Office of Revisor of Statutes

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MEMORANDUM

To:

Senate Committee on Utilities

From:

Tamera Lawrence, Assistant Revisor of Statutes

Date:

March 14, 2012

Subject:

KAN-ED Act Substitute Bill

The proposed substitute bill amends the KAN-ED Act. Specifically, the bill phases out the KAN-ED network and provides for a KAN-ED program to facilitate the use of distance learning and telemedicine and assist those schools, libraries and hospitals currently connected to the KAN-ED network to transition to a commercial broadband internet connection.

To fund the program for fiscal year 2013, section 1 of the bill requires a transfer of \$6,000,000 from the KUSF to the state treasurer to be deposited in the KAN-ED fund.

Section 4 amends K.S.A. 2011 Supp. 75-7222 by striking the definition of "network" and adding the term "program," which means "the KAN-ED program created pursuant to this act for the purposes of (1) Facilitating schools', libraries' and hospitals' use of broadband technology-based video communication for distance learning and telemedicine; and (2) assisting schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 to connect to a commercially-provided broadband internet connection."

Section 5 amends K.S.A. 2011 Supp. 75-7223 and provides that the purpose of the KAN-ED act is to facilitate the use of distance learning and telemedicine and assist schools, libraries and hospitals currently connected to the KAN-ED network to transition from the

KAN-ED network to a commercially-provided broadband internet connection.

Section 6 amends K.S.A. 2011 Supp. 75-7224 to establish the duties of the board of regents in carrying out the provisions of the act. The duties of the board include:

(1) providing a program to facilitate the use of distance learning and telemedicine; (2) performing a one-time needs assessment for each school, library and hospital currently connected to the KAN-ED network to determine each entity's need for a broadband internet connection and distance learning and telemedicine; (3) assisting schools, libraries and hospitals currently connected to the KAN-ED network to transition to a commercially-provided broadband internet connection; (4) assisting schools, libraries and hospitals to apply for federal grants consistent with the purposes of this act and (5) collecting data on the usage of entities in the program and volume of data accessed.

Also in section 6, based on the findings of the needs assessment and collected data, the board shall develop and implement a plan to facilitate the use of distance learning and telemedicine, transition schools, libraries and hospitals from the KAN-ED network to a commercially provided broadband internet connection, and establish a maximum level of funding that may be provided, as users may be required to bear part of the cost of the program.

Section 7 amends K.S.A. 2011 Supp. 75-7226 to require the board to report to the senate committees on utilities and ways and means and the house committees on energy and utilities and appropriations by February 1, 2013. The report shall include usage, options for a shared resource fee structure for distance learning and telemedicine, and options to fund the KAN-ED program for fiscal year 2014 and beyond. The report shall also include the plan required by section 6 of the bill.

KAN-ED ACT

75-7222 (b) Definitions (c) (d) (e)	(b) "hospital" (c) "library" (d) "network" (e) "school"	(b) "hospital" (c) "library" (d) "school"	
	e) "library" 1) "network" e) "school"	(c) "library" (d) "school"	
	1) "network" e) "school"	(d) "school"	
Su	SCHOOL	Purpose of the act:	
	Subsection (a)	T CHE COOK OF CITY COOK.	
•	Purpose of the act: provide for a	 Assist schools, libraries and hospitals 	ies and hospitals
	broadband technology-based network		ork for internet
-	for schools, libraries and hospitals to	and intranet access for distance	or distance
	connect for internet access and		
	distance learning	 Require the board to establish and 	to establish and
Su	Subsection (b)	administer a subs	administer a subsidy program to help
•	Network features:	schools, libraries	schools, libraries and hospitals fund
	(1) universal provider interconnection or	the costs associated with such	ed with such
(2	(2) competitively bid end-user KAN-ED		
co	connections	Appropriate day	
Su	Subsection (c)	and anything	
75_7773	Network shall not provide:		
	(1) impairment of any existing contract		
the Act (2)	(2) state ownership or construction of		
	network facilities		
(3	(3) switched voice access		
(4	(4) transmission of voice over internet or		
vc	voice over internet protocol except for		
in	interactive two-way video		
(5)	(5) use of network for purposes		
(6	(6) establishment of proprietary	The state of the state of	
in	interconnection agreement with a	The state of the	
pr	provider or proprietary peering standards		
by	by a provider		
(7	(7) any financial fee or obligation		
re))		
III	required to connect which is unusual or		

	Subsection (a)	Subsection (a)	Subsection (a)
75-7224 Duties of	Board shall establish a plan to ensure	Board shall establish a plan to assist	(1) Provide a program to facilitate the use
the Board	schools, libraries and hospitals have	schools libraries and hospitals with	of broadband technology-based video
	affordable access to the internet and	the purchase of affordable access to	communication for distance learning and
	distance learning	the internet and distance learning	telemedicine by schools, libraries and
	 Board shall adopt standards to 	 Board shall adopt standards to 	hospitals
	determine whether access is available	determine whether access is available	(2) perform a one-time needs assessment
	and priorities to implement access	and priorities to achieve success	for schools currently connected to the
	 Board may request assistance to 	 Board may request assistance to 	KAN-ED network
	gather necessary data	gather necessary data	(3) assist schools, libraries and hospitals
	 Board shall develop a method to 	Board shall develop a method to	currently connected to transition to a
	update and validate data collected for	update and validate data collected for	commercial internet connection
	periodic revisions of the plan	periodic revisions of the plan	(4) assist schools, libraries and hospitals
	• 75% have access by July 1, 2004	Subsection (b)	apply for federal grants
	Subsection (b)	 Board shall establish a mechanism to 	(5) collect data
	Board shall contract with	combine federal and state subsidies	 Develop a method to update data for
	telecommunications providers for the	with contributions from participating	periodic revisions of the program
	creation, operation and maintenance	entities to enable them to purchase	Subsection (b)
	of the network	affordable access to internet, full-	 Board may request assistance to
	Subsection (c)	motion video and distance learning	gather necessary data
	• Board shall establish:	 Board shall develop, approve and 	Subsection (c)
	(1) technical standards for operation	revise state subsidy eligibility criteria	 Board shall establish:
	and maintenance of the network;	and schedules based on the needs	(1) technical standards for operation and
	(2) method of monitoring operations;	Subsection (c)	maintenance of the program;
	(3) method of increasing capacity to	 Board shall develop a needs 	(2) method of monitoring operations;
	accommodate demands	assessment, which may require	(3) method of adjusting the program to
	Subsection (d)	entities to pay part of the cost through	reflect the needs
	 Board shall identify regulatory 	user fees or other cost-share system	Subsection (d)
	impediments in implementation of	Subsection (d)	 Board shall develop a plan to:
	the network	Board may appoint advisory	(1) Facilitate the use of broadband
	Subsection (e)	committees	technology-based video communication
	 Board shall assess the needs of 	Subsection (e)	for distance learning and telemedicine
	entities for video connectivity and	 Board shall adopt rules and regs 	(2) transition schools, libraries and
	may develop a plan to provide such	Subsection (f)	Hospitals cultellity confidence to the
	connectivity. Such plan may require	 Board shall have powers to achieve 	KAIN-ED REWORK to a commercial
	users to bear part of the cost	purposes of this act	broadband internet provider

KAN-ED ACT

K.S.A.	Current Law	SB 398	Substitute Bill
75-7224	Subsection (f)	Subsection (g)	(3) establish a maximum level of funding
Duties of	 Board may appoint advisory 	 Other state agencies shall cooperate 	that may be provided to each school,
the Board	committees	with the board in providing	library and hospital
cont'd.	Subsection (g)	information and other assistance	Subsection (e)
	 Board shall adopt rules and regs 	e.	 Board may appoint advisory
	Subsection (h)		committees
	 Board shall have powers to achieve 		Subsection (f)
	purposes of the act		 Board shall adopt rules and regs
- 1	Subsection (i)		Subsection (g)
	 Other state agencies shall cooperate 		 Board shall have powers to achieve
1	with the board in providing		purposes of the act
	information and other assistance		Subsection (h)
			 Other state agencies shall cooperate
			with the board in providing
,			information and other assistance
75-7226	Annual report to the legislature	 Annual report to the legislature 	 Annual report to the legislature
Annual	• 2006, 2007 and 2008 report shall		• 2013 Report, including options to run
Report	include costs and savings realized by		and fund the program in the future
	the implementation of the network		
75-7228	 Study to identify duplicate services 	Repealed	Repealed
KAN-ED/	and inefficiencies between KAN-ED		
KanREN	and KanREN		3
Study	 Presentation of recommendations to 		
S	the legislature in 2006		
66-2010	N/A	N/A	Subsection (f)
KUSF			• KUSF administrator shall transfer \$6
			million to the state treasurer for
			deposit in the KAIN-ELJ fund for fiscal year 2013

SUBSTITUTE BILL

By Committee on Utilities

AN ACT concerning KAN-ED; amending K.S.A. 2011 Supp. 66-2010, 72-9712, 75-2546, 75-7222, 75-7223, 75-7224 and 75-7226 and repealing the existing sections; also repealing K.S.A. 2011 Supp. 75-7228.

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

- Section 1. K.S.A. 2011 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. For fiscal year 2013, the KUSF administrator shall transfer \$6,000,000 from the KUSF to the state treasurer. On or before the 10th of each month, the KUSF administrator shall pay from the KUSF $^{1}/_{12}$ of the \$6,000,000 to the state treasurer. 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.
- (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. 2011 Supp. 72-9712 is hereby amended to read as follows: 72-9712. (a) The state board of regents shall adopt any rules and regulations necessary for the administration of the provisions of this act and, subject to appropriations therefore, shall:
- (1) Provide for establishment and operation of the Kansas academy of mathematics and science program by a postsecondary educational institution designated by the board;
- (2) establish guidelines and procedures for operation of KAMS and for selection of academically talented pupils who apply for admission to KAMS;
- (3) prescribe the curriculum of KAMS, including coursework in mathematics through calculus II, chemistry, biology, physics, computer science, English and history. The course of

study for KAMS pupils shall be subject to the approval of the state board of education and shall be designed to meet both the high school graduation requirements and the requirements for an associate of arts or an associate of science degree. The state assessment scores of academically talented pupils in KAMS shall be included in the state assessment scores of the school district which such pupil last attended, but nothing herein shall preclude the use of such assessments by KAMS. Solely for the purpose of admission to KAMS, an academically talented pupil shall not be required to comply with the requirements of K.S.A. 76-717, and amendments thereto; and

- (4) establish tuition and fees for academically talented pupils attending the KAMS program. For academically talented pupils who are enrolled in a Kansas school district, such tuition and fees, other than those fees which are regularly charged to high school pupils, shall be paid by the school district where such pupil is enrolled, but shall not exceed an amount equal to base state aid per pupil. All academically talented pupils shall be responsible for the payment of any fees regularly charged to other pupils enrolled in high school. Tuition and fees charged to pupils who are not enrolled in a Kansas school district may exceed the amount charged to pupils who are enrolled in a Kansas school district. Academically talented pupils who are not enrolled in a Kansas school district shall be responsible for the payment of all tuition and fees.
 - (b) The guidelines and procedures for the operation of KAMS shall address:
- (1) Selection and admission of academically talented pupils on the basis of mathematics or science career interests, standardized tests scores, transcripts, teacher evaluations, essays, family commitment, personal interviews and other such factors as the board identifies;
 - (2) selection of faculty and faculty qualifications;
 - (3) research, laboratory and field trip activities;

- (4) extracurricular activities;
- (5) college and career counseling services;
- (6) college credit to be awarded;
- (7) preparation and utilization of manuals to be provided to high school counselors for use in advising academically talented pupils;
 - (8) computers and software needed;
- (9) ways and means of encouraging and facilitating parental involvement in KAMS; and
- (10) manner and method of publicizing KAMS and acquainting academically talented pupils and their parents with the benefits to be gained by attending KAMS.
- (c) The procedure for selecting academically talented pupils for admission to KAMS shall provide for admission of 20 academically talented pupils selected on a congressional district basis with no more than five pupils from each of the four congressional districts and 20 other academically talented pupils selected on a statewide basis. If there are fewer than five academically talented pupils who apply for admission to KAMS from any one of the four congressional districts, academically talented pupils applying from the other Kansas congressional districts may be substituted therefore, but congressional district balance shall be maintained to the extent possible. The board of regents shall have the authority to expand the number of academically talented pupils and to authorize admission of nonresident academically talented pupils and international academically talented pupils as well as additional Kansas residents. Any such expansion of the number of Kansas residents pupils shall maintain the same proportions as provided above for congressional districts and selections on a statewide basis. At

least three-fourths 3/4 of the total number of academically talented pupils enrolled in KAMS shall be Kansas residents. The selection criteria and programs for KAMS may include advance placement courses offered over the KAN-ED network for pupils in grades 9 through 12.

Admittance to KAMS shall be determined solely pursuant to rules and regulations of the state board of regents. Nothing in this section shall be construed to require the admittance of a gifted pupil to KAMS or the inclusion of KAMS admittance as a part of a gifted pupil's IEP.

- (d) The board shall have authority to aid regent institutions in developing short-term summer academies and shall include in its budget request funds for operating such academies. The governor shall include funding therefor in the governor's budget report. Such summer academies may be residential or use the KAN-ED system.
- Sec. 3. K.S.A. 2011 Supp. 75-2546 is hereby amended to read as follows: 75-2546. (a) There is hereby created the state library of Kansas board, which shall consist of 14 members as follows:
- (1) Seven members shall be professional librarians appointed by the governor. The professional organizations representing the following types of librarians shall each submit a list of three nominees for appointment to the board and the governor shall appoint one member from each such list: (A) Public librarians; (B) school librarians; (C) regents' librarians; (D) community college librarians; (E) private college librarians; (F) regional library systems librarians; and (G) special librarians. It shall be the responsibility of the state librarian to collect the names of nominees from the professional organizations of the librarians and to transmit them to the governor.
 - (2) Four members shall be appointed by the governor as follows: (A) One member who

is a trustee of a public library; (B) two members representing the general public; and (C) one member who shall be a qualified member of the Kansas federation of women's clubs.

- (3) Three members shall be members *ex officio* and shall not be entitled to vote. Such members shall be: (A) The executive officer of the board of regents or the designee of the executive officer; (B) the commissioner of education or the designee of the commissioner; and (C) the state librarian.
- (b) Each appointed member of the board shall serve for a term of four years and until a successor is appointed and qualifies except members first appointed to the board shall serve the following terms, as designated by the governor: Three shall serve for terms of four years, three for terms of three years, two for terms of two years and three for terms of one year. The appointed members of the board shall not serve more than two consecutive four-year terms.
- (c) It shall be the duty of the governor to make appointments in the manner provided by subsection (a) to fill vacancies on the board as they occur. Any person appointed to a vacancy shall serve for the unexpired term until a successor is appointed and qualifies.
- (d) The board shall organize annually by electing a chairperson and a vice-chairperson. The vice-chairperson shall preside at meetings in the absence of the chairperson. The state librarian shall serve as secretary of the board. The board shall meet at least quarterly and at such other times as meetings are called by the secretary.
 - (e) The board shall:
- (1) Advocate for statewide library services and resources, encouraging cooperation among libraries and promoting and encouraging innovative library services;
 - (2) advise and counsel the state librarian on policies and management and the state

library strategic plan;

- (3) review and approve the annual plans of regional systems of cooperating libraries;
- (4) promote collaboration with the state board of regents to ensure the <u>inclusion support</u> of libraries <u>on by</u> the KAN-ED <u>network program</u> and the continued availability of statewide library reference resources;
 - (5) perform such other duties and functions as provided by law; and
 - (6) recommend statewide priorities for interlibrary cooperation and resource sharing.
- (f) Members of the board attending meetings of the board, or attending a subcommittee meeting thereof authorized by the board, shall be paid amounts provided in subsection (e) of K.S.A. 75-3223, and amendments thereto. Amounts paid under this section shall be paid from appropriations to the state library upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state librarian or a person designated by the state librarian.
- Sec. 4. K.S.A. 2011 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) "Hospital" means a licensed hospital, as defined in K.S.A. 65-425, and amendments thereto.
- (c) "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.
- (d) "Network" means the KAN-ED network "Program" means the KAN-ED program created pursuant to this act for the purposes of: (1) Facilitating schools', libraries' and hospitals'

use of broadband technology-based video communication for distance learning and telemedicine; and (2) assisting schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 to connect to a commercially provided broadband internet connection.

- (e) "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 (2) any community college, technical college, the institute of technology at Washburn university or Kansas educational institution, as defined in K.S.A. 74-32,120, and amendments thereto.
- Sec. 5. K.S.A. 2011 Supp. 75-7223 is hereby amended to read as follows: 75-7223. (a) The purpose of this act is to:
- (1) Provide for a broadband technology-based network to which program to facilitate use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals may connect for broadband internet access and intranet access for distance learning; and
- (2) assist schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 transition from such network connection to a commercially provided broadband internet connection. For that purpose
- (b) To carry out such purposes, the state board of regents shall may contract in accordance with this act for the creation, operation and maintenance of such network, to be known as the KAN-ED network goods and services necessary to administer such program.
- (b) The network shall allow the following features: (1) Universal provider interconnection or peering rights; and (2) competitively bid end-user KAN-ED connections.

- The network program 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; or (2) state ownership or construction of any network facilities other than those owned or being constructed by the state on the effective date of this act; (3) switched voice access, except to the extent switched access is being provided by state owned, leased or operatedfacilities 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 program for purposes inconsistent with the purposes of this aet; (6) 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) 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) 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. 2011 Supp. 75-7224, and amendments thereto.
- Sec. 6. K.S.A. 2011 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 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 shall:
- (1) Provide a program to facilitate the use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals;

- (2) perform a one-time needs assessment for schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012, as such entities transition to a commercially provided broadband internet connection, to determine each such entity's needs for: (A) A broadband internet connection; and (B) distance learning and telemedicine delivery services;
- (3) assist schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 transition from such network connection to a commercially provided broadband internet connection;
- (4) assist schools, libraries and hospitals to apply for federal grants to be used for purposes consistent with this act; and
 - (5) collect data regarding:
 - (A) Broadband internet usage by each school, library and hospital in the program;
 - (B) distance learning and telemedicine usage; and
 - (C) the volume of data accessed.

The board shall develop a methodology for updating and validating any data collected for periodic revisions of the program, standards and priorities.

(b) 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 plan, 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, and amendments thereto.
- (c) The board shall establish: (1) Technical standards for operation and maintenance of the network_program; (2) the method of monitoring operations of the network_program; and (3) the method or methods of inereasing the capacity of the <a href="network to accommodate changes in the demands_adjusting_the program to reflect the needs of schools, libraries and hospitals_as_determined by the needs assessment or on-going data collection for each such entity. Such standards and methods shall be included in the board's report to the legislature pursuant to K.S.A.2011 Supp.75-7226, and amendments thereto.
- (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 findings of the needs assessments or collected data, the board may shall develop a plan to provide such connectivity. : (1) Facilitate the use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals; (2) transition schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 to a commercially provided broadband internet

connection; and (3) establish a maximum level of funding that may be provided to each school, library and hospital. The plan may require users of such connectivity the program to bear part of its cost. Such plan shall be included in the board's report to the legislature pursuant to K.S.A. 2011 Supp. 75-7226, and amendments thereto.

(f)(e) 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 distance learning and telemedicine, 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)(f) 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)(g) 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. 7. K.S.A. 2011 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 On or before February 1, 2013, the board shall report to the senate standing committees on utilities and ways and means and the house standing committees on energy and utilities and appropriations. Such report shall include:
 - (1) Broadband internet usage by each school, library and hospital in the program;
 - (2) distance learning and telemedicine usage;
- (3) options for a shared resource fee structure for schools, libraries and hospitals for distance learning and telemedicine usage;
- (4) options to fund the KAN-ED program for fiscal year 2014 and each fiscal year thereafter;
- (5) the standards and methods established by the board pursuant to subsection (c) of K.S.A. 2011 Supp. 75-7224, and amendments thereto; and
- (6) the plan developed by the board pursuant to subsection (d) of K.S.A. 2011 Supp. 75-7224, and amendments thereto.

- Sec. 8. K.S.A. 2011 Supp. 66-2010, 72-9712, 75-2546, 75-7222, 75-7223, 75-7224, 75-7226 and 75-7228 are hereby repealed.
- Sec. 9. This act shall take effect and be in force from and after its publication in the Kansas register.



SUBSTITUTE BILL

By Committee on Utilities

AN ACT concerning KAN-ED; amending K.S.A. 2011 Supp. 66-2010, 72-9712, 75-2546, 75-7222, 75-7223, 75-7224 and 75-7226 and repealing the existing sections; also repealing K.S.A. 2011 Supp. 75-7228.

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

- Section 1. K.S.A. 2011 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. For fiscal year 2013, the KUSF administrator shall transfer \$6,000,000 from the KUSF to the state treasurer. On or before the 10th of each month, the KUSF administrator shall pay from the KUSF $^{1}/_{12}$ of the \$6,000,000 to the state treasurer. 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.
- (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. 2011 Supp. 72-9712 is hereby amended to read as follows: 72-9712. (a) The state board of regents shall adopt any rules and regulations necessary for the administration of the provisions of this act and, subject to appropriations therefore, shall:
- (1) Provide for establishment and operation of the Kansas academy of mathematics and science program by a postsecondary educational institution designated by the board;
- (2) establish guidelines and procedures for operation of KAMS and for selection of academically talented pupils who apply for admission to KAMS;
- (3) prescribe the curriculum of KAMS, including coursework in mathematics through calculus II, chemistry, biology, physics, computer science, English and history. The course of

study for KAMS pupils shall be subject to the approval of the state board of education and shall be designed to meet both the high school graduation requirements and the requirements for an associate of arts or an associate of science degree. The state assessment scores of academically talented pupils in KAMS shall be included in the state assessment scores of the school district which such pupil last attended, but nothing herein shall preclude the use of such assessments by KAMS. Solely for the purpose of admission to KAMS, an academically talented pupil shall not be required to comply with the requirements of K.S.A. 76-717, and amendments thereto; and

- (4) establish tuition and fees for academically talented pupils attending the KAMS program. For academically talented pupils who are enrolled in a Kansas school district, such tuition and fees, other than those fees which are regularly charged to high school pupils, shall be paid by the school district where such pupil is enrolled, but shall not exceed an amount equal to base state aid per pupil. All academically talented pupils shall be responsible for the payment of any fees regularly charged to other pupils enrolled in high school. Tuition and fees charged to pupils who are not enrolled in a Kansas school district may exceed the amount charged to pupils who are enrolled in a Kansas school district. Academically talented pupils who are not enrolled in a Kansas school district shall be responsible for the payment of all tuition and fees.
 - (b) The guidelines and procedures for the operation of KAMS shall address:
- (1) Selection and admission of academically talented pupils on the basis of mathematics or science career interests, standardized tests scores, transcripts, teacher evaluations, essays, family commitment, personal interviews and other such factors as the board identifies;
 - (2) selection of faculty and faculty qualifications;
 - (3) research, laboratory and field trip activities;

- (4) extracurricular activities;
- (5) college and career counseling services;
- (6) college credit to be awarded;
- (7) preparation and utilization of manuals to be provided to high school counselors for use in advising academically talented pupils;
 - (8) computers and software needed;
- (9) ways and means of encouraging and facilitating parental involvement in KAMS; and
- (10) manner and method of publicizing KAMS and acquainting academically talented pupils and their parents with the benefits to be gained by attending KAMS.
- (c) The procedure for selecting academically talented pupils for admission to KAMS shall provide for admission of 20 academically talented pupils selected on a congressional district basis with no more than five pupils from each of the four congressional districts and 20 other academically talented pupils selected on a statewide basis. If there are fewer than five academically talented pupils who apply for admission to KAMS from any one of the four congressional districts, academically talented pupils applying from the other Kansas congressional districts may be substituted therefore, but congressional district balance shall be maintained to the extent possible. The board of regents shall have the authority to expand the number of academically talented pupils and to authorize admission of nonresident academically talented pupils and international academically talented pupils as well as additional Kansas residents. Any such expansion of the number of Kansas residents pupils shall maintain the same proportions as provided above for congressional districts and selections on a statewide basis. At

least three-fourths 3/4 of the total number of academically talented pupils enrolled in KAMS shall be Kansas residents. The selection criteria and programs for KAMS may include advance placement courses offered over the KAN-ED network for pupils in grades 9 through 12.

Admittance to KAMS shall be determined solely pursuant to rules and regulations of the state board of regents. Nothing in this section shall be construed to require the admittance of a gifted pupil to KAMS or the inclusion of KAMS admittance as a part of a gifted pupil's IEP.

- (d) The board shall have authority to aid regent institutions in developing short-term summer academies and shall include in its budget request funds for operating such academies. The governor shall include funding therefor in the governor's budget report. Such summer academies may be residential or use the KAN-ED system.
- Sec. 3. K.S.A. 2011 Supp. 75-2546 is hereby amended to read as follows: 75-2546. (a) There is hereby created the state library of Kansas board, which shall consist of 14 members as follows:
- (1) Seven members shall be professional librarians appointed by the governor. The professional organizations representing the following types of librarians shall each submit a list of three nominees for appointment to the board and the governor shall appoint one member from each such list: (A) Public librarians; (B) school librarians; (C) regents' librarians; (D) community college librarians; (E) private college librarians; (F) regional library systems librarians; and (G) special librarians. It shall be the responsibility of the state librarian to collect the names of nominees from the professional organizations of the librarians and to transmit them to the governor.
 - (2) Four members shall be appointed by the governor as follows: (A) One member who

is a trustee of a public library; (B) two members representing the general public; and (C) one member who shall be a qualified member of the Kansas federation of women's clubs.

- (3) Three members shall be members *ex officio* and shall not be entitled to vote. Such members shall be: (A) The executive officer of the board of regents or the designee of the executive officer; (B) the commissioner of education or the designee of the commissioner; and (C) the state librarian.
- (b) Each appointed member of the board shall serve for a term of four years and until a successor is appointed and qualifies except members first appointed to the board shall serve the following terms, as designated by the governor: Three shall serve for terms of four years, three for terms of three years, two for terms of two years and three for terms of one year. The appointed members of the board shall not serve more than two consecutive four-year terms.
- (c) It shall be the duty of the governor to make appointments in the manner provided by subsection (a) to fill vacancies on the board as they occur. Any person appointed to a vacancy shall serve for the unexpired term until a successor is appointed and qualifies.
- (d) The board shall organize annually by electing a chairperson and a vice-chairperson. The vice-chairperson shall preside at meetings in the absence of the chairperson. The state librarian shall serve as secretary of the board. The board shall meet at least quarterly and at such other times as meetings are called by the secretary.
 - (e) The board shall:
- (1) Advocate for statewide library services and resources, encouraging cooperation among libraries and promoting and encouraging innovative library services;
 - (2) advise and counsel the state librarian on policies and management and the state

library strategic plan;

- (3) review and approve the annual plans of regional systems of cooperating libraries;
- (4) promote collaboration with the state board of regents to ensure the <u>inclusion support</u> of libraries <u>on by</u> the KAN-ED <u>network program</u> and the continued availability of statewide library reference resources;
 - (5) perform such other duties and functions as provided by law; and
 - (6) recommend statewide priorities for interlibrary cooperation and resource sharing.
- (f) Members of the board attending meetings of the board, or attending a subcommittee meeting thereof authorized by the board, shall be paid amounts provided in subsection (e) of K.S.A. 75-3223, and amendments thereto. Amounts paid under this section shall be paid from appropriations to the state library upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state librarian or a person designated by the state librarian.
- Sec. 4. K.S.A. 2011 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) "Hospital" means a licensed hospital, as defined in K.S.A. 65-425, and amendments thereto.
- (c) "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.
- (d) "Network" means the KAN-ED network "Program" means the KAN-ED program created pursuant to this act for the purposes of: (1) Facilitating schools', libraries' and hospitals'

use of broadband technology-based video communication for distance learning and telemedicine; and (2) assisting schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 to connect to a commercially provided broadband internet connection.

- (e) "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 (2) any community college, technical college, the institute of technology at Washburn university or Kansas educational institution, as defined in K.S.A. 74-32,120, and amendments thereto.
- Sec. 5. K.S.A. 2011 Supp. 75-7223 is hereby amended to read as follows: 75-7223. (a) The purpose of this act is to:
- (1) Provide for a broadband technology-based network to which program to facilitate use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals may connect for broadband internet access and intranet access for distance learning; and
- (2) assist schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 transition from such network connection to a commercially provided broadband internet connection. For that purpose
- (b) To carry out such purposes, the state board of regents shall may contract in accordance with this act for the creation, operation and maintenance of such network, to be known as the KAN-ED network goods and services necessary to administer such program.
- (b) The network shall allow the following features: (1) Universal provider interconnection or peering rights; and (2) competitively bid end-user KAN-ED connections.

- The network program 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; or (2) state ownership or construction of any network facilities other than those owned or being constructed by the state on the effective date of this act; (3) switched voice access, except to the extent switched access is being provided by state owned, leased or operatedfacilities 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 program for purposes inconsistent with the purposes of this aet; (6) 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) 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) 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. 2011 Supp. 75-7224, and amendments thereto.
- Sec. 6. K.S.A. 2011 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 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 shall:
- (1) Provide a program to facilitate the use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals;

- (2) perform a one-time needs assessment for schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012, as such entities transition to a commercially provided broadband internet connection, to determine each such entity's needs for: (A) A broadband internet connection; and (B) distance learning and telemedicine delivery services;
- (3) assist schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 transition from such network connection to a commercially provided broadband internet connection;
- (4) assist schools, libraries and hospitals to apply for federal grants to be used for purposes consistent with this act; and
 - (5) collect data regarding:
 - (A) Broadband internet usage by each school, library and hospital in the program;
 - (B) distance learning and telemedicine usage; and
 - (C) the volume of data accessed.

The board shall develop a methodology for updating and validating any data collected for periodic revisions of the program, standards and priorities.

(b) 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 plan, 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, and amendments thereto.
- (c) The board shall establish: (1) Technical standards for operation and maintenance of the network_program; (2) the method of monitoring operations of the network_program; and (3) the method or methods of inereasing the capacity of the <a href="network to accommodate changes in the demands_adjusting_the program to reflect the needs of schools, libraries and hospitals_as_determined by the needs assessment or on-going data collection for each such entity. Such standards and methods shall be included in the board's report to the legislature pursuant to K.S.A.2011 Supp.75-7226, and amendments thereto.
- (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 findings of the needs assessments or collected data, the board may shall develop a plan to provide such connectivity. : (1) Facilitate the use of broadband technology-based video communication for distance learning and telemedicine by schools, libraries and hospitals; (2) transition schools, libraries and hospitals that have a direct KAN-ED connection as of January 1, 2012 to a commercially provided broadband internet

connection; and (3) establish a maximum level of funding that may be provided to each school, library and hospital. The plan may require users of such connectivity the program to bear part of its cost. Such plan shall be included in the board's report to the legislature pursuant to K.S.A. 2011 Supp. 75-7226, and amendments thereto.

(f)(e) 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 distance learning and telemedicine, 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)(f) 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)(g) 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. 7. K.S.A. 2011 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 On or before February 1, 2013, the board shall report to the senate standing committees on utilities and ways and means and the house standing committees on energy and utilities and appropriations. Such report shall include:
 - (1) Broadband internet usage by each school, library and hospital in the program;
 - (2) distance learning and telemedicine usage;
- (3) options for a shared resource fee structure for schools, libraries and hospitals for distance learning and telemedicine usage;
- (4) options to fund the KAN-ED program for fiscal year 2014 and each fiscal year thereafter;
- (5) the standards and methods established by the board pursuant to subsection (c) of K.S.A. 2011 Supp. 75-7224, and amendments thereto; and
- (6) the plan developed by the board pursuant to subsection (d) of K.S.A. 2011 Supp. 75-7224, and amendments thereto.

- Sec. 8. K.S.A. 2011 Supp. 66-2010, 72-9712, 75-2546, 75-7222, 75-7223, 75-7224, 75-7226 and 75-7228 are hereby repealed.
- Sec. 9. This act shall take effect and be in force from and after its publication in the Kansas register.

