



Testimony Submitted to the
Senate Utilities Committee

Kansas Municipal Utilities
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Testimony in Opposition to SB 57

Good afternoon, Mr. Chairman, Vice-Chair, Ranking Minority, and committee members. Thank you for the opportunity to provide testimony in opposition to SB 57.

Kansas Municipal Utilities (KMU) is the statewide association representing Kansas cities and other public or not-for-profit agencies involved in the ownership and operation of municipal utilities across Kansas. Formed in 1928, KMU provides assistance and information to members with regard to legislative and regulatory issues, training and educational programs, and numerous other services that advance municipal utilities to achieve maximum benefits for the customer-owners served by our utilities. Our membership ranges in size from some of the largest utilities in the state, like the Kansas City Board of Public Utilities and the City of Wichita down to some of the smallest utility systems in the state serving fewer than 100 customers.

Concerning SB 57, KMU would like to highlight the following key concerns:

1. Under federally funded or federal aid projects, no other utilities are reimbursed for modifying or relocating their facilities.
2. Reimbursement for modifying or relocating communications facilities for federally funded or federal aid projects would increase the costs of these projects and translate into higher government costs (i.e. taxes).
3. The reimbursement for modifying or relocating communications facilities would open the door for other utilities located in the public ROW requesting to be treated equitably. If the requests were granted, this would substantially increase the cost of federally funded projects.
4. The impact of reimbursement of all utilities would increase costs. The increased cost impacts would be mitigated in one of two ways, 1) increased taxes to pay for the increased costs, or 2) fewer federally funded projects would be constructed due to the elevated costs with the available funds, and
5. To avoid the risk of modifying or relocating communications systems in the public ROW, the communications provider(s) could secure private easements during the initial construction. This bill speaks only to modification or relocation of assets when using a public asset, the public ROW, for the construction of communications systems.

Thank you for the opportunity to provide comments on SB 57 and we are happy to answer questions.