Session of 2023

## HOUSE BILL No. 2237

By Committee on Local Government

1-31

AN ACT concerning counties; relating to public right-of-way; authorizing
 certain telecommunications and video service providers to operate in
 the county right-of-way; amending K.S.A. 2022 Supp. 17-1902 and
 repealing the existing section.

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

7 Section 1. K.S.A. 2022 Supp. 17-1902 is hereby amended to read as 8 follows: 17-1902. (a) (1) "Public right-of-way" means only the area of real 9 property-in which that the city municipality has a dedicated or acquired 10 right-of-way interest in the real property. It shall include "Public right-of-11 way" includes the area on, below or above the present and future streets, 12 alleys, avenues, roads, highways, parkways or boulevards dedicated or acquired as right-of-way. The term "Public right-of-way" does not include 13 14 above a right-of-way with regard the airwaves to wireless telecommunications-or, other nonwire telecommunications or broadcast 15 16 service, easements obtained by utilities or private easements in platted 17 subdivisions or tracts.

18 (2) "Provider" means a local exchange carrier as defined in K.S.A. 19 66-1,187(h), and amendments thereto, or a telecommunications carrier as 20 defined in K.S.A. 66-1,187(m), and amendments thereto, or a video 21 service provider as defined in K.S.A. 2022 Supp. 12-2022, and 22 amendments thereto, but does not include an applicant as defined in 23 K.S.A. 66-2019, and amendments thereto.

(3) "Telecommunications services" means providing the means of
transmission, between or among points specified by the user, of
information of the user's choosing, without change in the form or content
of the information as sent and received.

(4) "Competitive infrastructure provider" means an entity which leases, sells or otherwise conveys facilities located in the right-of-way, or the capacity or bandwidth of such facilities for use in the provision of telecommunications services, internet services or other intrastate and interstate traffic, but does not itself provide services directly to end users within the corporate limits of the eity *municipality*.

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(5) "Municipality" means any city or county.

(b) Any provider shall have the right pursuant to this act to construct,maintain and operate poles, conduit, cable, switches and related

appurtenances and facilities along, across, upon and under any public
 right-of-way in this state. Such appurtenances and facilities shall be so
 constructed and maintained as not to obstruct or hinder the usual travel or
 public safety on such public ways or obstruct the legal use by other
 utilities.

6 (c) Nothing in this act shall be interpreted as granting a provider the 7 authority to construct, maintain or operate any facility or related 8 appurtenance on property owned by a-eity *municipality* outside of the 9 public right-of-way.

10 (d) The authority of a provider to use and occupy the public right-ofway shall always be subject and subordinate to the reasonable public 11 health, safety and welfare requirements and regulations of the-eity-12 13 municipality. A-eity municipality may exercise its home rule powers, to the 14 extent provided by law, in its administration and regulation related to the 15 management of the public right-of-way provided that any such exercise 16 must be competitively neutral and may not be unreasonable or 17 discriminatory. Nothing herein shall be construed to limit the authority of 18 eities a municipality to require a competitive infrastructure provider to 19 enter into a contract franchise ordinance.

20 (e) The city municipality shall have the authority to prohibit the use 21 or occupation of a specific portion of public right-of-way by a provider 22 due to a reasonable public interest necessitated by public health, safety and 23 welfare so long as the authority is exercised in a competitively neutral 24 manner and is not unreasonable or discriminatory. A reasonable public 25 interest shall include the following:

(1) The prohibition is based upon a recommendation of the <u>city</u>
 *municipality* engineer, is related to public health, safety and welfare and is
 nondiscriminatory among providers, including incumbent providers;

(2) the provider has rejected a reasonable, competitively neutral and nondiscriminatory justification offered by the<u>-eity</u> *municipality* for requiring an alternate method or alternate route that will result in neither unreasonable additional installation expense nor a diminution of service quality;

(3) the-city *municipality* reasonably determines, after affording the
provider reasonable notice and an opportunity to be heard, that a denial is
necessary to protect the public health and safety and is imposed on a
competitively neutral and nondiscriminatory basis; or

(4) the specific portion of the public right-of-way for which the
provider seeks use and occupancy is environmentally sensitive as defined
by state or federal law or lies within a previously designated historic
district as defined by local, state or federal law.

42 (f) A provider's request to use or occupy a specific portion of the 43 public right-of-way shall not be denied without reasonable notice and an opportunity for a public hearing before the<u>-eity</u> governing body *of the municipality*. A-eity governing body's denial of a provider's request to use
 or occupy a specific portion of the public right-of-way may be appealed to
 a district court.

5 (g) A provider shall comply with all laws and rules and regulations 6 governing the use of public right-of-way.

7 (h) A-eity *municipality* may not impose the following regulations on 8 providers:

9 (1) Requirements that particular business offices or other 10 telecommunications facilities be located in the eity *municipality*;

11 (2) requirements for filing applications, reports and documents that 12 are not reasonably related to the use of a public right-of-way or this act;

(3) requirements for-eity municipality approval of transfers of
ownership or control of the business or assets of a provider's business,
except that a-eity municipality may require that such entity maintain
current point of contact information and provide notice of a transfer within
a reasonable time; and

(4) requirements concerning the provisioning of or quality of
 customer services, facilities, equipment or goods in-kind for use by the
 eity *municipality*, political subdivision or any other provider or public
 utility.

22 (i) Unless otherwise required by state law, in the exercise of its lawful 23 regulatory authority, a-eity municipality shall promptly, and in no event more than 30 days, with respect to facilities in the public right-of-way, 24 25 process each valid and administratively complete application of a provider for any permit, license or consent to excavate, set poles, locate lines, 26 construct facilities, make repairs, effect traffic flow, obtain zoning or 27 28 subdivision regulation approvals, or for other similar approvals, and shall 29 make reasonable effort not to unreasonably delay or burden that provider in the timely conduct of its business. The-eity municipality shall use its 30 31 best reasonable efforts to assist the provider in obtaining all such permits, 32 licenses and other consents in an expeditious and timely manner.

(j) If there is an emergency necessitating response work or repair, a provider may begin that repair or emergency response work or take any action required under the circumstances, provided that the provider notifies the affected-eity *municipality* promptly after beginning the work and timely thereafter meets any permit or other requirement had there not been such an emergency.

(k) A-eity municipality may require a provider to repair all damage to
a public right-of-way caused by the activities of that provider, or of any
agent affiliate, employee, or subcontractor of that provider, while
occupying, installing, repairing or maintaining facilities in a public rightof-way and to return the right-of-way; to its functional equivalence before

1 the damage pursuant to the reasonable requirements and specifications of

2 the eity municipality. If the provider fails to make the repairs required by 3 the-eity municipality, the-eity municipality may effect those repairs and charge the provider the cost of those repairs. If a -city municipality incurs 4 damages as a result of a violation of this subsection, then the city-5 6 *municipality* shall have a cause of action against a provider for violation of 7 this subsection, and may recover its damages, including reasonable 8 attorney fees, if the provider is found liable by a court of competent 9 jurisdiction.

10 (1) If requested by a-city municipality, in order to accomplish construction and maintenance activities directly related to improvements 11 for the health, safety and welfare of the public, a provider shall promptly 12 remove its facilities from the public right-of-way or shall relocate or adjust 13 its facilities within the public right-of-way at no cost to the political-14 15 subdivision municipality. Such relocation or adjustment shall be completed 16 as soon as reasonably possible within the time set forth in any request by 17 the city municipality for such relocation or adjustment. Any damages 18 suffered by the-eity municipality or its contractors as a result of such 19 provider's failure to timely relocate or adjust its facilities shall be borne by 20 such provider.

(m) No-eity municipality shall create, enact or erect any unreasonable
 condition, requirement or barrier for entry into or use of the public rights of-way by a provider.

(n) A-eity municipality may assess any of the following fees against a
 provider, for use and occupancy of the public right-of-way, provided that
 such fees reimburse the-eity municipality for its reasonable, actual and
 verifiable costs of managing the-eity public right-of-way; and are imposed
 on all such providers in a nondiscriminatory and competitively neutral
 manner:

(1) A permit fee in connection with issuing each construction permit
 to set fixtures in the public right-of-way within that-eity *municipality* as
 provided in K.S.A. 17-1901, and amendments thereto, to compensate the
 eity *municipality* for issuing, processing and verifying the permit
 application;

35 (2) an excavation fee for each street or pavement cut to recover the 36 costs associated with construction and repair activity of the provider, their 37 assigns, contractors or subcontractors, or both, with the exception of 38 construction and repair activity required pursuant to subsection (1)-of this 39 act related to construction and maintenance activities directly related to 40 improvements for the health, safety and welfare of the public; provided, 41 however,. Imposition of such excavation fee-must shall be based upon a 42 regional specific or other appropriate study establishing the basis for such 43 costs which takes into account the life of the-eity street prior to the

construction or repair activity and the remaining life of the-eity street.
 Such excavation fee is expressly limited to activity that results in an actual
 street or pavement cut;

4 (3) inspection fees to recover all reasonable costs associated with-eity 5 *a municipality's* inspection of the work of the provider in the right-of-way;

6 (4) repair and restoration costs associated with repairing and restoring 7 the public right-of-way because of damage caused by the provider, its 8 assigns, contractors or subcontractors, or both, in the right-of-way; and

9 (5) a performance bond, in a form acceptable to the-eity *municipality*, 10 from a surety licensed to conduct surety business in the state of Kansas, 11 insuring appropriate and timely performance in the construction and 12 maintenance of facilities located in the public right-of-way.

(o) A-eity may municipality shall not assess any additional fees
 against providers for use or occupancy of the public right-of-way other
 than those specified in subsection (n).

(p) This act-may *shall* not be construed to affect any valid taxation of
 a provider's facilities or services.

18 (q) Providers shall indemnify and hold the <u>eity</u> municipality and its 19 officers and employees harmless against any and all claims, lawsuits, judgments, costs, liens, losses, expenses, fees to include reasonable 20 21 attorney fees and costs of defense, proceedings, actions, demands, causes 22 of action, liability and suits of any kind and nature, including personal or 23 bodily injury or death, property damage or other harm for which recovery 24 of damages is sought, to the extent that it is found by a court of competent 25 jurisdiction to be caused by the negligence of the provider, any agent, 26 officer, director, representative, employee, affiliate or subcontractor of the 27 provider, or their respective officers, agents, employees, directors or 28 representatives, while installing, repairing or maintaining facilities in a 29 public right-of-way. The indemnity provided by this subsection does not 30 apply to any liability resulting from the negligence of the city municipality, 31 its officers, employees, contractors or subcontractors. If a provider and the eity municipality are found jointly liable by a court of competent 32 33 jurisdiction, liability shall be apportioned comparatively in accordance 34 with the laws of this state without, however, waiving any governmental 35 immunity available to the city municipality under state law and without 36 waiving any defenses of the parties under state or federal law. This section 37 is solely for the benefit of the-eity municipality and provider and does not 38 create or grant any rights, contractual or otherwise, to any other person or 39 entity.

(r) A provider or <u>eity</u> *municipality* shall promptly advise the other in
 writing of any known claim or demand against the provider or the <u>eity</u>
 *municipality* related to or arising out of the provider's activities in a public
 right-of-way.

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(s) Nothing contained in-K.S.A. 17-1902, and amendments thereto, 1 this section is intended to affect the validity of any franchise fees collected 2 3

- pursuant to state law or <del>a city's</del> *the* home rule authority *of the municipality*. (t) Any ordinance enacted prior to the effective date of this act governing the use and occupancy of the public right-of-way by a provider 4 5 shall not conflict with the provisions of this act. Sec. 2. K.S.A. 2022 Supp. 17-1902 is hereby repealed. 6
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Sec. 3. This act shall take effect and be in force from and after its 8 9 publication in the statute book.