



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0573

Title: Expand the role of the PSC to oversee the operation of internet tech companies

Primary Sponsor: Tschida, Brad

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	Unknown	Unknown	Unknown	Unknown
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	Unknown	Unknown	Unknown	Unknown
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: The Public Service Commission (PSC) recognizes there will be a significant fiscal impact on the agency as a result of passage and implementation of HB 573. The area of regulation being contemplated by this legislation is novel and untested. The Commission is unable to develop the assumptions that would be necessary to quantify with any reasonable amount of certainty the fiscal impact of this legislation.

FISCAL ANALYSIS

Assumptions:

1. The PSC has no way of anticipating how many cases this bill would create, nor is it clear the number of entities this bill would bring within Commission regulation. The Commission has no means of estimating the number of FTE, or other resources needed to take on the duties of this bill.

Technical Notes:

1. The definition of “access software provider” in Section 2 differs from the federal definition of the term. (USC § 230(f)(4)). Assuming that the definition difference alone does not make the bill inconsistent with federal law, the bill’s additional limitation on censorship—and the substantial liability it creates—could be viewed as inconsistent with the policies outlined in § 230(b), including the preservation of a free market unfettered by state regulation. Whereas the federal law is generally an exception from liability, HB 573 expressly creates liability where none existed. HB 573 could therefore be viewed as an inconsistent state regulation of the free market, which could be preempted by the federal statute



Sponsor's Initials

3/1/21

Date



Budget Director's Initials

3/1/21

Date