

HOUSE BILL No. 2005

By Legislative Educational Planning Committee

1-6

9 AN ACT concerning the Kansas universal service fund; relating to KAN-
10 ED funding; amending K.S.A. 2008 Supp. 66-2010 and repealing the
11 existing section.
12

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

14 Section 1. K.S.A. 2008 Supp. 66-2010 is hereby amended to read as
15 follows: 66-2010. (a) The commission shall utilize a competitive bidding
16 process to select a neutral, competent and bonded third party to admin-
17 ister the KUSF.

18 (b) The administrator shall be responsible for: (1) Collecting and au-
19 diting all relevant information from all qualifying telecommunications
20 public utilities, telecommunications carriers or wireless telecommuni-
21 cations service providers receiving funds from or providing funds to the
22 KUSF; (2) verifying, based on the calculations of each qualifying telecom-
23 munications carrier, telecommunications public utility or wireless tele-
24 communications service provider, the obligation of each such qualifying
25 carrier, utility or provider to generate the funds required by the KUSF;
26 (3) collecting all moneys due to the KUSF from all telecommunications
27 public utilities, telecommunications carriers and wireless telecommuni-
28 cations service providers in the state; and (4) distributing amounts on a
29 monthly basis due to qualifying telecommunications public utilities, wire-
30 less telecommunications service providers and telecommunications car-
31 riers receiving KUSF funding.

32 (c) Any information made available or received by the administrator
33 from carriers, utilities or providers receiving funds from or providing
34 funds to the KUSF shall not be subject to any provisions of the Kansas
35 open records act and shall be considered confidential and proprietary.

36 (d) The administrator shall be authorized to maintain an action to
37 collect any funds owed by any telecommunications carrier, public utility
38 or wireless telecommunications provider in the district court in the county
39 of the registered office of such carrier, utility or provider or, if such car-
40 rier, utility or provider does not have a registered office in the state, such
41 an action may be maintained in the county where such carrier's, utility's
42 or provider's principal office is located. If such carrier, utility or provider
43 has no principal office in the state, such an action may be maintained in

1 the district court of any county in which such carrier, utility or provider
2 provides service.

3 (e) The KUSF administrator shall be responsible to ensure that funds
4 do not fall below the level necessary to pay all amounts collectively owed
5 to all qualifying telecommunications public utilities, wireless telecom-
6 munications service providers and telecommunications carriers. The ad-
7 ministrator shall have the authority to retain and invest in a prudent and
8 reasonable manner any excess funds collected in any period to help ensure
9 that adequate funds are available to cover amounts payable in other
10 periods.

11 (f) (1) Before July 1, of each year, the chief executive officer of the
12 state board of regents shall certify to the administrator of the KUSF the
13 amount provided by appropriation acts to be expended from the KAN-
14 ED fund for the fiscal year commencing the preceding July 1. Upon
15 receipt of the certification of the chief executive officer of the state board
16 of regents, the KUSF administrator shall add the amount certified to the
17 amount annually required to fund the KUSF as determined pursuant to
18 subsection (b).

19 (2) On or before the 10th day of each month, the administrator of
20 the KUSF shall pay from the KUSF to the state treasurer $\frac{1}{12}$ of the
21 amount certified by the chief executive officer of the state board of re-
22 gents pursuant to subsection (a) for the fiscal year preceding the fiscal
23 year in which the payment is made. Upon the receipt of the payment, the
24 state treasurer shall deposit the entire amount in the state treasury and
25 credit it to the KAN-ED fund. Any such payments shall be made after
26 all payments required by K.S.A. 66-2008, and amendments thereto, for
27 the month are made from the KUSF.

28 ~~(3) Not more than the following shall be paid from the KUSF to the~~
29 ~~state treasurer pursuant to this subsection (f): In fiscal year 2006,~~
30 ~~\$10,000,000; in fiscal year 2007, \$8,000,000; in fiscal year 2008,~~
31 ~~\$6,000,000; and in fiscal year 2009, \$5,500,000.~~

32 ~~—(4) The provisions of this subsection (f) shall expire on June 30, 2009.~~
33 ~~Thereafter, state general fund moneys shall be used to fund the KAN-~~
34 ~~ED network and such funding shall be of the highest priority along with~~
35 ~~education funding. In fiscal year 2010 and each fiscal year thereafter, not~~
36 ~~more than \$10,000,000 shall be paid from the KUSF to the state treasurer~~
37 ~~pursuant to this subsection (f). Such funding shall be of the highest pri-~~
38 ~~ority along with education funding.~~

39 Sec. 2. K.S.A. 2008 Supp. 66-2010 is hereby repealed.

40 Sec. 3. This act shall take effect and be in force from and after its
41 publication in the statute book.