

SESSION OF 2018

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2701

As Amended by House Committee on Energy,
Utilities and Telecommunications

Brief*

HB 2701, as amended, would establish the Statewide Broadband Expansion Task Force (Task Force).

Mission

The mission of the Task Force would be as follows:

- Work collaboratively to evaluate the broadband needs of Kansas citizens, business, industries, institutions, and organizations;
- Consider any recent actions by the Federal Communications Commission relating to broadband services including, but not limited to;
 - The 2018 Broadband Deployment Report;
 - Recommendations of the Broadband Deployment Advisory Committee; and
 - Any actions to implement broadband initiatives using the Connect America Fund Phase II or the Remote Areas Fund;
- Identify opportunities and potential funding sources to:

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Expand broadband infrastructure, and increase statewide access to broadband services;
- Remove barriers that may hinder deployment of broadband infrastructure or access to broadband services;
- Enable the creation and deployment of new advanced communication technologies; and
- Prioritize the expansion of broadband services first to unserved areas of the state and then to underserved areas of the state.

The bill also would require the Task Force to submit a report to the Legislature regarding its work and recommendations on or before January 31, 2019.

Task Force Composition

The Task Force would be composed of 23 voting members. The membership would be as follows:

- Four members of the House of Representatives, appointed by the Speaker of the House:
 - One member serving on House Committee on Energy, Utilities and Telecommunications; and
 - One member serving on the House Committee on Commerce;
- One member of the House of Representatives, appointed by the House Minority Leader;
- Two members of the Senate, appointed by the Senate President:
 - One member serving on the Senate Committee on Utilities; and

- One member serving on the Senate Committee on Commerce;
- One member of the Senate, appointed by the Senate Minority Leader;
- One member appointed by the Kansas Association of Counties (KAC);
- One member appointed by the Kansas League of Municipalities (LKM);
- Two members appointed by the Kansas Rural Independent Telephone Coalition (KRITC):
 - One member representing a rural service area; and
 - One member representing an urban service area;
- Two members from the Kansas Cable Telecommunications Association (KCTA):
 - One member representing a rural service area; and
 - One member representing an urban service area;
- One member appointed by the cellular telecommunications industry association (CTIA);
- One member representing an electing carrier;
- One member representing an incumbent local exchange carrier that is a recipient of Kansas Universal Service Fund funds and serve a rural service area;

- One member appointed by the Kansas Chamber of Commerce;
- One member appointed by the Kansas Farm Bureau (KFB);
- One member appointed by the National Federation of Independent Business (NFIB);
- One member at-large appointed by the Governor; and
- Two members appointed by the State Independent Telephone Association (SITA).

In addition, the bill would require the Task Force to include the following three non-voting *ex-officio* members:

- The Secretary of Commerce, or designee;
- The Commissioner of Education, or designee; and
- The Chairperson of the Kansas Corporation Commission, or designee.

All members would be appointed no later than 45 days from the effective date of the bill and membership would consist of members representing the 4 congressional districts in Kansas. In addition, the bill would require members reside or work in Kansas. Any vacancy on the Task Force would be filled by appointment in the same manner as the original appointment.

Legislative members of the Task Force attending authorized meetings would be paid amounts provided in continuing law. Non-legislative members could be reimbursed by their appointing authority.

Committee Structure and Meetings

The bill would stipulate one of the legislative members appointed by the Speaker of the House of Representatives and one member appointed by the President of the Senate would serve as co-chairpersons of the Task Force. The Task Force would meet in an open meeting at any time upon call of either co-chairperson. In addition, the Task Force would be required to meet three to six times, and a majority of the voting members of the Task Force would constitute a quorum. Finally, any action taken by the Task Force would be by motion adopted by a majority of voting member present with a quorum.

Staff

The bill would require staff from the Division of Legislative Administrative Services (LAS), the Kansas Legislative Research Department, and the Office of Revisor of Statutes to provide assistance as requested by the Task Force.

Sunset

The Statewide Broadband Expansion Task Force would sunset on June 30, 2019.

Background

The bill was requested by Representative Seiwert, and introduced by the House Committee on Energy, Utilities and Telecommunications.

The House Committee received testimony in support of the bill from representatives of the KAC, KCTA, Kansas Department of Transportation (KDOT), Kansas Electric Cooperatives Inc. (KEC), Kansas Municipal Utilities (KMU), and LKM. Written-only proponent testimony was provided by

representatives of the American Association of Retired Persons, Kansas Association of School Boards, Kansas Cooperative Council, KFB, Kansas Legislative Policy Group, and NFIB. The proponents generally stated the need to expand broadband in unserved and underserved areas of the state, so citizens may better improve their quality of life and support economic development in these regions. The representatives of the KAC and LKM requested additional membership on the Task Force for representatives for urban and rural counties and municipalities, respectively. In addition, the representatives for the KEC, KDOT, and KMU requested representation on the Task Force for their respective organizations.

Representatives of Sprint and Century Link provided neutral testimony. Written-only neutral testimony was received from AT&T Kansas, KRITC, and SITA. The Sprint representative noted the makeup of the Task Force is weighted toward providers other than wireless carriers. The representative also stated the member of the Task Force representing a CTIA should represent a wireless carrier and requested that CTIA be allowed to appoint two members. The Century Link representative stated the scope of the Task Force is overly broad and may not result in workable solutions.

No opponent testimony was provided.

The House Committee amended the bill to require Task Force members to reside or work in Kansas.

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, LAS states the bill would result in additional expenditures of \$31,131 from the State General Fund, of which \$27,261 would be for salaries, wages, subsistence, mileage, tolls, and travel time for eight legislators meeting six times. LAS also states the cost for a committee assistant would be \$3,870 for salaries and wages. Any fiscal effect associated with the bill is not reflected in *The FY 2019 Governor's Budget Report*.