

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on January 30, 2004 in Room 313-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Legislative Research  
Susan Kanarr, Legislative Research  
Helen Pedigo, Revisor of Statutes  
Nikki Kraus, Committee Secretary

Conferees appearing before the committee:

Hal Gradner, Director, KAN-ED  
Brad Williams, Operations Manager, KAN-ED

Others attending:

See Attached List.

Chairperson Brownlee opened the joint committee meeting of Senate Commerce, House Utilities, and the Joint Committee on Information Technology.

Mr. Gardner thanked the committee members for allowing him to come before them. He stated that the three main legs of KAN-ED were technical infrastructure, content and services, and administering subsidies. He directed the committee to the organization's website [www.kan-ed.org](http://www.kan-ed.org) for additional information, and he provided members with his overview of broadband in Kansas (Attachment 1), a map entitled "KCC Estimates of Statewide LEC DSL Availability, as of December 2003" (Attachment 2), and another entitled "Schools and Libraries with Broadband Services Subsidized by Kan-Ed" (Attachment 3), as well as "KAN-ED Network Overview - PY '04" (Attachment 4). Committee members also received the 2003 Annual Report from KAN-ED.

Mr. Gardner discussed with the committee some of the ongoing projects and goals of KAN-ED, including increasing dial-up connectivity, differentiation in funding between schools that need funds to go toward bandwidth and others that may need equipment investments, and the evaluation component in their system to continue a longitudinal study over anecdotal evidence.

Mr. Williams discussed some of the more technical elements of the KAN-ED; he stated that through competitive bidding and special discounts through e-rates, the organization was able to save a great deal of money. He stated that placement on the KAN-ED network was based on need in areas and that 50-52 school districts were already on the network. He projected that the network, as seen on the KAN-ED Network Overview would be in place by July, over the next six months. He referred the committee members to the annual report for monthly updates that would be available online to ensure program accountability. Mr. Williams also emphasized the importance of the E-Rate to the committee as a discount provided by the FCC, using an example to illustrate the importance of the 65% discount Kansas receives.

In response to a question from Chairperson Brownlee, Mr. Williams stated that libraries like the hi-speed connectivity for databases, and hospital, although not currently on the network, are interested in tele-medicine, tele-radiology, as well as medical databases.

Mr. Williams assured the committee that KAN-ED did not seek to become or to compete with internet service providers.

In response to discussion between Senator Huelskamp and Mr. Williams, Chairperson Brownlee suggested that a list of the databases and what is contained within them might be helpful for evaluation.

Janet Buchanan, KTEC, stated that the user advisory council puts forward the list of which databases are included.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:30 a.m. on January 30, 2004 in Room 123-S of the Capitol.

Representative Huey asked if the connection had a specific date by which it had to be done. Mr. Gardner stated that there was a 75% connection requirement by the end of June 2004. He stated that although subsidies are given out for connectivity, this does not always refer specifically to physical connections, but encompasses equipment etc. He stated that by July, all access points would be in place.

Chairperson Brownlee adjourned the meeting at 9:35 a.m. The next meeting will be at 8:30 a.m. on February 3, 2004 in Room 123-S of the Capitol.



# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR  
BRIAN J. MOLINE, CHAIR  
JOHN WINE, COMMISSIONER  
ROBERT E. KREHBIEL, COMMISSIONER

Before the Joint Meeting of the  
Senate Commerce Committee, House Utilities Committee and  
the Joint Committee on Information Technology  
January 30, 2004

Chairpersons Brownlee, Holmes and Huelskamp and Committee Members:

The Special Committee on Utilities requested that the Kansas Corporation Commission attempt to develop a map that better illustrates the availability of broadband services in Kansas. Additionally, the Special Committee on Utilities requested that the Commission work with Kan-Ed to indicate where broadband had been deployed to schools and libraries with the use of Kan-Ed funds.

According to the FCC's December 2003 report on the availability of high-speed services, there were 248,796 high-speed lines in service in Kansas. Of those lines in service, 93% were provided over DSL or coaxial cable. The FCC also indicated that incumbent local exchange carriers provide 95% of the DSL lines in service. Thus, the Commission believed that if it could gather more specific information from the incumbent local exchange carriers and cable companies, it could develop a map that would capture the majority of broadband deployment and provide Legislators with a more detailed representation of the locations where broadband has been deployed. The Commission requested specific information regarding the location of the broadband facilities each company had deployed as of December 2003 from the incumbent local exchange carriers. Information for the rural independent local exchange carriers had been consolidated by Pioneer Communications and was made available to the Commission. Additionally many of the independent companies provided the information to the Commission in individual responses. SWBT and Sprint also provided information regarding their broadband service deployment. The Commission also requested similar information from the Mid-America Cable Association. While the Association was able to provide information regarding the location and boundaries of cable franchises, information regarding the deployment of broadband was not readily available. Thus, attached you will find a map indicating the deployment of only the incumbent local exchange carriers.

The next map indicates the locations of schools and libraries that have received Kan-Ed funding for broadband services as well as the locations of broadband deployment by the incumbent local exchange carriers.

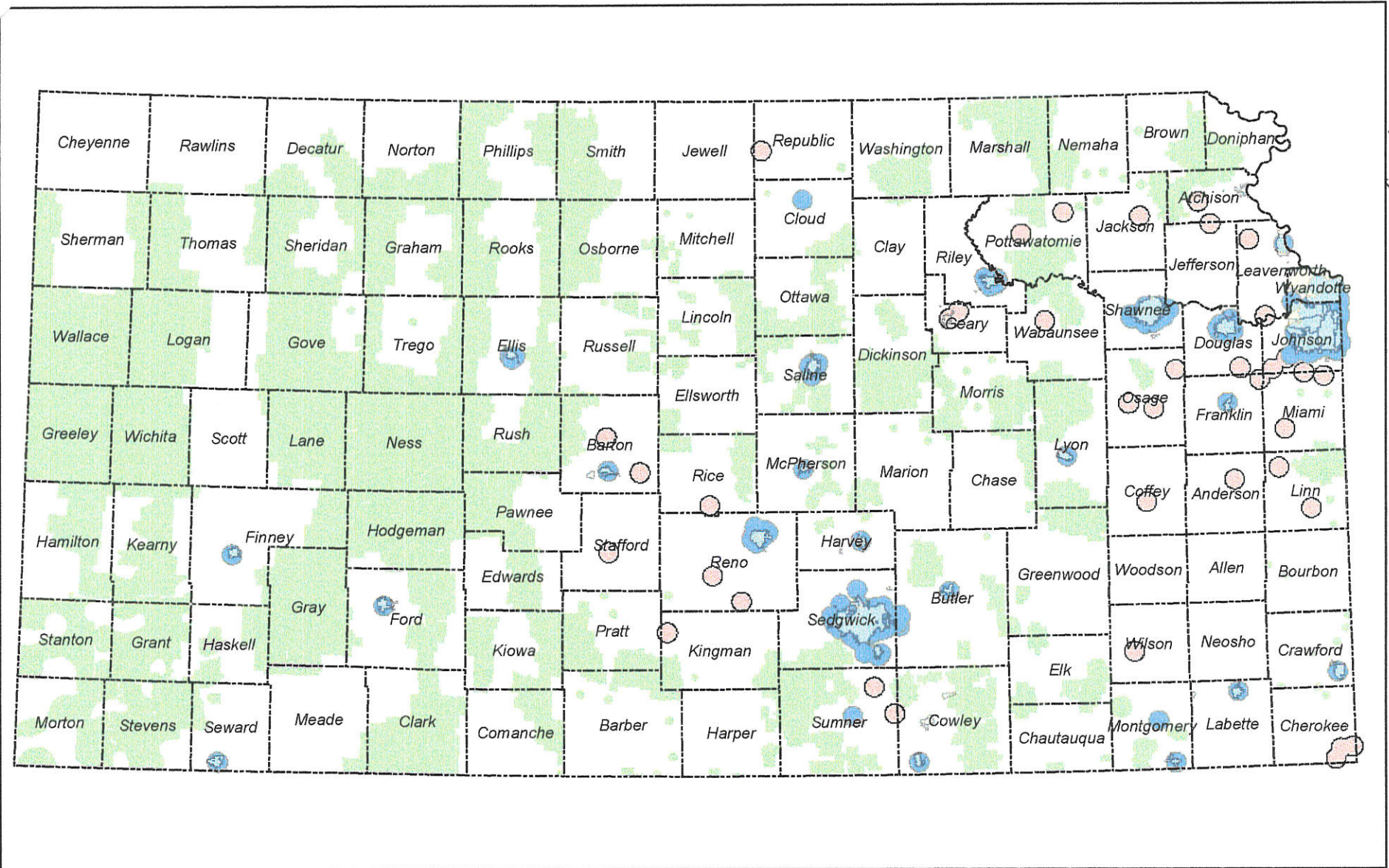
We hope you will find this information useful in your continuing discussions of broadband deployment.

*Senate Commerce*  
*01/30/04*  
*Attach #1*



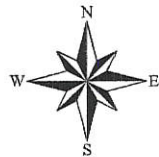
# KCC Estimate of Statewide LEC DSL Availability, as of December 2003

Sen Commerc  
01/30/04  
Attach # 2



## DSL Coverage by Company

- Sprint
- Independents
- Southwestern Bell



This map is based on information provided by the incumbent Local Exchange Carriers in November and December 2003. The KCC does not guarantee accuracy or completeness.

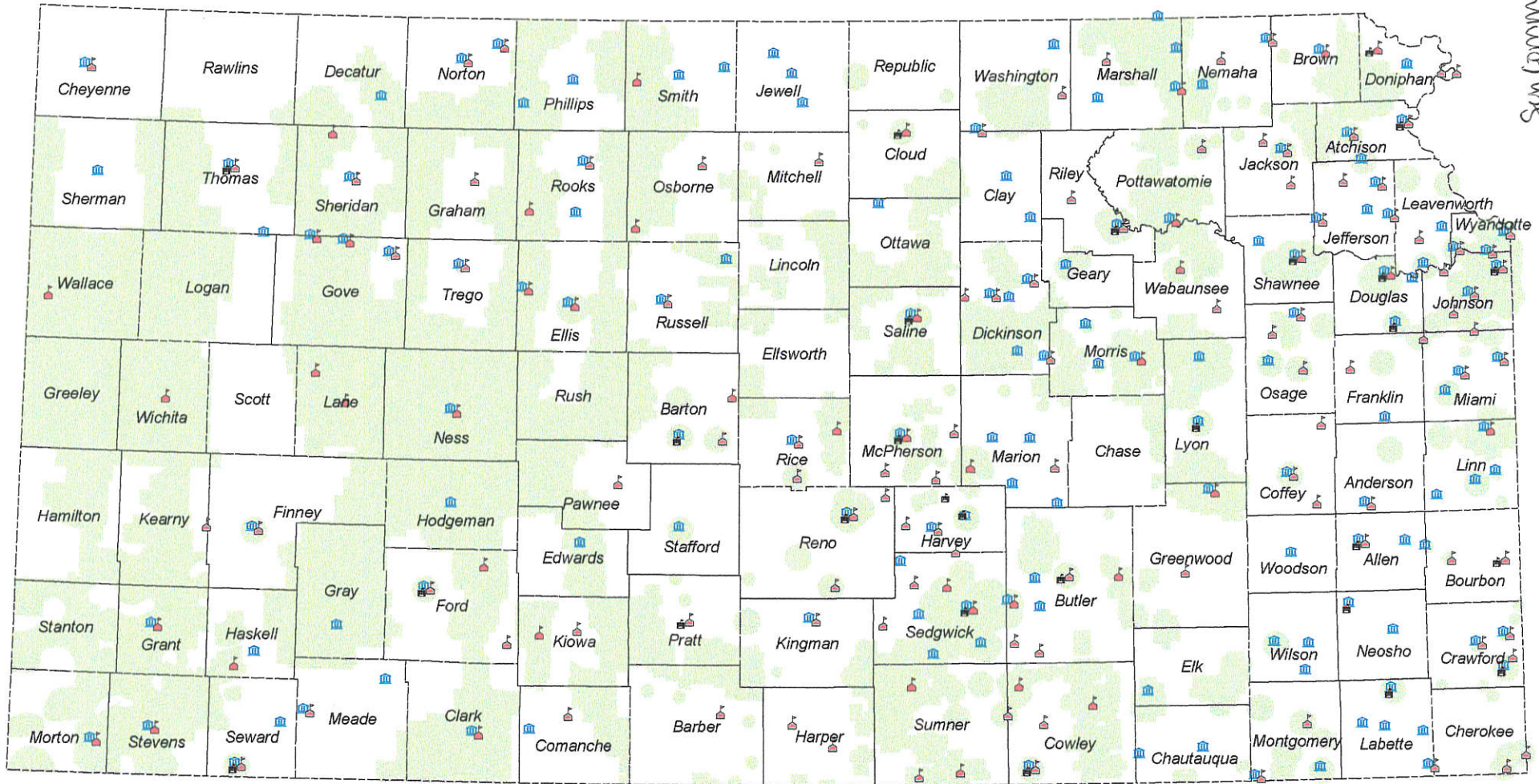
Kansas Corporation Commission  
10 December 2003





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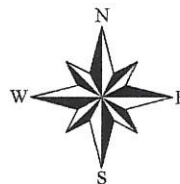


# Schools and Libraries with Broadband Services Subsidized by Kan-Ed

Sarah Commence  
01/30/04  
Attach #3



-  School - K-12
-  School - Higher Education
-  Library
-  Estimate of DSL Availability



Kansas Corporation Commission  
Information Resources, GIS Section

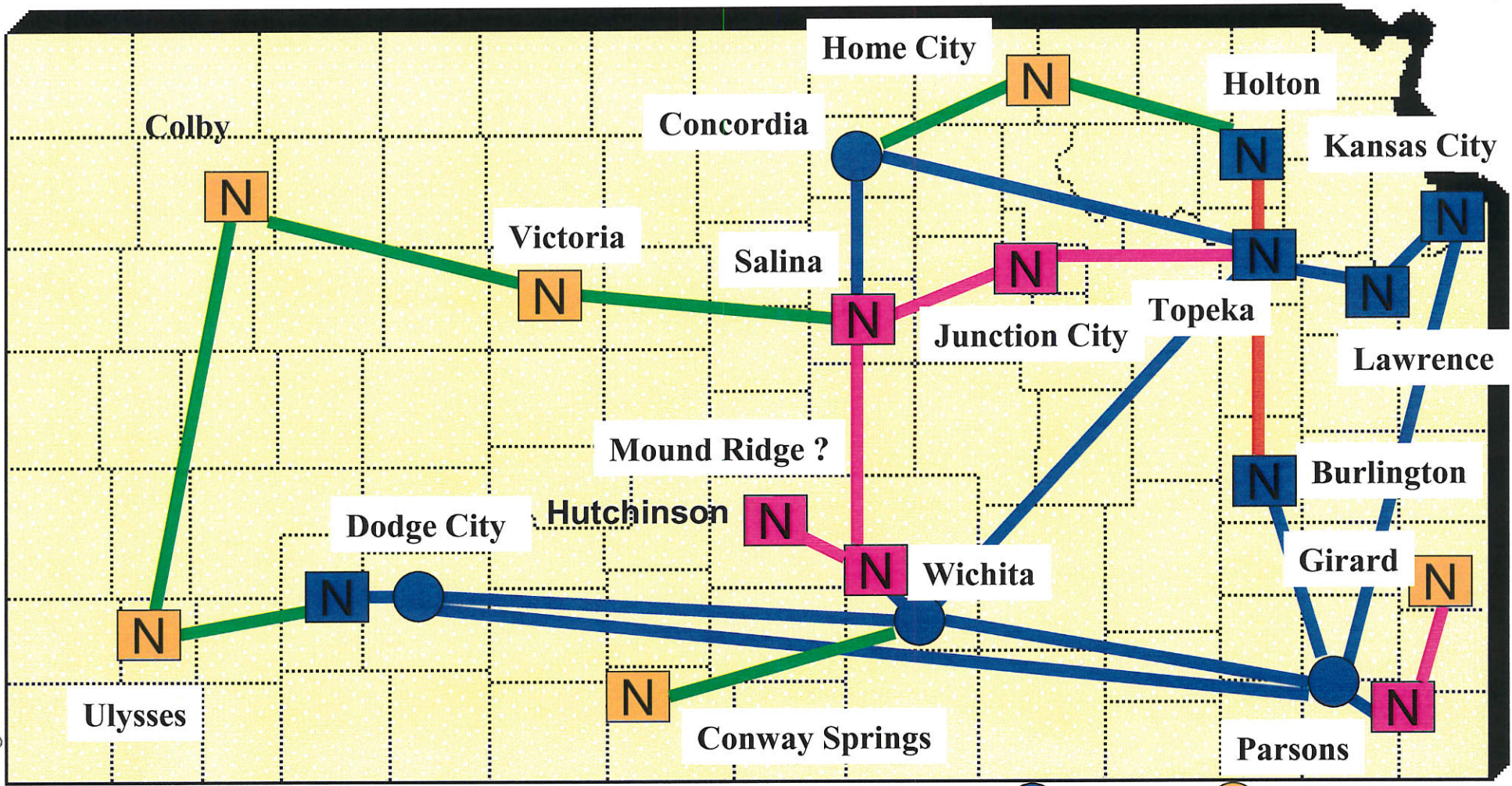
Based on Information provided by  
KAN-ED, 20 January 2004

Sarah Commence  
01/3  
Attach #3



Senate Commerce  
01/30/04  
Attach # 4

# KAN-ED Network Overview - 1/28/04



- Cox
- Sprint ?
- Indep. Co.
- N Nap Location
- SBC
- Independent Company
- COX

Senate Commerce  
01/30/04  
Attach # 4