

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 465** HLS 21RS 676

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 26, 2021	5:16 PM	<b>Author:</b> JOHNSON, MIKE
<b>Dept./Agy.:</b> Statewide		<b>Analyst:</b> Monique Appeaning
<b>Subject:</b> 4.9 GHz band		

TELECOMMUNICATIONS RE SEE FISC NOTE GF EX See Note  
Provides relative to the leasing of the 4.9 GHz band

Present law requires the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to address issues relating to public safety and emergency response, including spectrum. Proposed law removes the authority to oversee, direct or manage the 4.9 GHz band from GOHSEP, provides for definitions and designates the office under the control of the executive director or broadband development and connectivity as the lessor of the 4.9 GHz band. Proposed law requires the office to develop a policy for leasing the band; provides for procurement methodology; provides for restriction of 5 MHz of the bend to be used for public safety; limits the length of auctions to three years and allows a winning bidder to apply for two additional years usage; requires usage of the portion of the band by the winning bidder within three years of possession or control reverts to the state; provides for auction timelines and restrictions; provides for reporting requirements; provides for creation of a task force to consider the commercial use of the band and a second to consider the public safety use; provides for membership, meeting requirements, duties and reporting requirements of each task force; and requires the executive director to serve as chair of both task forces.

<b>EXPENDITURES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>5 -YEAR TOTAL</b>
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<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law will result in an indeterminable impact on SGF expenditures to the Office of Broadband Development and Connectivity. The agency reports that at this time it is not able to determine what costs will be associated with this project. The office will be responsible for developing a policy to oversee, manage and direct the leasing of the 4.9 GHz band in accordance with all rules and regulations provided in FCC-20-137 and shall be required to utilize a blind auction for sales. The first auction is to take place before 6/10/22. The office will realize expenditures associated with preparing, posting and awarding auctions for specific bandwidths, initiating contract and use agreements, and will have ongoing monitoring requirements to ensure auction winners comply with reporting and usage requirements. The office shall be required to submit reports to certain legislative committees, which will result in a workload impact but the costs for which are likely to be minimal.

Proposed law provides for the creation of two tasks forces and enumerates membership of each. Proposed law is silent with respect to compensation or reimbursement to task force members. The Legislative Fiscal Office (LFO) assumes members will serve without pay but will be eligible for reimbursement of travel costs in accordance with state travel regulations. NOTE: Proposed law directs the Division of Administration to provide staff support as necessary to the two task forces.

**REVENUE EXPLANATION**

Proposed law may result in an indeterminable increase in revenue. Proposed law allocates the proceeds from the auction as follows: fifty percent to the Office of Broadband Development and Connectivity and fifty percent to the parish from which the spectrum originated, to be used for public safety equipment. The LFO does not have sufficient information to ascertain the potential revenue that may result from the leasing of the 4.9 GHz band. Proposed law is silent with regard to where any revenues that are generated shall be deposited. The LFO assumes that without specification the revenues will accrue to the SGF and to the respective parishes impacted.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*

**Alan M. Boxberger**  
**Staff Director**