STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D. Larry L. Campbell, Chief Budget Officer

April 9, 2018

REVISED

The Honorable Kristey Williams, Chairperson House Committee on Local Government Statehouse, Room 165-W Topeka, Kansas 66612

Dear Representative Williams:

SUBJECT: Revised Fiscal Note for HB 2450 by Representative Sloan

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2450 is respectfully submitted to your committee.

HB 2450 would amend existing law concerning advanced telecommunications services to include broadband services. The bill provides definitions of "broadband equipment," "broadband service," "broadband service provider," "collocate," "municipality," "public right-of-way," "reasonable compensation," and "utility facility." Under certain conditions, the bill would allow a broadband service provider to collocate broadband equipment on any utility facility located in a public right-of-way. The Kansas Corporation Commission would be required to adopt rules and regulations regarding whether collocation of broadband equipment would impair the physical integrity of a utility facility, as well as any other rules and regulations necessary to implement the provisions of the bill.

According to the Kansas Corporation Commission, any costs associated with enactment of HB 2450 could be performed from within existing budget resources. According to the Kansas Association of Counties, it is not clear that the bill applies to counties; however, if it does, enactment of HB 2450 could result in additional revenues from fees for permits. The League of Kansas Municipalities indicates that enactment of HB 2450 could result in additional expenditures for maintenance and updating of poles after installation. In addition there could be accounting costs related to tracking installations. The League is unable to estimate what those costs might be. Any fiscal effect associated with HB 2450 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely, I. Cappell

Larry L. Campbell Chief Budget Officer

cc: Jake Fisher, KCC Chardae Caine, League of Municipalities Melissa Wangemann, Association of Counties