also requires that the workforce reports be incorporated into grant contracts and that the agency conduct regular compliance reviews and enforce the workforce provisions.

Finally, HF4659 creates a duty for the Commissioner of DEED to monitor grantees for adherence to the program requirements and allows the Commissioner to investigate and issue an appropriate action up to and including barring [M(1) [D(2) [D(3) [M(4) applicants from future participation in state broadband grant programs if they are found to have

failed to meet the program requirements or falsified information.

For FY25, it is OBF estimates they will award 35 new grants. This includes an estimated 20 new grants from \$50M for Round 10 of Border 2 Border and Low Density Population Grant program, and an estimated 15 new grants for \$5M for Round 3 of Line Extension program.

This bill also implements requirements to Infrastructure Investment and Jobs Act Broadband Equity, Access, and Deployment (BEAD) federal program for Internet for all. It requires use of training program requirements, workforce best practices, and hiring in the project award evaluations.

Finally, this bill defines underground telecommunications infrastructure and its installation requirements, certification standards, training standards, and gives authority of the "commission" to investigate and become a regulatory unit within the broadband program.

Assumptions

Border to Border grant programs fund the acquisition and installation of middle-mile and last-mile infrastructure that support broadband service scalable to speeds of at least 10 megabits per second download and 100 megabits per second upload in order to promote the expansion of access to broadband service in unserved or underserved areas of the state. Border to Broder grants are paid upon completion of a project for up to 50% of the eligible costs, up to \$10 million or in the Low Density Population program paid upon completion of a project for up to 75% of the eligible costs, up to \$10 million.

Since 2014, the Office of Broadband Development (OBD) has awarded 9 successful grant programs. Applications are for areas of the state that are the most remote, expensive and need public/private partnership to make the business model feasible.

These additional requirements for the cost of training, wages and benefits, and compliance language will significantly increase the cost to the internet service provider to deploy the infrastructure needed in the most expensive, low density for a business mode, and hardest to service.

It would also require increased FTE to organize and maintain records relating to the awards of financial assistance for broadband infrastructure projects, work with the Department of Labor for compliance, provide compliance regulation, work with Minnesota IT Services ("MNIT") to create and manage a general email account for receipt of records; develop and maintain DEED's external facing website regarding the requirement and submission of records to DEED; and review and respond to data requests including, but not limited to, identifying the legal classification of data, researching and analyzing relevant statutes within the Minnesota Government Data Practices Act ("MGDPA"), and researching and analyzing corresponding case law and other secondary authority in interpreting state agency obligations under the MGDPA and applicable laws.

Grant Administrator (5) manages all components of the grant lifecycle.

Grant Supervisor (1) supervises grants team.

GIS Analyst (1) Prepares maps and spatial data representing all eligible and contracted locations to be served with broadband funding throughout the grant lifecycle.

Broadband Financial Analyst (1) Provides financial and reporting data analysis and preparation for internal and external compliance requirements.

Forward looking to BEAD, even with no changes creating additional administrative needs, reporting, site visits and compliance requirements, the expected the estimated new grants we will award is likely to exceed 200. (Average grant request from Round 9 which like BEAD will include an option for both a 50/50 and 75/25 grant/match requirement, and a \$10M max grant request limit; resulted in an average grant request of \$2.2M per application).

No funding information was included in this bill. Estimated costs are based on the staff positions required to complete the duties as described above. DEED assumes there will be a general fund direct appropriation to fund up to eight (8) additional staff to carry out these duties.

Additionally, this language as provided is not in compliance with the BEAD Notice of Funding Opportunity and the Minnesota BEAD plan will be unable to be approved, which jeopardizes the entire \$651,839,368 funding award. These requirements already include labor standards and training components to be considered grant award decisions and are outlined in a preliminary scoring rubric that must be used in choosing grant projects. There is an additional secondary scoring component that is flexible but can only include components weighted up to 25% of the total score and no single component can exceed the weight of components in the primary scoring criteria. OBD is unable to make grant decisions for BEAD based on the language in the bills as written. Grantees under BEAD have four years from the date of the fully executed contract to complete construction, with the possibility of a one year extension (from NTIA) if we/grantee can demonstrate good faith progress to complete. It is unclear how many grants will open at once. In our plan, we have identified 3 initial subgrantee selections. The first will be to capture all the unserved, next additional unserved with addition of underserved, and final all the locations without an application and work with a provider to get them served. However, this is all part of the final proposal to get to an approved plan. No awards can be officially awarded until full NITA approval. To manage this work with the office, we hope to do rounds of opening the grants to move into construction. That being said, we estimate the first timeline of awards will be the spring of 2026.

Currently, we have 5 members of the administration team running state grant programs with awards of \$100 million, \$53 million, and working on another round of \$50 million. The BEAD will be \$652 million all at one subgrantee selection. We continue to staff-up to meet the needs of the existing state grant programs and add to the needs of the BEAD program planning and execution.

Currently, 5 grant administrators manage an average of 30 grants each. Each grant requires an average of 200 hours to manage through the grant lifecycle.

Lifecycle includes:

- Pre-award phase of planning and announcing the opportunity.
- Award phase of conducting the post-application challenge, application gating and risk review and scoring/decision making.
- Post-award phase of contracting and project implementation, reporting and compliance monitoring, site visits and closeout.

For FY25, it is OBF estimates they will award 35 new grants. This includes an estimated 20 new grants from \$50M for Round 10 of Border 2 Border and Low Density Population Grant program, and an estimated 15 new grants for \$5M for Round 3 of Line Extension program.

ADDITIONAL INFORMATION (04/24/2024):

The amendments that were added to this bill include “Commissioner shall have the authority to not enforce or apply” language around the federal funding. And the fiscal note estimates assume that the Commissioner to the extent necessary will need to use this clause to ensure the state can receive the federal BEAD funding where the state statute is inconsistent with federal requirements.

Expenditure and/or Revenue Formula

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
FTE	8	8	8	8	8	8	8
Salary & Benefits	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Travel	\$ 249	\$ 249	\$ 249	\$ 249	\$ 249	\$ 249	\$ 249
MNIT	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Indirect Costs	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162
Other Operating Expenses	\$ 325	\$ 325	\$ 325	\$ 325	\$ 325	\$ 325	\$ 325
Total Expense Estimate	\$ 1,736	\$ 1,736	\$ 1,736	\$ 1,736	\$ 1,736	\$ 1,736	\$ 1,736

*Dollars are represented in 000s							
** Other Operating Expenses are driven by 41145 - IT/Prof/Tech O/S Vendor, 41110 - Printing and Advertising, 41130 - Professional & Technical Service - Outside Vendor, 41100 - Space Rental And Utilities							

Long-Term Fiscal Considerations

Ongoing support for eight (8) FTE will be required beyond FY2025 if it were to pass. The state Border to Border Grant programs are required to be grant compliant for six (6) years after project completion. The federal BEAD funded projects must be in compliance with the grant requirements for the period of performance for the subgrantees is four years after the contract is fully executed with the ability for both the Eligible Entity and the subgrantee to request an extension for up to one year. The Eligible Entity is also required to submit a final report to NTIA that is due not later than one year after it has expended all grant funds.

Local Fiscal Impact

Economic development and expansion will be impacted. Additional financial costs and consideration for the local unit of government(s) financial impacts with their match dollars that are used to fund the match requirements with OBD grant dollars.

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Ross Whittemore

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HF4659 - 1A - Broadband Equity, Access, and Deployment Program

Chief Author: **Kaela Berg**
 Committee: **Agriculture Finance And Policy**
 Date Completed: **4/24/2024 3:01:38 PM**
 Agency: **Attorney General**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Susan Nelson **Date:** 4/12/2024 1:28:19 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund						
Expenditures	-	-	19	19	19	
Absorbed Costs	-	-	(19)	(19)	(19)	
Total	-	-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-

Bill Description

HF4659-1A modifies safety standards for broadband industry installers and implements the Broadband Equity, Access, and Deployment (BEAD) Program.

Relevant to the Attorney General’s Office, Section 4 establishes Public Utilities Commission (PUC) authority to investigate the conduct of a telecommunications carrier, telephone company, or cable communications system provider that impacts utility infrastructure. If the PUC finds that the conduct damaged or unreasonably interfered with the function of the infrastructure, it may take action against the violation pursuant to Minn. Stat. § 216B.52 to 216B.61.

Thus, HF4659-1A makes the PUC’s existing authority in Minn. Stat. § 216B.52 to 216B.61 applicable to complaints against telecommunications carriers, telephone companies, and cable communications system providers related to impacts to utility infrastructure.

Minn. Stat. § 216B.54 provides that the PUC shall refer violations to the attorney general, who shall take appropriate legal action. Actions to recover penalties shall be brought in the name of the State of Minnesota in the district court of Ramsey County. Minn. Stat. § 216B.61. Penalties shall be not less than \$100 and not more than \$1000 for each violation. Minn. Stat. § 216B.57.

Assumptions

This bill may impact the Attorney General's Office in two ways. First, Assistant Attorneys General may be asked to advise the PUC as to whether alleged conduct damaged or unreasonably interfered with the function of utility infrastructure.

Second, if the PUC refers matters to the Attorney General’s Office under the new law, Assistant Attorneys General would be tasked with determining the appropriate legal action, including potentially bringing suit to recover penalties in state district court.

This is a new program, so no data is available to support how often a complaint against a telecommunication or broadband provider for damage to utility infrastructure will be made. However, the PUC currently has authority under Minn. Stat. §

216B.52 to refer violations of its orders or Minn. Stat. Ch. 216B to the Attorney General's Office. In the last 5 years, the PUC has referred 0 matters to the Attorney General's Office. However, if matters are ultimately referred to the Attorney General's Office, this bill could result in significant attorney time in prosecuting violations.

The Attorney General's Office estimates that it will expend 100 hours of attorney time and 25 hours of legal assistant (investigator/other staff) time per fiscal year. The AGO will absorb these costs.

Expenditure and/or Revenue Formula

	Hourly Billing Rate	Hours	Total Cost to AGO [hours x billing rate]
Attorney, [list attorney division]	\$163	100	\$16,300
Legal assistant, [Investigator/other non-attorney staff]	\$103	25	\$2575
<i>Other</i>			
Total			\$18,875

Long-Term Fiscal Considerations

n/a

Local Fiscal Impact

n/a

References/Sources

n/a

Agency Contact: Laura Sayles

Agency Fiscal Note Coordinator Signature: Laura Capuana

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HF4659 - 1A - Broadband Equity, Access, and Deployment Program

Chief Author: **Kaela Berg**
 Committee: **Agriculture Finance And Policy**
 Date Completed: **4/24/2024 3:01:38 PM**
 Agency: **Labor and Industry Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Construction Code	-	-	38	15	15	
Total	-	-	38	15	15	
Biennial Total			38		30	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Construction Code	-	-	.25	.1	.1
Total	-	-	.25	.1	.1

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 4/7/2024 12:57:29 PM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Construction Code	-	-	38	15	15
Total	-	-	38	15	15
Biennial Total			38		30
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Construction Code	-	-	38	15	15
Total	-	-	38	15	15
Biennial Total			38		30
2 - Revenues, Transfers In*					
Construction Code	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

This bill creates a certification requirement for underground telecommunication installers involving work performed on infrastructure that is located within 10 feet of existing underground utilities. The bill would require that the installation of underground telecommunications in prescribed areas be performed by a certified safety-qualified underground telecommunications installer (Installer). Further, the bill would require that at least two Installers be always present at any location where telecommunications infrastructure is being installed by means of directional drilling.

The Commissioner of Labor and Industry (DLI) would be responsible for developing standards for a safety-qualified underground telecommunications installer certification program, approving an exam for trainees to demonstrate knowledge of the course material, and developing an approval process for training providers, suspending, or revoking approval for providers that fail to demonstrate success in preparing participants to complete the exam. Certification would require applicants to complete a 40-hour initial course and pass an exam administered through a department-approved training provider. The certification would be valid for three years, and a four-hour refresher course would be required every three years thereafter to maintain certification.

Assumptions

Currently there is no license or certification requirement for underground telecommunication installers relative to work involving infrastructure that is located within 10 feet of existing underground utilities. This certification requirement is similar to that of individual pipelayers who are required to complete pipe laying training as prescribed by the commissioner (Minn. Stat. 326B.46, subd. 1); however, this bill calls for a department-approved training provider to manage the logistics of the certification program. DLI assumes approved training providers would administer the 40-hour initial course and prescribed exam and issue corresponding certifications. With this individual certificate requirement, there is no requirement that the Installer’s employer hold any type of business license or file a bond with the Department.

Licensing/Certification

This bill would create a new certification requirement for underground telecommunication installers. DLI assumes these certificates would not be subject to the fees outlined in MS 326B.092 Subd. 7, as the certification training, exams, refresher courses, and certification issuance would be coordinated by a department-approved training provider.

DLI estimates 0.25 FTE (construction code rep 2 - MAPE 18L) the first year and 0.10 FTE each year after in the education unit to perform the work outlined in the bill. This position would be responsible for the oversight and development of the

standards for the safety-qualified underground telecommunications installer certification program, including standards for the 40-hour initial course, (250 hrs) and the approval of exam materials (170 hrs). The administration/processing of exams would be coordinated by Department-approved training providers. The construction code rep 2 would also serve as the subject matter expert by approving training providers and developing standards for refresher courses (100 hrs).

Enforcement

The requirements for the underground telecommunications certification and installation requirements are coded in MN Statutes 181.912. DLI does not have enforcement authority over provisions in the bill that require safety-qualified underground telecommunications installers to perform certain work.

The commissioner may suspend or revoke the approval of any training provider that fails to demonstrate consistent delivery of approved curriculum or success in preparing participants to complete the examination. DLI assumes it would develop a process to determine when an approved training provider didn't meet the requirements in the law and would therefore possibly be subject to approval suspension or revocation. DLI would develop and implement this process, with consideration to what thresholds would indicate "consistent delivery of approved curriculum." DLI would rely on reported exam pass rates and corresponding certifications to inform whether an approved training provider had successfully prepared participants to complete the exams. DLI estimates this effort as immaterial and other duties assigned.

Expenditure and/or Revenue Formula

Expenditures	2024	2025	2026	2027
Construction Code Rep 2 - MAPE 18L	-	38,279	15,311	15,311

FTE	2024	2025	2026	2027
Construction Code Rep 2 - MAPE 18L	-	0.25	0.10	0.10

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Sean O'Neil (651-284-5854)

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HF4659 - 1A - Broadband Equity, Access, and Deployment Program

Chief Author: **Kaela Berg**
 Committee: **Agriculture Finance And Policy**
 Date Completed: **4/24/2024 3:01:38 PM**
 Agency: **Public Utilities Commission**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	.25	.25	.25
Total	-	-	.25	.25	.25

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 3/19/2024 1:52:02 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund		-	-	39	39	39
Total		-	-	39	39	39
Biennial Total				39		78
2 - Revenues, Transfers In*						
General Fund		-	-	39	39	39
Total		-	-	39	39	39
Biennial Total				39		78

Bill Description

HF4659-1A modifies safety standards for broadband industry installers and implements the Broadband Equity, Access, and Deployment (BEAD) Program.

Section 1 modifies border-to-border broadband grants.

Section 2 establishes the BEAD program.

Section 3 requires that installation of underground telecommunications infrastructure that is located within ten feet of existing underground utilities, or that crosses underground utilities, be performed by safety-qualified underground telecommunications installers certified by the Department of Labor and Industry.

Section 4 establishes Public Utilities Commission (PUC) authority to investigate conduct of a telecommunications carrier, telephone company, or cable communications system provider that impacts utility infrastructure. If the PUC finds that the conduct damaged or unreasonably interfered with the function of the infrastructure, it may take legal action against the violation pursuant to Minn. Stat. § 216B.52 to 216B.61.

Assumptions

The primary impact of HF4659-1A on the PUC is in section 4. If the PUC were to initiate an investigation under this section, staff would need to open a docket, solicit public comments, hold public meetings, analyze and summarize public comments, make recommendations, and issue written orders. Additionally, the PUC could take legal action against a telecom, cable, or phone company under certain circumstances by referring the matter to the Office of the Attorney General, imposing a penalty, or taking other actions. The PUC believes that it would need .25 FTE PURA 3 for this work.

Expenditure and/or Revenue Formula

	FY24	FY25	FY26	FY27
Salary-Rates Analyst 3, .25 FTE		25,542	25,542	25,542
Fringe		7,662	7,662	7,662
Other Personnel Relates Costs		5,375	5,375	5,375

OTAL Cost		38,579	38,579	38,579
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Long-Term Fiscal Considerations

Long-Term Fiscal Considerations for the FTEs would remain consistent.

Local Fiscal Impact

N/A

References/Sources

N/A

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Agency Fiscal Note Coordinator Signature: Kay Urquhart

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Date: 3/18/2024 9:06:39 AM

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