

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on March 17, 2011, in Room 785 of the Docking State Office Building.

All members were present except:
Representative Reynaldo Mesa-excused

Committee staff present:
Matt Sterling, Office of the Revisor of Statutes
Mary Torrence, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Renaë Hansen, Committee Assistant

Conferees appearing before the Committee:
Dave Springe, CURB
Steve Hahn, AT&T
Christine Aarnes, KCC
Bruce Nye, AT&T

Others attending:
Thirty eight including the attached list.

Continued Hearing on:;
SubSB72-Telecommunications

Questions were asked and comments made by Representatives: Forrest Knox, Don Hineman, Gail Finney, and Greg Smith.

Dave Springe-CURB, Steve Hahn-AT&T, Christine Aarnes-KCC, Bruce Nye-AT&T, answered committee questions.

The hearing on **SubSB72** was closed.

The rules were handed out again to the committee and gallery (Attachment 1).

The committee was given followup information on 911 (Attachment 2) from the research office and other information from the League of Kansas Municipalities (Attachment 3) pertaining to questions that were asked on Monday March 14, 2011.

Action on:
SubSB50-Emergency communications service; relating to fees, charges, collection and distribution.

Representative Tom Sloan commented about the email that was sent out by the Kansas Association of Counties that noted that if the bill did not come out as the Senate version was presented, that no bill would be passed. He felt that message was opposed to the nature of the process of creating good legislation. Representative Forrest Knox supported Representative Sloan's comment that the committee needs to do the work of the committee as best as they see fit.

Representative Mike Slattery moved to amend SubSB50 (Attachment 4) to raise the 50 cents to 55 cents and allows 2% of the fee to be used for administrative purposes. Seconded by Representative Stan Frownfelter.

Matt Sterling clarified the specific intent of the proposed amendment.

Discussion ensued between Representatives: Annie Kuether, Mike Slattery, Don Hineman, Stan Frownfelter, Forrest Knox, and Mike Burgess.

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The minutes of the House Energy and Utilities Committee at 9:00 A.M. on March 17, 2011, in Room 785 of the Docking State Office Building.

Representative Tom Sloan moved to divide the question into 2 parts. Seconded by Representative Mike Burgess.

On the motion of part A which includes the 55 cents and 1.1% the motion carried.

On the motion of part B which includes the 2% fee, the motion carried 9-8.

Representative Forrest Knox moved to amend (Attachment 5) **SubSB50** limiting the fee to a maximum of 55 cents and allows them to lower the fee if there is an overage. Seconded by Representative Don Hineman.

Discussion ensued between Representatives: Stan Frownfelter, Mike Slattery, Tom Sloan, Greg Smith, and Forrest Knox.

The motion to amend failed.

Representative Tom Sloan moved to raise the cap to 60 cents and remove the floor. Seconded by Representative Gail Finney.

Discussion ensued between Representatives: Mike Slattery and Tom Sloan.

Motion carried.

Representative Tom Sloan moved to amend **SubSB50** on page 3(Attachment 6), to address the 911 coordinating council membership to include what the house passed out last year. Seconded by Representative Mike Slattery. Motion to amend passed.

Representative Tom Sloan moved to amend **SubSB50** (Attachment 6) on page 4 that the chair shall be an administrator of a PSAP with no salary and just expense reimbursement for attending meeting. Seconded by Representative Don Hineman.

Discussion ensued by Representatives: Forrest Knox, Tom Sloan, and Phil Hermanson.

Motion to amend passed.

Representative Tom Sloan moved to amend **SubSB50** (Attachment 6) on page 8 to address the length of time of the contract and the LCPA shall be subject to open meetings act, records act, and treat money as public funds. Seconded by Representative Forrest Knox.

Discussion ensued by Representatives: Vern Swanson, Tom Sloan, Carl Holmes, Mike Slattery, Mike Burgess, and Nile Dillmore.

Mary Torrence and Matt Sterling helped answer questions.

Motion to amend passed.

Representative Vern Swanson moved to amend **SubSB50** (Attachment 7), on page 4 to address the selection of the vendor via the legislative coordinating council and page 8 to address the annual report be sent to the legislative coordinating council. Seconded by Representative Annie Kuether.

Discussion ensued between Representatives: Tom Sloan and Nile Dillmore.

Motion to amend passed.

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Representative Tom Sloan moved to amend SubSB50 (Attachment 6), page 3 line 37 to page 4 lines 1-10 moving to strike those lines. Seconded by Representative Mike Slattery.

Discussion ensued between Representatives: Nile Dillmore, Tom Sloan, Don Hineman, Stan Frownfelter, Annie Kuether, Forrest Knox, and Mike Slattery.

Matt Sterling answered some questions the committee presented.

Motion to amend failed.

Representative Forrest Knox moved to amend SubSB50 by removing non voting members from being able to receive reimbursement. Seconded by Representative Stan Frownfelter.

Discussion ensued between Representatives: Nile Dillmore, Forrest Knox, Vern Swanson, and Stan Frownfelter.

Motion to amend failed 6-11.

Representative Forrest Knox moved to amend SubSB50 (Attachment 8) page 6 addressing the reporting of the expenditures of 911 fees. Seconded by Representative Vern Swanson.

Discussion ensued between Representatives: Annie Kuether, Forrest Knox, Tom Sloan, and Nile Dillmore.

Matt Sterling answered some questions the committee presented and clarified the proposed amendment.

Motion to amend passed.

Representative Forrest Knox moved to amend SubSB50 (Attachment 9) page 20 to include a sunset of July 1, 2017. Seconded by Representative Vern Swanson.

Discussion ensued between Representatives: Tom Sloan, Forrest Knox, Annie Kuether, Greg Smith, Nile Dillmore, and Stan Frownfelter.

Motion to amend failed 8-9.

Representative Tom Sloan moved to amend SubSB50 on bottom of page 14 per Representative Carl Holmes suggestion, (Attachment 10) addressing the penalty for misusing the 911 funds by PSAP's making the PSAP return funds plus 10%. Seconded by Representative Stephen Alford.

Discussion ensued between Representatives: Vern Swanson, Carl Holmes, and Annie Kuether.

Motion to amend passed.

Discussion ensued between Representatives: Annie Kuether, Carl Holmes, and Nile Dillmore.

A suggested recommendation by a conferee was handed out, (Attachment 11) addressing reporting by the PSAPs and the council.

Discussion ensued between Representatives: Nile Dillmore, Annie Kuether, Tom Sloan, Phil Hermanson,

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and Vern Swanson.

Representative Nile Dillmore moved to amend (Attachment 11) page 6, addressing to whom the PSAP sends a report and the councils report to the legislature by adding the parts on lines 3-5. Seconded by Representative Annie Kuether. Motion passed.

The action on **SubSB50** was suspended.

The next meeting is scheduled for March 18, 2011.

The meeting was adjourned at 10:55 A.M.

HOUSE ENERGY AND UTILITIES COMMITTEE

GUEST LIST

DATE: March 17, 2011


NAME	REPRESENTING
Colin Curtis	Sandstone Group
David Sprung	Curtis B
Walter Way	Johnson County
Melissa Ward	Allen Law Firm
Christine Aarnes	KCC
Uncatkos	Gov Office
Doug Smith	KCPG
John Miller	Norton County
Melissa Wangemann	KAC
Terry Diebolt	AT&T
ERIK SARTORIUS	City of Overland Park
Ed Kump	KACP/KSD/KPOD
Dina Fisk	Verizon
Bruce May	AT&T
Mick Urban	ONEOK, Inc.
Les Depperschmidt	AT&T
ALU-T-B	SNCO
Shirley Allen	KRITC
Tom Day	KCC

HOUSE ENERGY AND UTILITIES COMMITTEE
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DATE: March 17, 2011

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INFORMATION FOR CONFEREES
2011
KANSAS HOUSE of REPRESENTATIVES
COMMITTEE ON ENERGY & UTILITIES

1. When time is separately reserved on the agenda for proponents and opponents of an issue and the time expires for either side, the testimony shall cease. Conferee's time limit will be determined by the number of conferees and order of business. The chairman may make exceptions for the original sponsor of a bill, Legislative Staff, and State Agency Personnel. Conferees will be recognized in the order as established by the committee chairman. No conferee will be allowed to "yield" their time to another conferee.
2. All conferees are requested to submit a one page summary of testimony. (More lengthy written testimony may be submitted in addition to the one page summary.)
3. All conferees shall have written testimony and shall provide 50 copies to the committee secretary at the time of appearance. If a one page summary and written testimony are both presented, then 50 copies of each **shall** be required.
4. All conferees whose testimony extends more than one page or five minutes **shall** expect their time to be shortened by the chair, if necessary, to expedite the meeting. Exceptions will be allowed for the original sponsor of a bill, staff briefings, and state agency briefings.
5. At the option of the chair, all who are scheduled to testify on a bill may be required to submit written testimony 24 hours in advance of the hearing for distribution to committee members.
6. Anyone wishing to testify before the Committee **shall** contact the Committee Assistant, Renae Hansen at 785-296-7670, a minimum of 24 hours before the meeting.
7. All cell phones, pagers, and other electronic devices, in the committee room **shall** be in "silent" mode and use of cell phones in the committee room will not be permitted. The owner of any cell phone that rings during a committee meeting shall provide apples, oranges, or bananas for all committee members and staff. (26)
8. No food or drinks will be allowed in the committee room by guests, spectators or conferees.
-  9. Any non-committee attendee who sends signals to committee members shall be removed from the committee meeting for the rest of the legislative year.
10. Photography (including cell phones), video recording, audio recording or transmitting of proceedings, and is prohibited unless approved in advance by the Chair.
11. All requests for committee bills shall only be made by committee agencies.

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ATTACHMENT

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12. Any usage of computers in the committee room by anyone, except legislators and staff, shall be approved by the chair before each meeting.
13. Conferees **SHALL NOT** read their testimony if more than one page in length. Rather, testimony should be presented in a summary fashion. Conferees shall introduce themselves, identify on whose behalf they are appearing, identify whether they are a proponent, opponent, or neutral on the bill and as briefly as possible, state the reasons for their position.
14. If suggested amendment(s) are to be offered, a proposed draft of the amendment(s) must be provided with the written testimony.
15. Conferees shall address their remarks during testimony to committee members and staff only.
16. The Chair reserves the right to limit testimony that is repetitive in nature or testimony that is, in the judgment of the Chair, not relevant to the matter under consideration.
17. Testimony shall relate to the subject matter of the measure under consideration. Conferees testifying on unrelated subjects will be admonished and if unrelated testimony continues, the Chair will terminate that conferee's testimony.
18. While the taking of testimony is not preceded with the formality of an oath, by appearing before the committee every conferee hereby certifies that his or her testimony is truthful, based upon facts that are capable of verification and offered in good faith. Conferees shall promptly bring to the committee's attention any qualifications or corrections in their testimony.
19. The Chair reserves the right to take such action as may be necessary to prevent disruptive behavior in the committee room during hearings and deliberations.
20. The Chair reserves the right to take such action as may be necessary when a violation of these rules is suspected.
21. Committee members shall not be approached during committee hearings or deliberation by anyone other than fellow legislative members or legislative staff.

**Follow-up Responses to 911 Questions/Request for Information
House Committee on Energy and Utilities**

Q. Is it common for non-elected bodies to set state tax/fee levels?

A. It is not common for non-elected bodies to set state tax rates. However, a number of state agencies/boards have authority to raise or lower fee levels, subject to a statutory cap and subject to a rate schedule set out in administrative regulations. These most often include things like licensing fees and permit fees.

Q. Are the revenues of the 911Wireless Enhanced State Grant Fund and the Governor's Grants Office audited?

A. The 911 Wireless State Grant Fund and the revenues of the Governor's Grants Office are within the State Treasury, which makes them subject to the Statewide audit. In addition, the 911 State Grant Program is subject to audits performed by Legislative Post Audit.

Q. How much has been collected in 911 fees over the last 20 years?

A. No data prior to 1998 is readily available. Landline 911 revenues must be obtained from individual governing bodies. That information has been collected only very intermittently. Wireless and VoIP 911 revenues are readily obtained from the LCPA. Wireless 911 tax began July 2004.

	Landline		Wireless and VoIP	
	Fee Revenue	Reported Line Count	Fee Revenue	Calculated Unit Count
1998	\$9,700,000			
2004		1,786,850	\$4,031,788	1,343,929
2005		1,722,243	\$8,523,790	1,420,632
2006		1,677,032	\$9,925,060	1,654,177
2007		1,409,728	\$10,835,385	1,805,897
2008	\$9,482,902	1,353,785	\$11,849,114	1,974,852
2009	\$8,722,050	1,256,633	\$12,090,333	2,015,055
2010			\$12,769,099	2,128,183

Kansas Legislative Research Department, March 17, 2011

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ATTACHMENT 2

To: House Energy and Utilities Committee
From: Kim Winn, Deputy Director
Date: March 17, 2011
Re: 911 Questions

It is my understanding that there were some questions raised at the Committee hearing on Monday regarding the recent audit of the Local Collection Point Administrator (LCPA). I wanted to take the opportunity to address those questions directly.

Each year, the Local Collection Point Administrator (the League of Kansas Municipalities and the Kansas Association of Counties jointly) is audited. Never once in since 2004 has the auditor found any information lacking or any monies at risk in any way. Each year, the auditor has offered suggestions as to how we can more efficient provide this service.

This past year, the auditor determined that a new employee had made an error after he mis-read the administrative procedures manual. The minute that this error came to our attention, it was corrected. No monies were at risk and no checks were lost or unaccounted for in any way.

Ironically, at the time this error was discovered, the League and the KAC had already discussed the need to establish a "lockbox" system for the handling of 911 checks and that process was already underway. The lockbox has been established so that no one at the LCPA is handling hard-copy checks anymore so that this error cannot be repeated.

LKM's concern is and always has been for the safety and security of the 911 monies to make sure that these funds are safeguarded for use by PSAPs. It is not about any administrative monies that may or may not be paid to LKM or the KAC. To this end, we have asked staff to remove the request for the reinstatement of administrative funds from our proposed amendment. We stand ready and willing to be accountable to the 911 coordinating council and to allow that committee to establish any fee or reimbursement that they deem appropriate.

Finally, we believe that the determination of where the 911 funds are held should be established with certainty in statute. It is important that these funds not be held by any state agency or by a private entity that is not subject to open meetings laws, open records laws, or government accounting standards. For this reason, we respectfully request that the Committee consider retaining LKM and the KAC as the Local Collection Point Administrator, under the direction of the 911 Coordinating Council.

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ATTACHMENT 3

SB 50—Am. by SCW

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1 interest accrued on such moneys, shall be transferred to the 911 federal
2 grant fund.

3 (b) The council shall be responsible for ensuring that the 911 state
4 grant fund and any interest earned on money credited to the fund is
5 only expended for the following purposes: (1) Projects involving the
6 development and implementation of next generation 911 services; (2)
7 costs associated with PSAP consolidation or cost-sharing projects; (3)
8 expenses related to the 911 coordinating council; (4) costs of audits
9 conducted pursuant to section 16, and amendments thereto; and (5)
10 other costs pursuant to section 14, and amendments thereto.

11 (c) The council shall develop criteria for eligible purchases and for
12 grant applicants and make the final determination as to the distribution
13 of grant funds. Such criteria shall promote the procurement of
14 equipment that meets open architecture and national technical
15 standards. Distribution of grant funds shall not include expenditures to
16 procure, maintain or upgrade subscriber radio equipment.

17 (d) The LCPA shall be authorized to maintain an action to collect
18 any funds owed by any providers in the district court in the county of
19 the registered office of such provider or, if such provider does not have
20 a registered office in the state, such an action may be maintained in the
21 county where such provider's principal office is located. If such
22 provider has no principal office in the state, such an action may be
23 maintained in the district court of any county in which such provider
24 provides service.

25 (e) This section shall take effect on and after January 1, 2012.

26 New Sec. 8. (a) There is hereby imposed a 911 fee in the amount
27 of ~~\$30~~ \$55 per month per subscriber account of any exchange
28 telecommunications service, wireless telecommunications service, VoIP
29 service, or other service capable of contacting a PSAP. Such fee shall
30 not be imposed on prepaid wireless service. It shall be the duty of each
31 exchange telecommunications service provider, wireless
32 telecommunications service provider, VoIP service provider or other
33 service provider to remit such fees to the LCPA as provided in section
34 9, and amendments thereto.

35 (b) This section shall take effect on and after January 1, 2012.

36 New Sec. 9. (a) Every billed service user shall be liable for the
37 911 fee until such fees have been paid to the exchange
38 telecommunications service provider, wireless telecommunications
39 service provider, VoIP service provider or other service provider.

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ATTACHMENT 4-1

SB 50—Am. by SCW

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1 (b) The duty to collect the fees imposed pursuant to this act shall
2 commence January 1, 2012. Such fees shall be added to and may be
3 stated separately in billings for the subscriber account. If stated
4 separately in billings, the fees shall be labeled "911 fees."

5 (c) The provider shall have no obligation to take any legal action
6 to enforce the collection of the fees imposed by this act. The provider
7 shall provide annually to the LCPA a list of the amount of uncollected
8 911 fees along with the names and addresses of those service users
9 which carry a balance that can be determined by the provider to be
10 nonpayment of such fees.

11 (d) The fees imposed by this act shall be collected insofar as
12 practicable at the same time as, and along with, the charges for local
13 exchange, wireless, VoIP, or other service in accordance with regular
14 billing practice of the provider.

15 (e) The 911 fees and the amounts required to be collected therefor
16 are due monthly. The amount of such fees collected in one month by
17 the provider shall be remitted to the LCPA not more than 15 days after
18 the close of the calendar month. On or before the 15th day of each
19 calendar month following, a return for the preceding month shall be
20 filed with the LCPA. Such return shall be in such form and shall
21 contain such information as required by the LCPA. The provider
22 required to file the return shall deliver the return together with a
23 remittance of the amount of fees payable to the LCPA. The provider
24 shall maintain records of the amount of any such fees collected in
25 accordance with this act for a period of three years from the time the
26 fees are collected.

27 (f) The provisions of this section shall not be construed to apply to
28 prepaid wireless service.

29 (g) This section shall take effect on and after January 1, 2012.

30 New Sec. 10. (a) There is hereby imposed a prepaid wireless 911
31 fee of ~~1.1%~~ ~~1.1%~~ ~~1.1%~~ per retail transaction or, on and after the
32 effective date of an adjusted amount per retail transaction that is
33 established under subsection (f), such adjusted amount.

34 (b) The prepaid wireless 911 fee shall be collected by the seller
35 from the consumer with respect to each retail transaction occurring in
36 this state. The amount of the prepaid wireless 911 fee shall be either
37 separately stated on an invoice, receipt or other similar document that is
38 provided to the consumer by the seller, or otherwise disclosed to the
39 consumer.

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1 service by reasonable and verifiable standards from its books and
2 records that are kept in the regular course of business for other
3 purposes, including, but not limited to, non-tax purposes, such portion.

4 (h) This section shall take effect on and after January 1, 2012.

5 New Sec. 11. (a) Prepaid wireless 911 fees collected by sellers
6 shall be remitted to the department by electronic filing that is consistent
7 with the provisions of article 36 of chapter 79 of the Kansas Statutes
8 Annotated, and amendments thereto. The department shall establish
9 registration and payment procedures for the collection of the prepaid
10 wireless 911 fee. Prior to remitting such fees to the department, sellers
11 may retain up to 2% of all remitted fees for administrative costs.

12 (b) To minimize additional costs to the department, the department
13 may conduct audits of sellers in conjunction with sales and use tax
14 audits. The department is authorized to provide the LCPA with
15 information obtained in such audits if such information indicates that a
16 seller may not be complying with the provisions of this section and
17 section 10, and amendments thereto. The LCPA may request the
18 department to initiate collection or audit procedures on individual
19 sellers if collection efforts by the LCPA are unsuccessful.

20 (c) The department shall establish procedures by which a seller
21 may document that a sale is not a retail sale, which procedures shall
22 substantially coincide with procedures for documenting sale for resale
23 transactions for article 36 of chapter 79 of the Kansas Statutes
24 Annotated, and amendments thereto.

25 (d) The department shall transfer all remitted prepaid wireless 911
26 fees to the LCPA within 30 days of receipt for distribution as provided
27 in section 13, and amendments thereto.

28 (e) The department may retain up to \$70,000 of remitted funds in
29 fiscal year 2012 only for use in paying for programming and other one-
30 time costs for establishing a system for collecting the prepaid wireless
31 911 fee.

32 (f) This section shall take effect on and after January 1, 2012.

33 New Sec. 12. (a) The prepaid wireless 911 fee imposed in this
34 act shall be the only 911 funding obligation imposed with respect to
35 prepaid wireless service in this state. No tax, fee, surcharge or other
36 charge shall be imposed by this state, any political subdivision of this
37 state or any intergovernmental agency for 911 funding purposes upon
38 any prepaid wireless service provider, seller or consumer with respect
39 to the sale, purchase, use or provision of prepaid wireless service.

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1 rules and regulations necessary to effectuate the provisions of this act,
2 including, but not limited to, creating a uniform reporting form
3 designating how moneys, including 911 fees, have been spent by the
4 PSAPs, requiring service providers to notify the council pursuant to
5 subsection (j), setting standards for coordinating and purchasing
6 equipment, recommending standards for training of PSAP personnel
7 and assessing civil penalties. The chair of the council shall work with
8 the council to develop rules and regulations necessary for the
9 distribution of moneys in the 911 federal grant fund. The council shall
10 work with the chair to carry out the provisions of this act. Rules and
11 regulations necessary to begin administration of this act shall be
12 adopted by December 31, 2011.

13 (f) The council may, pursuant to rules and regulations, raise or
14 lower the 911 fee upon a finding based on information submitted on the
15 uniform reporting forms, that moneys generated by such fee are in
16 excess of or below the costs required to operate PSAPs in the state. The
17 council shall not set the 911 fee ~~below \$50 or above \$60~~ above \$55.

18 (g) The council may appoint subcommittees as necessary to
19 administer grants, oversee collection and distribution of moneys by the
20 LCPA, develop technology standards, develop training
21 recommendations and other issues as deemed necessary by the council.
22 Subcommittees, if appointed, shall include members of the council and
23 other persons as needed.

24 (h) The council may reimburse independent contractors or state
25 agencies for expenses incurred in carrying out the business of the
26 council, including salaries, that are directly attributable to effectuating
27 the provisions of this act. The moneys used to reimburse these expenses
28 shall be paid from the 911 state grant fund, pursuant to subsection (i).

29 (i) All expenses related to the council shall be paid from the 911
30 state grant fund. No more than 2% of the total receipts from providers
31 and the department received by the LCPA shall be used to pay for such
32 expenses. Members of the council may receive reimbursement for
33 meals and travel expenses, but shall serve without other compensation
34 with the exception of legislative members.

35 (j) Every provider shall submit contact information for the
36 provider to the council prior to January 1, 2012. Any provider that has
37 not previously provided wireless telecommunications service in this
38 state shall submit contact information for the provider to the council
39 within three months of first offering wireless telecommunications

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ATTACHMENT 5

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- 1 contacting a PSAP.
- 2 (q) "Subscriber account" means the 10-digit access number
3 assigned to a service user regardless of whether more than one such
4 number is aggregated for the purpose of billing a service user.
- 5 (r) "Subscriber radio equipment" means mobile and portable
6 radio equipment installed in vehicles or carried by persons for voice
7 communication with a radio system.
- 8 (s) "VoIP service" means voice over internet protocol.
- 9 (t) "Wireless telecommunications service" means commercial
10 mobile radio service as defined by 47 C.F.R. 20.3 as in effect on the
11 effective date of this act.
- 12 New Sec. 3. (a) (1) There is hereby created the 911
13 coordinating council which shall monitor the delivery of 911 services,
14 develop strategies for future enhancements to the 911 system and
15 distribute available grant funds to PSAPs. In as much as possible, the
16 council shall include individuals with technical expertise regarding 911
17 systems, internet technology and GIS technology.
- 18 (2) The 911 coordinating council shall consist of 12 voting
19 members to be appointed by the governor: Two members representing
20 information technology personnel from government units; one member
21 representing a law enforcement officer; one member representing a fire
22 chief; one member recommended by the adjutant general; one member
23 recommended by the Kansas emergency medical services board; one
24 member recommended by the Kansas commission for the deaf and hard
25 of hearing; two members representing PSAPs located in counties with
26 less than 75,000 in population; two members representing PSAPs
27 located in counties with greater than 75,000 in population; and one
28 member representing PSAPs without regard to size. At least two of the
29 members representing PSAPs shall be administrators of a PSAP.
- 30 (3) Other voting members of the 911 coordinating council shall
31 include: One member of the Kansas house of representatives as
32 appointed by the speaker of the house; one member of the Kansas
33 house of representatives as appointed by the minority leader of the
34 house; one member of the Kansas senate as appointed by the senate
35 president; and one member of the Kansas senate as appointed by the
36 senate minority leader.
- 37 (4) The 911 coordinating council shall also include non-voting
38 members to be appointed by the governor: One member representing
39 rural telecommunications companies recommended by the Kansas rural

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ATTACHMENT 6-1

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1 independent telephone companies; one member representing incumbent
2 local exchange carriers with over 50,000 access lines; one member
3 representing large wireless providers; one member representing VoIP
4 providers; one member recommended by the league of Kansas
5 municipalities; one member recommended by the Kansas association of
6 counties; one member recommended by the Kansas geographic
7 information systems policy board; one member recommended by
8 KAN-ED; one member recommended by the Kansas division of
9 information systems and communications; and one member, a Kansas
10 resident, recommended by the Mid-America regional council.

11 (b) The terms of office for voting members of the 911
12 coordinating council shall commence on the effective date of this act
13 and shall be subject to reappointment every three years. No voting
14 member shall serve longer than two three-year terms. A voting member
15 appointed as a replacement for another voting member may finish the
16 term of the predecessor and may serve two additional three-year terms.

17 (c) (1) The governor shall select the chair of the 911
18 coordinating council, who shall be an administrator of a PSAP. ~~The~~
19 ~~governor shall determine the chair's compensation and the chair shall~~
20 ~~serve at the pleasure of the governor.~~

21 (2) The chair shall serve as the coordinator of E-911 services and
22 next generation 911 services in the state, implement statewide 911
23 planning, have the authority to sign all certifications required under 47
24 C.F.R. part 400 and administer the 911 federal grant fund and 911 state
25 maintenance fund. The chair shall serve subject to the direction of the
26 council and ensure that policies adopted by the council are carried out.
27 The chair shall serve as the liaison between the council and the LCPA.
28 The chair shall preside over all meetings of the council and assist the
29 council in effectuating the provisions of this act.

30 (d) The 911 coordinating council shall select the local collection
31 point administrator, pursuant to section 6, and amendments thereto, to
32 collect 911 fees and to distribute such fees to PSAPs and to distribute
33 911 state grant fund moneys as directed by the council. The council
34 shall determine the compensation of the LCPA. The Kansas association
35 of counties shall provide the council with any staffing necessary in
36 carrying out the business of the council or effectuating the provisions of
37 this act. Upon approval by the council, the KAC shall be reimbursed
38 for any costs incurred in assisting the council. The moneys used to
39 reimburse these expenses shall be paid from the 911 state grant fund,

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1 and

2 (2) to provide grants to eligible municipalities only for necessary
3 and reasonable costs incurred or to be incurred by PSAPs for: (A)
4 Implementation of enhanced 911 service and next generation 911
5 service, as defined in section 2, and amendments thereto; (B) purchase
6 of equipment and upgrades and modification to equipment used solely
7 to process the data elements of enhanced 911 service and next
8 generation 911 service, as defined in section 2, and amendments
9 thereto; and (C) maintenance and license fees for such equipment and
10 training of personnel to operate such equipment, including costs of
11 training PSAP personnel to provide effective service to all users of the
12 emergency telephone system who have communications disabilities.
13 Such costs shall not include expenditures to lease, construct, expand,
14 acquire, remodel, renovate, repair, furnish or make improvements to
15 buildings or similar facilities or for other capital outlay or equipment
16 not expressly authorized by this act.

17 (e) On or before the 10th of each month, the director of accounts
18 and reports shall transfer from the state general fund to the 911 state
19 maintenance fund interest earnings based on:

20 (1) The average daily balance of moneys in the 911 state
21 maintenance fund for the preceding month; and

22 (2) the net earnings rate of the pooled money investment portfolio
23 for the preceding month.

24 (f) All payments and disbursements from the fund shall be made
25 in accordance with appropriation acts upon warrants of the director of
26 accounts and reports issued pursuant to vouchers approved by the chair
27 or by a person or persons designated by the chair.

28 New Sec. 6. The 911 coordinating council shall select the local
29 collection point administrator. In selecting the LCPA, the council shall
30 contract with the LCPA for services for no longer than ~~one~~ five years.
31 The council shall annually review the designation of the LCPA and the
32 contract with the LCPA for services. The LCPA shall be subject to the
33 requirements of the Kansas open meetings act, the Kansas open records
34 act and shall treat all moneys received as public funds pursuant to
35 article 14 of chapter 9 of the Kansas Statutes Annotated, and
36 amendments thereto.

37 New Sec. 7. (a) Upon the advice and consent of the 911
38 coordinating council, the LCPA shall establish the 911 state fund and
39 the 911 state grant fund which shall not be part of the state treasury. On

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- 1 local exchange carriers with over 50,000 access lines; one member
2 representing large wireless providers; one member representing VoIP
3 providers; one member recommended by the league of Kansas
4 municipalities; one member recommended by the Kansas association of
5 counties; one member recommended by the Kansas geographic
6 information systems policy board; one member recommended by
7 KAN-ED; one member recommended by the Kansas division of
8 information systems and communications; and one member, a Kansas
9 resident, recommended by the Mid-America regional council.
- 10 (b) The terms of office for voting members of the 911
11 coordinating council shall commence on the effective date of this act
12 and shall be subject to reappointment every three years. No voting
13 member shall serve longer than two three-year terms. A voting member
14 appointed as a replacement for another voting member may finish the
15 term of the predecessor and may serve two additional three-year terms.
- 16 (c) (1) The governor shall select the chair of the 911
17 coordinating council. The governor shall determine the chair's
18 compensation and the chair shall serve at the pleasure of the governor.
- 19 (2) The chair shall serve as the coordinator of E-911 services and
20 next generation 911 services in the state, implement statewide 911
21 planning, have the authority to sign all certifications required under 47
22 C.F.R. part 400 and administer the 911 federal grant fund and 911 state
23 maintenance fund. The chair shall serve subject to the direction of the
24 council and ensure that policies adopted by the council are carried out.
25 The chair shall serve as the liaison between the council and the LCPA.
26 The chair shall preside over all meetings of the council and assist the
27 council in effectuating the provisions of this act.
- 28 (d) ~~Upon the advice and consent of the legislative coordinating~~
29 ~~council,~~ the 911 coordinating council shall select the local collection
30 point administrator, pursuant to section 6, and amendments thereto, to
31 collect 911 fees and to distribute such fees to PSAPs and to distribute
32 911 state grant fund moneys as directed by the council. The council
33 shall determine the compensation of the LCPA. The Kansas association
34 of counties shall provide the council with any staffing necessary in
35 carrying out the business of the council or effectuating the provisions of
36 this act. Upon approval by the council, the KAC shall be reimbursed
37 for any costs incurred in assisting the council. The moneys used to
38 reimburse these expenses shall be paid from the 911 state grant fund,
39 pursuant to subsection (i).

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1 (2) to provide grants to eligible municipalities only for necessary
2 and reasonable costs incurred or to be incurred by PSAPs for: (A)
3 Implementation of enhanced 911 service and next generation 911
4 service, as defined in section 2, and amendments thereto; (B) purchase
5 of equipment and upgrades and modification to equipment used solely
6 to process the data elements of enhanced 911 service and next
7 generation 911 service, as defined in section 2, and amendments
8 thereto; and (C) maintenance and license fees for such equipment and
9 training of personnel to operate such equipment, including costs of
10 training PSAP personnel to provide effective service to all users of the
11 emergency telephone system who have communications disabilities.
12 Such costs shall not include expenditures to lease, construct, expand,
13 acquire, remodel, renovate, repair, furnish or make improvements to
14 buildings or similar facilities or for other capital outlay or equipment
15 not expressly authorized by this act.

16 (e) On or before the 10th of each month, the director of accounts
17 and reports shall transfer from the state general fund to the 911 state
18 maintenance fund interest earnings based on:

19 (1) The average daily balance of moneys in the 911 state
20 maintenance fund for the preceding month; and

21 (2) the net earnings rate of the pooled money investment portfolio
22 for the preceding month.

23 (f) All payments and disbursements from the fund shall be made
24 in accordance with appropriation acts upon warrants of the director of
25 accounts and reports issued pursuant to vouchers approved by the chair
26 or by a person or persons designated by the chair.

27 ~~New Sec. 6. Upon the advice and consent of the legislative~~
28 ~~coordinating council, the 911 coordinating council shall select the local~~
29 ~~collection point administrator. In selecting the LCPA, the council shall~~
30 ~~contract with the LCPA for services for no longer than one year. The~~
31 ~~911 coordinating council and the legislative coordinating council shall~~
32 ~~annually review the designation of the LCPA and the contract with the~~
33 ~~LCPA for services.~~

34 New Sec. 7. (a) Upon the advice and consent of the 911
35 coordinating council, the LCPA shall establish the 911 state fund and
36 the 911 state grant fund which shall not be part of the state treasury. On
37 or after the effective date of this section, the secretary of administration
38 shall certify all unobligated funds remaining in the wireless enhanced
39 911 grant fund as having originated as either federal grant moneys or

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1 services in this state.

2 (k) Each PSAP shall file with the council, by March 1, 2012, a
3 report demonstrating how such PSAP has spent the moneys earned
4 from the 911 fee. The council shall designate the content and form of
5 such report.

6 (l) The council, upon a finding that a provider has violated any
7 provision of this act, may impose a civil penalty. No civil penalty shall
8 be imposed pursuant to this section except upon the written order of the
9 council. Such order shall state the violation, the penalty to be imposed
10 and the right of such person to appeal to a hearing before the council.
11 Any such person may, within 15 days after service of the order, make a
12 written request to the council for a hearing thereon. Hearings under this
13 subsection shall be conducted in accordance with the provisions of the
14 Kansas administrative procedure act.

15 (m) Any action of the council pursuant to subsection (l) is subject
16 to review in accordance with the Kansas judicial review act.

17 (n) Any civil penalty recovered pursuant to this section shall be
18 transferred to the LCPA for deposit in the 911 state grant fund.

19 (o) As long as the provider is working in good faith to comply
20 with the provisions of this act, no civil penalty shall be imposed prior to
21 January 1, 2013.

22 (p) The 911 coordinating council shall make an annual report, to
23 include a detailed description of all expenditures of 911 fees made by
24 the PSAPs, to the house committee on energy and utilities and the
25 senate committee on utilities.

26 New Sec. 4. (a) There is hereby established in the state treasury
27 the 911 federal grant fund.

28 (b) The chair of the 911 coordinating council shall serve as the
29 administrator of the 911 federal grant fund and shall distribute grants in
30 accordance with the recommendations of the 911 coordinating council.
31 Subject to the conditions and in accordance with the requirements of
32 this act and 47 C.F.R. part 400, the chair is authorized to perform such
33 acts necessary for the effectuation of this act.

34 (c) Moneys received by the state from the federal government for
35 the purposes of the fund shall be credited to the fund.

36 (d) Subject to the conditions and in accordance with the
37 requirements of this act and 47 C.F.R. part 400, moneys credited to the
38 fund shall be used only:

39 (1) To pay all expenses incurred in the administration of the fund;

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1 the offender is a city or county clerk or treasurer or finance officer of a
2 city or county.

3 New Sec. 25. The provisions of this act are declared to be
4 severable and if any provision, word, phrase or clause of the act or the
5 application thereof to any person shall be held invalid, such invalidity
6 shall not affect the validity of the remaining portions of this act.

7 ~~New Sec. 26. The provisions of the Kansas 911 act shall expire on~~
8 ~~July 1, 2017.~~

9 Sec. ~~26~~ ²⁷ K.S.A. 12-5309 and K.S.A. 2010 Supp. 12-5327, 12-
10 5338, 12-5361, 45-221 and 75-5133 are hereby repealed:

11 Sec. ~~27~~ ²⁸ From and after January 1, 2012, K.S.A. 12-5303, 12-
12 5305, 12-5306, 12-5307, 12-5308 and K.S.A. 2010 Supp. 12-5301, 12-
13 5302, 12-5304, 12-5310, 12-5321, 12-5322, 12-5323, 12-5324, 12-
14 5325, 12-5326, 12-5327, 12-5328, 12-5329, 12-5330, 12-5331, 12-
15 5332, 12-5333, 12-5334, 12-5335, 12-5336, 12-5337, 12-5351, 12-
16 5352, 12-5353, 12-5354, 12-5355, 12-5356, 12-5357, 12-5358, 12-
17 5359 and 12-5360 are hereby repealed.

18 Sec. ~~28~~ ²⁹ This act shall take effect and be in force from and
19 after its publication in the Kansas register.
20

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- 1 attributed to a specific PSAP shall be transferred to the 911 state grant
2 fund.
- 3 (b) All fees remitted to the LCPA shall be deposited in the 911
4 state fund and for the purposes of this act be treated as if they are public
5 funds, pursuant to article 14 of chapter 9 of the Kansas Statutes
6 Annotated, and amendments thereto.
- 7 (c) All moneys in the 911 state fund that have been collected from
8 the prepaid wireless 911 fee shall be deposited in the 911 state grant
9 fund unless \$2 million of such moneys have been deposited in any
10 given year then all remaining moneys shall be distributed to the PSAPs
11 pursuant to subsection (a).
- 12 (d) The LCPA shall keep accurate accounts of all receipts and
13 disbursements of moneys from the 911 fees.
- 14 (e) Information provided by providers to the local collection point
15 administrator or to the 911 coordinating council pursuant to this act will
16 be treated as proprietary records which will be withheld from the public
17 upon request of the party submitting such records.
- 18 (f) The provisions of subsection (e) shall expire on July 1, 2017,
19 unless the legislature acts to reenact such provision. The provisions of
20 subsection (e) shall be reviewed by the legislature prior to July 1, 2016.
- 21 (g) This section shall take effect on and after January 1, 2012.
- 22 New Sec. 14. (a) The proceeds of the 911 fees imposed pursuant
23 to this act, and any interest earned on revenue derived from such fee,
24 shall be used only for necessary and reasonable costs incurred or to be
25 incurred by PSAPs for: (1) Implementation of 911 services; (2)
26 purchase of 911 equipment and upgrades; (3) maintenance and license
27 fees for 911 equipment; (4) training of personnel; (5) monthly recurring
28 charges billed by service suppliers; (6) installation, service
29 establishment and nonrecurring start-up charges billed by the service
30 supplier; (7) charges for capital improvements and equipment or other
31 physical enhancements to the 911 system; or (8) the original acquisition
32 and installation of road signs designed to aid in the delivery of
33 emergency service. Such costs shall not include expenditures to lease,
34 construct, expand, acquire, remodel, renovate, repair, furnish or make
35 improvements to buildings or similar facilities. Such costs shall also not
36 include expenditures to purchase subscriber radio equipment.
- 37 (b) If the council, based upon information obtained from the PSAP
38 reports or an audit of the PSAPs, determines that any PSAP has used
39 any 911 fees for any purpose other than those authorized in this act,

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- 1 services in this state.
- 2 (k) Each PSAP shall file with the council, by March 1, 2012, ~~and~~
3 ~~every March 1 thereafter,~~ a report demonstrating how such PSAP has
4 spent the moneys earned from the 911 fee ~~during the preceding~~
5 ~~calendar year.~~ The council shall designate the content and form of such
6 report.
- 7 (l) The council, upon a finding that a provider has violated any
8 provision of this act, may impose a civil penalty. No civil penalty shall
9 be imposed pursuant to this section except upon the written order of the
10 council. Such order shall state the violation, the penalty to be imposed
11 and the right of such person to appeal to a hearing before the council.
12 Any such person may, within 15 days after service of the order, make a
13 written request to the council for a hearing thereon. Hearings under this
14 subsection shall be conducted in accordance with the provisions of the
15 Kansas administrative procedure act.
- 16 (m) Any action of the council pursuant to subsection (l) is subject
17 to review in accordance with the Kansas judicial review act.
- 18 (n) Any civil penalty recovered pursuant to this section shall be
19 transferred to the LCPA for deposit in the 911 state grant fund.
- 20 (o) As long as the provider is working in good faith to comply
21 with the provisions of this act, no civil penalty shall be imposed prior to
22 January 1, 2013.
- 23 ~~(p) The 911 coordinating council shall make an annual report, to~~
24 ~~include a detailed description of all expenditures of the PSAPs, to the~~
25 ~~house committee on energy and utilities and the senate committee on~~
26 ~~utilities.~~
- 27 New Sec. 4. (a) There is hereby established in the state treasury
28 the 911 federal grant fund.
- 29 (b) The chair of the 911 coordinating council shall serve as the
30 administrator of the 911 federal grant fund and shall distribute grants in
31 accordance with the recommendations of the 911 coordinating council.
32 Subject to the conditions and in accordance with the requirements of
33 this act and 47 C.F.R. part 400, the chair is authorized to perform such
34 acts necessary for the effectuation of this act.
- 35 (c) Moneys received by the state from the federal government for
36 the purposes of the fund shall be credited to the fund.
- 37 (d) Subject to the conditions and in accordance with the
38 requirements of this act and 47 C.F.R. part 400, moneys credited to the
39 fund shall be used only:

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ATTACHMENT 11