

## HOUSE BILL No. 2448

By Representative Holland

2-7

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9 AN ACT concerning telecommunications; establishing the wireless high  
10 speed internet service grant program.

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

13 Section 1. As used in this act:

14 (a) "Commission" means the state corporation commission.

15 (b) "Fund" means the high speed internet service grant fund estab-  
16 lished by this act.

17 (c) "High speed internet access service" means those services and  
18 underlying facilities that provide upstream, from customer to provider,  
19 transmission to the internet at a speed not less than 384 kilobits per  
20 second and downstream, from provider to customer, transmission from  
21 the internet at a speed not less than one megabits per second.

22 (d) "Project costs" means costs of acquisition of equipment and soft-  
23 ware required to furnish wireless high speed internet service to  
24 customers.

25 (e) "Provider" means a provider of wireless high speed internet ac-  
26 cess service who is domiciled in Kansas. "Provider" does not include any  
27 city, county or other governmental entity.

28 Sec. 2. (a) There is hereby established in the state treasury the high  
29 speed internet service grant fund.

30 (b) Moneys from the following sources shall be credited to the fund:

31 (1) Amounts received by the state from the federal government for  
32 the purposes of the fund;

33 (2) amounts appropriated or otherwise made available by the legis-  
34 lature for the purposes of the fund;

35 (3) interest attributable to investment of moneys in the fund; and

36 (4) amounts received from any public or private entity for the pur-  
37 poses of the fund.

38 (c) Subject to the conditions and in accordance with requirements of  
39 this act, moneys credited to the fund shall be used only:

40 (1) To make grants to a qualified provider, as determined by the  
41 commission, for payment of all or part of project costs;

42 (2) to earn interest on moneys in the fund; and

43 (3) for the reasonable costs, as determined by the commission, of

1 administering the fund and implementing the high speed internet service  
2 grant program as provided by this act. Such costs shall be identified an-  
3 nually in development of the intended use plan described in section 3,  
4 and amendments thereto.

5 (d) On or before the 10th of each month, the director of accounts  
6 and reports shall transfer from the state general fund to the broadband  
7 deployment loan fund interest earnings based on:

8 (1) The average daily balance of moneys in the public safety loan fund  
9 for the preceding month; and

10 (2) the net earnings rate of the pooled money investment portfolio  
11 for the preceding month.

12 (e) All payments and disbursements from the fund shall be made in  
13 accordance with appropriation acts upon warrants of the director of ac-  
14 counts and reports issued pursuant to vouchers approved by the com-  
15 mission or by a person or persons designated by the commission. All  
16 payments and disbursements from the fund, and beginning and ending  
17 balances thereof, shall be subject each year to post audit in accordance  
18 with article 11 of chapter 46 of the Kansas Statutes Annotated, and  
19 amendments thereto.

20 Sec. 3. (a) There is hereby established the high speed internet serv-  
21 ice grant program. The commission shall administer the program. The  
22 commission is hereby authorized to:

23 (1) Enter into binding commitments for the provision of grants in  
24 accordance with the provisions of this act;

25 (2) review applications for grants and select the projects for which  
26 grants will be made available;

27 (3) provide the governor and the legislature with an annual report  
28 prepared in accordance with section 4, and amendments thereto, and with  
29 copies of the audit required under section 2, and amendments thereto;  
30 and

31 (4) adopt rules and regulations necessary to implement and admin-  
32 ister the provisions of this act.

33 (b) The commission shall establish by rules and regulations criteria  
34 for the award of grants pursuant to this act. The criteria shall require, at  
35 a minimum, that: (1) The grant be used to provide high speed internet  
36 access service to an area where there is not current residential access to  
37 direct subscriber line service; (2) the applicant be required to submit a  
38 business plan, in such form and containing such information as prescribed  
39 by the commission, and the business plan be approved by the commission;  
40 (3) the project comply with minimum wireless standards, as prescribed  
41 by the commission; and (4) the applicant show ability to provide quality  
42 residential high speed internet access service at a price competitive with  
43 the price of such service by the nearest direct subscriber line service, as

1 determined by the commission.

2 (c) Any provider may submit an application for a grant to the com-  
3 mission. Applications shall be in such form and shall include such infor-  
4 mation as the commission requires and shall be submitted in a manner  
5 and at a time to be determined by the commission.

6 (d) Upon determination that an applicant meets the criteria estab-  
7 lished pursuant to subsection (b), the commission may enter into an  
8 agreement with the applicant for the provision of a grant to the applicant  
9 for payment of all or a part of project costs. The purposes of the grant to  
10 be provided shall be included in the agreement. No grant to any provider  
11 shall exceed \$50,000.

12 (e) If a provider who receives a grant pursuant to this act does not  
13 implement the business plan submitted by the provider as part of the  
14 application, the provider shall be required to repay the grant as provided  
15 in the agreement with the commission for the provision of the grant.

16 Sec. 4. The commission shall prepare and submit to the governor  
17 and the legislature an annual report describing how the state has met the  
18 goals and objectives for the previous year as identified in the intended  
19 use plan prepared pursuant to section 3, and amendments thereto.

20 Sec. 5. The provisions of this act shall expire July 1, 2012.

21 Sec. 6. This act shall take effect and be in force from and after its  
22 publication in the statute book.