

## MINUTES OF THE SENATE WAYS &amp; MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on April 5, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD  
 Rae Anne Davis, KS Legislative Research Department  
 Debra Hollon, KS Legislative Research Department  
 Norman Furse, Revisor of Statutes  
 Michael Corrigan, Asst. Revisor of Statutes  
 Judy Bromich, Administrative Assistant to the Chairman  
 Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Dr. Lynne Holt, Kansas Legislative Research Department  
 Don Heiman, Executive Branch's Chief Technology Officer, DISC  
 Greg Rasmussen,  
 Doug Heacock, KANREN  
 Duane Johnson, State Librarian  
 Craig Grant, Kansas National Education Association  
 Jon Federico, Kansas Cable Telecommunications Association

Others attending: See attached list

**HB 2591: Sub for HB 2591 by Committee on Education – State education technology network, establishment**

Dr. Lynne Holt, KLRD, appeared before the Committee and distributed copies of a committee report from the Special Committee on Education ([Attachment 1](#)) and of a proposal to the Special Committee on Education regarding the next step toward a statewide network for schools, libraries, and state agencies in Kansas ([Attachment 2](#)). Dr. Holt distributed copies of a summary of KAN-ED ([Attachment 3](#)) and told members that **HB 2591** as amended by the House Committee was separately referred to the House Education and Utilities Committees, and the bill as it appears before Ways and Means includes amendments made by both of those committees. She stated that the bill was written to address disparity in the amounts that school districts across the state pay for internet services and the bottom line is that this bill would provide cost savings for schools in remote areas. She told who would be served by KAN-ED, reviewed the possible applications of KAN-ED, explained how KAN-ED will be managed, detailed the plan for obtaining KAN-ED services, noted how the contracts between DISC and the vendors would be handled, explained the role of KANREN in KAN-ED, discussed the importance of Internet 2, described how KAN-ED would be funded, and reported on how E-Rate discounts could be used for KAN-ED. Dr. Holt noted that as the bill is written, any kind of technology provider would be able to bid for the services, DISC is not precluded from contracting with KANREN, and there is no appropriation in the bill.

In answer to questions, Dr. Holt stated that the bill tries to make sure no private contract is abrogated if a school district already has Internet I services. It was noted that Internet II is used primarily for research and education and certain databases are available only on Internet II. It was stated that no private companies offer linkage to Internet II. Dr. Holt noted that KAN-ED would link all districts and libraries at one point of presence and school districts will pay costs for wiring their buildings. There was some discussion about whether KAN-ED would provide an incentive or a disincentive for the private sector.

Don Heiman, Executive Branch's Chief Technology Officer, DISC, appeared before the Committee in support of **HB 2591** and reviewed the written testimony which he presented to members ([Attachment 4](#)). Mr. Heiman also handed out a glossary of the terms which were frequently used in discussion about KAN-ED ([Attachment 5](#)) and the breakdown of costs associated with the service ([Attachment 6](#)). In discussing costs, Mr. Heiman stated that cost savings are dependent on several contingencies including E-

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rate discounts and the agency's ability to negotiate aggressively with industry for favorable pricing. In response to questions, Mr. Heiman stated that DISC will be short \$1.1 million in covering costs of installation and the first year's operation, and the annual recurring cost if the agency is successful in obtaining the E-rate discounts every year will be \$4.5 to \$5 million. In answer to a question, Mr. Heiman stated that the Federal Commission has to act on the E-rate and other contingencies on or before May 7.

Greg Rasmussen, Coordinator of Educational Technology with the Department of Education, appeared before the Committee and summarized the Department's support of **HB 2591** (Attachment 7). He stated that he believed KAN-ED is critical to the future of schools and will play an instrumental part in the future of Kansas. In response to a concern that KAN-ED might be perceived as providing the greatest benefits for those districts that have done little to access services on their own, Mr. Rasmussen stated that some districts are not prohibited by cost alone, but also by the inability to get an internet connection big enough to support their connections. Members expressed some reservation about the reliability of two year old statistics regarding computers.

Doug Heacock, President and CEO of KANREN, distributed and reviewed copies of his written testimony in support of **HB 2591** (Attachment 8). He provided background information regarding three of the networking entities involved in the KAN-ED project. In answer to a question, Mr. Heacock stated that the application of KAN-ED which provides NEXRAD weather data does not parallel something already in existence.

Duane Johnson, State Librarian, reviewed his written testimony in support of **HB 2591** (Attachment 9). Mr. Johnson spoke to the benefits of the proposed network to Kansas libraries, noting that 14% of the public libraries have no Internet connection and 62% have low speed access to the Internet. In answer to a question, he stated that the state library currently pays for low speed access.

Craig Grant, Kansas National Education Association, presented his written testimony in support of **HB 2591** (Attachment 10). He stated that he hopes KAN-ED provides inservice for teachers as well as help for students and connectivity between schools.

Jon Federico appeared on behalf of the Kansas Cable Telecommunications Association to offer "qualified" support of **HB 2591**. He reviewed his written testimony which enumerated KCTA's concerns about the bill (Attachment 11). After hearing the testimony of other conferees, he also voiced concern about references to T1 which is specific technology that the cable companies cannot offer and about the ability to utilize existing cable technology with the purchased network. In response to the latter concern, Mr. Heiman told members that the connectivity of the school districts to the backbone is in addition to what is already in place, and it is the Department's intention to use existing infrastructure rather than replace it. To that end, he noted that he is committed to not advocating or selling his own structure. It was noted that the bill does not reference specific technology and that current statute defines telecommunication services as including data transmission services. Mr. Heiman added that data transmission services includes cable.

Because of time constraints, the Chairman requested that Committee members seek answers to their questions and he would survey them for the level of interest they had in acting on **HB 2591** prior to the next meeting.

Senator Jordan offered a motion which was seconded by Senator Morris to approve the minutes of the March 29, 2000 meeting. The motion carried on a voice vote.

The Chairman adjourned the meeting at 1:00 p.m. The next meeting will be April 6, 2000.