

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: April 1, 2016

Prepared by: Sara Teachout

H.870 An Act Relating to Telecommunications

Fiscal Estimates

Section 4. Appropriation of FY 2017 the bond premium funds for the Connectivity Initiative. The amount is proposed to be reduced from \$1.0 million to \$750,000 by the House Institutions Committee Amendment. This amount was appropriated in H.878 (the Capital Bill).

Section 5. Temporary 0.5% Surcharge

This section creates a 0.5% surcharge on retail telecommunications service in addition to the existing 2.0% charge. This is a temporary charge for four fiscal years beginning in FY 2017 and extending until FY 2020. This is estimated to raise \$1.6 million in a full-year using carrier revenue base from FY 2016.