Revised SESSION OF 2009

SUPPLEMENTAL NOTE ON SENATE BILL NO. 285

As Amended by Senate Committee on Ways and Means

Brief*

SB 285 would amend the statutes regarding expenditures from the Kansas Universal Service Fund (KUSF) for the Kan-Ed program within the Board of Regents to fund Kan-Ed with \$10.0 million from the KUSF through June 30, 2012.

The bill would take effect upon publication in the statute book.

Under current law, funding for Kan-Ed from the KUSF would end in FY 2009. The 2008 Legislature mandated that the Board of Regents identify an alternative funding source for Kan-Ed and provide a report to the Joint Committee on Information Technology (JCIT). In its 2008 report, the JCIT made the following recommendation:

"The Committee notes that in a report required by 2008 Senate Sub. for HB 2946, Kan-Ed recommended KUSF as its primary funding source. The Committee recommends that Kan-Ed be included in the effort to balance the State budget. Given the value of grants awarded by the network to assist in the purchase of services and equipment across the state, the Committee recommends that any reductions be made in operating expenditures. The Committee also recommends that Kan-Ed minimize its use of the KUSF by use of E-Rate funds or other as yet unidentified funding sources."

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

In addition, the Governor's FY 2010 budget recommendation includes \$10.0 million for Kan-Ed, all from the KUSF.

Background

Proponents of the bill included the Chief Information Officer and the Kan-Ed Executive Director from the Kansas Board of Regents and the Vice President for Government Relations from the Kansas Hospital Association.

The Director of Government Affairs for Cox Communications and representatives for the Kansas Rural Independent Telephone Companies and the Kansas Cable Telecommunications Association provided neutral testimony on the bill.

There were no opponents.

The Senate Ways and Means Committee amended the bill to specify an ending date of June 30, 2012 for certain provisions.

According to the Division of Budget, the bill has no fiscal impact on the state, but will increase fees for consumers.