

HOUSE BILL No. 2201

AN ACT concerning telecommunications; relating to the state corporation commission, regulation; concerning the Kansas universal service fund, eligibility and disbursements; establishing the telecommunications study committee; concerning KAN-ED; amending K.S.A. 66-1,188, 66-1,191, 66-1,195, 66-2002, 66-2003 and 66-2007 and K.S.A. 2012 Supp. 66-1,187, 66-2005, 66-2006, 66-2008, 66-2009 and 75-7224 and repealing the existing sections.

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

New Section 1. (a) There is hereby established the telecommunications study committee. The committee shall study telecommunications issues, the Kansas universal service fund, the federal universal service fund, the creation of a state broadband fund to support the deployment of advanced telecommunications capability to all areas of the state, the statement of the public policy of Kansas, as expressed in K.S.A. 66-2001, and amendments thereto, and other telecommunications issues determined by the legislative coordinating council.

- (b) (1) The study committee shall be composed of 20 voting members.
- (2) Nine members shall be from the senate committee on utilities as follows:
  - (A) The chairperson, vice-chairperson and ranking minority member;
  - (B) five members appointed by the president of the senate; and
  - (C) one member appointed by the minority leader of the senate.
- (3) Eleven members shall be from the house committee on utilities and telecommunications as follows:
  - (A) The chairperson, vice-chairperson and ranking minority member;
  - (B) seven members appointed by the speaker of the house of representatives; and
  - (C) one member appointed by the minority leader of the house of representatives.

(c) Members shall be appointed to the study committee on or before August 1, 2013 for a term ending on June 30, 2015. The chairperson of the senate committee on utilities and the chairperson of the house committee on utilities and telecommunications shall serve as co-chairpersons of the committee. The co-chairpersons shall determine the procedures for calling a meeting to order and conducting committee business. The first meeting of the study committee shall be called by the co-chairpersons of the committee following the conclusion of the 2013 regular session of the Kansas legislature. The committee shall have the authority to meet at any time and at any place within the state on the call of the co-chairpersons.

(d) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the telecommunications study committee to the extent that the same do not conflict with the specific provisions of this act applicable to the study committee.

(e) A quorum of the telecommunications study committee shall be 11 members. All actions of the committee shall be taken by a majority of all of the members of the committee.

(f) Any vacancy in the membership of the committee shall be filled by appointment in the same manner prescribed by this section for the original appointment.

(g) (1) The department of revenue shall administer an audit of the Kansas universal service fund. The audit shall examine the overall efficiency and effectiveness of the KUSF. The department shall submit a final audit report to the telecommunications study committee on or before November 1, 2014.

(2) The telecommunications study committee shall determine the scope of the audit. The audit may include an analysis of the following:

(A) The total amount of KUSF support received expressed on a per-line basis;

(B) the total amount of rural utilities service debt or other debt, by recipient or related entity, and the maturity date, amortization and security for such debt;

(C) the capital expenditures on technology by type;

(D) affiliate transactions and transfers; and

(E) the compensation received by the recipient's executives, partners, members and board.

(3) The department may review or request any document filed with the commission, including confidential data, so long as a non-disclosure agreement is signed by the auditors.

(4) The cost of the audit shall be paid from the KUSF.

(h) The telecommunications study committee shall provide an annual report to the senate committee on utilities and the house committee on utilities and telecommunications. The committee shall make recommendations and may introduce such legislation as it deems necessary in performing the committee's duties. The committee shall issue a report and policy recommendations for telecommunications to the senate committee on utilities, the senate committee on ways and means, the house committee on utilities and telecommunications and the house committee on appropriations prior to December 31, 2014.

(i) Members of the telecommunications study committee shall receive compensation, travel expenses and subsistence expenses as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of the committee.

(j) The staff of the office of the revisor of statutes, the legislative research department and the division of legislative administrative services shall provide such assistance as may be requested by the study committee.

(k) The provisions of this section shall expire on June 30, 2015.