

STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 16, 2018

The Honorable Joe Seiwert, Chairperson
House Committee on Energy, Utilities and Telecommunications
Statehouse, Room 481-W
Topeka, Kansas 66612

Dear Representative Seiwert:

SUBJECT: Fiscal Note for HB 2682 by Representative Parker, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2682 is respectfully submitted to your committee.

HB 2682 would prohibit the State of Kansas from entering into a contract with any internet service provider that violates the principles of net neutrality.

Based on the assumption that current internet service providers would choose to adopt the net neutrality principles, the Office of Information Technology of the Kansas Department of Administration estimates that the likely impact of enactment of HB 2682 on the state would be minimal. However, if one or more of the current internet providers would choose not to adopt the net neutrality principles, there could be switching costs involved with moving to a new provider. This assumes that there would be adequate enterprise class service providers available that would agree to abide by the principles of net neutrality. Switching costs are difficult to estimate, but it is likely that they could be handled within existing resources. Any fiscal effect associated with HB 2682 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Colleen Becker, Department of Administration