AN ACT concerning the KAN-ED act; relating to membership thereof;
amending K.S.A. 2010 Supp. 66-2010, 75-7222, 75-7223, 75-7224
and 75-7226 and repealing the existing sections; also repealing K.S.A.
2010 Supp. 75-7228.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2010 Supp. 66-2010 is hereby amended to read as
follows: 66-2010. (a) The commission shall utilize a competitive bidding
process to select a neutral, competent and bonded third party to
administer the KUSF.

(b) The administrator shall be responsible for: (1) Collecting and
auditing all relevant information from all qualifying telecommunications
public utilities, telecommunications carriers or wireless
telecommunications service providers receiving funds from or providing
funds to the KUSF; (2) verifying, based on the calculations of each
qualifying telecommunications carrier, telecommunications public utility
or wireless telecommunications service provider, the obligation of each
such qualifying carrier, utility or provider to generate the funds required
by the KUSF; (3) collecting all moneys due to the KUSF from all
telecommunications public utilities, telecommunications carriers and
wireless telecommunications service providers in the state; and (4)
distributing amounts on a monthly basis due to qualifying
telecommunications public utilities, wireless telecommunications service
providers and telecommunications carriers receiving KUSF funding.

(c) Any information made available or received by the administrator
from carriers, utilities or providers receiving funds from or providing
funds to the KUSF shall not be subject to any provisions of the Kansas
open records act and shall be considered confidential and proprietary.

(d) The administrator shall be authorized to maintain an action to
collect any funds owed by any telecommunications carrier, public utility
or wireless telecommunications provider in the district court in the county
of the registered office of such carrier, utility or provider or, if such
carrier, utility or provider does not have a registered office in the state,
such an action may be maintained in the county where such carrier's,
utility's or provider's principal office is located. If such carrier, utility or
provider has no principal office in the state, such an action may be
maintained in the district court of any county in which such carrier, utility
or provider provides service.

(e) The KUSF administrator shall be responsible to ensure that funds
do not fall below the level necessary to pay all amounts collectively owed
to all qualifying telecommunications public utilities, wireless
telecommunications service providers and telecommunications carriers.
The administrator shall have the authority to retain and invest in a prudent
and reasonable manner any excess funds collected in any period to help
ensure that adequate funds are available to cover amounts payable in
other periods.

(f) (1) Before July 1, of each year, the chief executive officer of the
state board of regents shall certify to the administrator of the KUSF the
amount provided by appropriation acts to be expended from the KAN-ED
fund for the fiscal year commencing the preceding July 1. Upon receipt of
the certification of the chief executive officer of the state board of
regents, the KUSF administrator shall add the amount certified to the
amount annually required to fund the KUSF as determined pursuant to
subsection (b).

(2) On or before the 10th day of each month, the administrator of the
KUSF shall pay from the KUSF to the state treasurer 1/12 of the amount
certified by the chief executive officer of the state board of regents
pursuant to subsection (a) for the fiscal year preceding the fiscal year in
which the payment is made. Upon the receipt of the payment, the state
treasurer shall deposit the entire amount in the state treasury and credit it
to the KAN-ED fund. Any such payments shall be made after all
payments required by K.S.A. 66-2008, and amendments thereto, for the
month are made from the KUSF.

(3) Not more than the following shall be paid from the KUSF to the
state treasurer pursuant to this subsection (f): In fiscal year 2006,
$10,000,000; in fiscal year 2007, $8,000,000; in fiscal year 2008,
$6,000,000; and in fiscal year 2009, $5,500,000. In fiscal year 2011, and
each fiscal year thereafter, the state treasurer shall transfer an amount
equal to $10,000,000 from KUSF to the KAN-ED fund pursuant to this
subsection. Such funding shall be subject to appropriations acts of the
legislation, provided, that along with education funding described in
K.S.A. 2010 Supp. 72-64c03, and amendments thereto, the funding of the
KAN-ED network shall be given the highest priority by the legislature.

(4) The provisions of this subsection (f) shall expire on June 30,
2009. Thereafter, state general fund moneys shall be used to fund the
KAN-ED network and such funding shall be of the highest priority along
with education funding.

Sec. 2. K.S.A. 2010 Supp. 75-7222 is hereby amended to read as
follows: 75-7222. As used in this act, unless the context requires
otherwise:

(a) "Board" means the state board of regents.

(b) "Community anchor institution" means any entity operating in
the state as a school, library, medical and healthcare provider; public
safety entities, community colleges, technical colleges and other
institutions of higher education and other community support
organizations and agencies that provide outreach, access, equipment and
support services to facilitate greater use of broadband service by
vulnerable populations, including persons with low income earnings,
persons who are unemployed and the elderly.

(c) "Community based technology network" means any entity
operating in the state as a public or private nonprofit organization or
segment of county or local government that: (1) Is representative of a
community or significant segments of a community; and (2) provides
technology or educational technology or related services to individuals in
the community.

(d) "Health information organization" means any entity operating in
the state which: (1) Maintains technical infrastructure for the electronic
movement of health information among health care providers and health
plans; and (2) adopts and enforces policies governing participation in
such health information exchange.

(e) "Hospital" means a licensed hospital, as defined in K.S.A.
65-425, and amendments thereto.

(f) "KAN-ED member" means the board and any school, library or
hospital.

(g) "KAN-ED associate member" means any health information
organization, community anchor institution or community based
technology network.

(h) "Library" means: (1) The state library; (2) any public library
established and operating under the laws of this state; or (3) any regional
system of cooperating libraries, as defined in K.S.A. 75-2548, and
amendments thereto.

(i) "Network" means the KAN-ED network created pursuant to
this act.

(j) "School" means: (1) Any unified school district, school
district interlocal cooperative, school district cooperative or nonpublic
school accredited by the state board of education or school that is
accredited by a national or regional accrediting agency recognized by
the state board of education; or (2) any community college, technical
college, area vocational school, area vocational-technical school the
institute of technology at Washburn university or Kansas educational
institution, as defined in K.S.A. 74-32,120, and amendments thereto.

Sec. 3. K.S.A. 2010 Supp. 75-7223 is hereby amended to read as
follows: 75-7223. (a) The purpose of this act is to provide for a broadband technology-based network to which schools, libraries and hospitals KAN-ED members and KAN-ED associate members may connect for broadband internet access and intranet access for distance learning. For that purpose, the state board of regents shall contract in accordance with this act for the creation, operation and maintenance of such network, to be known as the KAN-ED network.

(b) The network shall allow the following features: (1) Universal provider interconnection or peering rights; and (2) competitively bid end-user KAN-ED connections; and (3) establishment of priority in funding grant programs and connectivity or access to the KAN-ED network with KAN-ED members being given first priority, and KAN-ED associate members given second priority.

(c) The network shall not provide for: (1) Impairment of any existing contract for the provision of telecommunications services or internet services to any school, library or hospital KAN-ED member or KAN-ED associate member; (2) state KAN-ED ownership or construction of any network facilities other than those owned or being constructed by the state on the effective date of this act of Kansas; (3) switched voice access, except to the extent switched access is being provided by state owned, leased or operated facilities as of the effective date of this act; (4) transmission of voice over internet or voice over internet protocol, except to the extent necessary to facilitate interactive two-way video; (5) use of the network for purposes inconsistent with the purposes of this act; (6) (5) the establishment of a proprietary interconnection agreement with a provider or proprietary peering standards by a provider, the purpose of which is to act as a barrier to peering or interconnection of providers to the KAN-ED network; or (7) (6) any financial fee or obligation required to connect a peered provider network to the KAN-ED network which is unusual or not customary. The provisions of clause (6) (5) shall not preclude the board from establishing technical standards for operation and maintenance of the network as required by subsection (c)(1) of K.S.A. 2010 Supp. 75-7224, and amendments thereto.

Sec. 4. K.S.A. 2010 Supp. 75-7224 is hereby amended to read as follows: 75-7224. (a) The board shall establish a plan to ensure that all schools, libraries and hospitals have quality, affordable access to the internet and distance learning. The board shall work with representatives of health information organizations, community anchor institutions and community based technology networks to assist with quality, affordable access to the internet and distance learning. The board shall adopt standards for determining whether such access is available to each school, library or hospital desiring such access and shall adopt priorities for implementation of such access. The board may request and receive
assistance from any school, any library, any hospital, the state corporation commission, any other agency of the state or any telecommunications, cable or other communications services provider to gather necessary data to implement such plan and establish such standards and priorities. The board shall develop a methodology for updating and validating any data collected for periodic revisions of the distance learning plan, annual report, standards and priorities. Not less than 75% of all schools which have applied to the board to participate in the network, 75% of all libraries which have applied to the board to participate in the network and 75% of all hospitals which have applied to the board to participate in the network shall have access to the network by July 1, 2004.

(b) The board shall contract with providers of telecommunications services, cable services and other communications services for the creation, operation and maintenance of the network. Such contracts shall be let by competitive bids as provided by K.S.A. 75-3739 K.S.A. 75-37,102, and amendments thereto.

(c) The board shall establish: (1) Technical standards for operation and maintenance of the network; (2) the method of monitoring operations of the network; and (3) the method or methods of increasing the capacity of the network to accommodate changes in the demands of schools, libraries and hospitals.

(d) The board shall identify any potential regulatory impediments to and other regulatory considerations in implementation of the network and shall propose measures to address such impediments and other considerations.

(e) The board shall assess the need of schools, libraries and hospitals for full-motion video connectivity. Based on its findings, the board may develop a plan to provide such connectivity. The plan may require users of such connectivity bear part of its cost.

(f) The board may appoint such advisory committees as the board determines necessary to carry out the purposes of this act. The membership of advisory committees may include both members of the board and persons who are not board members. Such advisory committees, to the extent appropriate, shall include both communications services providers and participants knowledgeable about topics such as network facilities and services, network content and user training, and such other topics as may be necessary or useful. Members of advisory committees appointed by the board shall receive amounts provided for in subsection (e) of K.S.A. 75-3223, and amendments thereto.

(g) On or before July 1, 2002, and thereafter as the board deems appropriate, the board shall adopt rules and regulations to implement and administer the provisions of this act.

(h) The board shall have all other powers necessary to achieve
the purposes of this act, including but not limited to the power to receive
any appropriations, donations, grants, bequests and devises, conditional
and otherwise, of money, property, services or other things of value for
the purposes of this act.

(i) (h) The state department of education, the division of information
systems and communications of the department of administration, the
state corporation commission and all other state agencies shall cooperate
with the board in providing information and other assistance requested by
the board for the performance of its duties pursuant to this act.

Sec. 5. K.S.A. 2010 Supp. 75-7226 is hereby amended to read as
follows: 75-7226. (a) On or before January 15 of each year, the board
shall publish an annual report and shall present the report to the
legislature, governor and department of education. The report shall set
forth in detail the operations and transactions conducted by the board
pursuant to this act. The annual report shall specifically account for the
ways in which the purpose of this act have been carried out, and the
recommendations shall specifically note what changes are necessary to
better address the purposes described in this act.

(b) The report required pursuant to this section in years 2006, 2007
and 2008 shall include a statement of the costs of and savings realized by
implementation of the network and a plan for funding the network.

Sec. 6. K.S.A. 2010 Supp. 66-2010, 75-7222, 75-7223, 75-7224, 75-
7226 and 75-7228 are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after its
publication in the statute book.