

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 30, 2006, in Room 123-S of the Capitol.

All members were present except:

Senator Donald Betts- excused

Committee staff present:

Jill Wolters, Revisor of Statutes Office
Michael Corrigan, Revisor of Statutes Office
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Reagan Cussimanio, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efirid, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Judy Bromich, Chief of Staff
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Hal Gardner, Director of Kan-Ed
Larry Gates, City of Chanute, Kansas
Ben Smith, Dean of Planning and Operations, Neosho County Community College
Sam Budreau, City of Chanute, Kansas
Stephen Parsons, Superintendent of Schools, Chanute USD 413
Tim Rogers, President, Kansas Library Association
Jennifer Findley, Kansas Hospital Association

Others attending:

See attached list.

Bill Introductions

Senator Teichman moved, with a second by Senator Schodorf, to introduce a bill concerning the criminal justice coordinating council; establishing a sex offender policy board (5rs1871). Motion carried on a voice vote.

Briefing on Kan-ed

Staff provided information regarding Kan-Ed regarding its history (Attachment 1). Chairman Umbarger welcomed the following conferees:

Hal Gardner, Executive Director of Kan-ed, who presented an overview and distributed the Kan-ed Annual Report from 2005 and describes the role of Kan-ed throughout the past year month by month. Copies of the Kan-ed 2005 Annual Report are filed with the Kansas Legislative Research Department. Mr. Gardner noted that they have moved from their initial phasing of thinking about interactive distance learning and the K-12 community. These existing networks would have a means of communicating and sharing their resources together and combine their efforts and have a greater impact on the entire state by collaboration. Mr. Gardner explained that hospitals are their focus for this year in terms of getting connectivity program up and running. They have seen upwards of 70 hospitals that have indicated an interest in being connected with the network, but about 15 have been connected to date. Committee questions and discussion followed.

Larry Gates, City of Chanute, Kansas, explained that the City of Chanute has created a community-wide communications network for the benefit of the community (Attachment 2). He mentioned that the City of Chanute has operated a fiber optic control network since 1984 for the benefit of critical electric operations for the City's Municipal Electric Department. In 1991 that original network was upgraded and expanded to

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on January 30, 2006, in Room 123-S of the Capitol.

form the core infrastructure facilities of the community's network in 2001. Mr. Gates noted that network participants are connected to extensions of the existing core infrastructure.

Ben Smith, Dean of Planning and Operations, Neosho County Community College (NCCC), Chanute, Kansas, provided information that NCCC is just one of the hundreds of institutions of higher education, unified school districts, libraries, and hospitals throughout Kansas that are currently members and receiving services through the Kan-ed network (Attachment 3). In his closing testimony, Mr. Smith explained that the Higher Education Strategic Connectivity Task Force (HESCT) was formed by the Kansas Board of Regents to discuss and guide a long range strategic planning effort for higher education networking in Kansas. It was noted that the Task Force is recommending that the Legislature review Statute 75-7223(b) specifically, and modify the statute to allow consortial membership; revisit the Kan-ed membership definitions; and delete unnecessary restrictions on network development as established in the current statute.

Sam Budreau, City of Chanute, Kansas, mentioned that the City of Chanute has created a community-wide communications network for the benefit of the community (Attachment 4). He noted that public safety has been and continues to be at the forefront of concerns for not only their citizens, but also from a regional concept that must interact on a state and national level as well. Mr. Budreau explained that should a disaster of pandemic proportion present itself, it would be essential that their public safety departments be able to communicate with each other and their critical infrastructures.

Stephen Parsons, Superintendent of Schools, Chanute USD 413, spoke about three objectives regarding Kan-ed (Attachment 5):

1. Build a private, secure network to which members can connect for access to high speed content and services and a stable platform for video conferencing.
2. Provide members with subsidies to help reduce their fees with internet access from local providers.
3. Seek quality content and services that enhance the private network and that Kan-ed members can use through their commercial or private internet connections.

Tim Rogers, President of the Kansas Library Association, addressed the library community's relationship with Kan-ed (Attachment 6). Mr. Rogers highlighted information regarding libraries and their roles, library perspective of Kan-ed and action for the future of Kan-ed. It was noted that the Kansas Library Association Kan-ed Position Paper laid out specific responses that could be enacted to resolve some of the issues mentioned in Mr. Roger's written testimony: communication, connectivity and content.

Jennifer Findley, Kan-ed Liaison, Kansas Hospital Association, explained two specific hospital related Kan-ed projects that were highlighted and noted that hospitals of all sizes have enjoyed many benefits from their participation in Kan-ed (Attachment 7). She noted the following information:

- First, Kan-ed has provided hospitals access to EMSsystem, a trauma diversion and resource tracking system that has been used in Kansas to address trauma care, emergency preparedness, and statewide communication; and,
- Second, the rural nature of Kansas coupled with the anticipated health care workforce shortages in future years make expanding telemedicine programs in Kansas imperative.

In closing, Ms. Findley mentioned that in light of all the pressures currently placed on the State General Fund, they are very concerned about the future of Kan-ed and urged what can be done to find a stable funding source for this program.

The meeting adjourned at 12:00 p.m. The next meeting was scheduled for January 31, 2005.

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

545N-Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 ♦ FAX (785) 296-3824

kslegres@klrd.state.ks.us

<http://www.kslegislature.org/klrd>

January 30, 2006

BRIEFING ON HISTORY OF KAN-ED

The 2001 Legislature passed the KAN-ED Act to provide for a broadband technology-based network to which schools, libraries, and hospitals could connect for broadband internet access and intranet access for distance learning. Not less than 75 percent of participating schools, libraries, and hospitals were to have access to the network by July 1, 2004.

The State Board of Regents was charged with the governance of the KAN-ED network. The Board's responsibilities include:

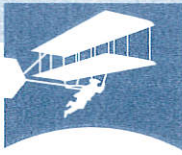
- Establishing and maintaining a plan to ensure that all schools, libraries, and hospitals have quality, affordable access to the internet and distance learning;
- Establishing technical standards and contracting with service providers for the creation, operation, and maintenance of the network;
- Identifying potential regulatory barriers to implementation of the network;
- Assessing the need of schools, libraries, and hospitals for full-motion video connectivity and developing a plan to provide such connectivity if the need exists; and
- Providing an annual report to the Legislature, Governor, and the Department of Education.

The original legislation established the KAN-ED Fund to receive appropriations, donations, or grants for the purpose of providing the network, but did not designate a revenue stream to fund the project. The 2002 Legislature approved a funding mechanism utilizing an amount from the Kansas Universal Service Fund (KUSF) not to exceed \$10.0 million per fiscal year. The funding is subject to the appropriations process. The 2002 legislation specified that KUSF funding for the project would expire on June 30, 2005, and that State General Fund moneys would be used to fund KAN-ED after that date.

The 2005 Legislature modified the sunset date for KUSF funding to implement a phase-down plan. The maximum amount of KUSF funding available for KAN-ED was set at:

- FY 2006: \$10.0 million;
- FY 2007: \$8.0 million;
- FY 2008: \$6.0 million; and
- FY 2009: \$5.5 million.

As KUSF funding decreases, funding from the State General Fund is to increase to replace it. State support for KAN-ED will be financed entirely from the State General Fund as of FY 2010.



Chanute
a TRADITION of INNOVATION

Summary and Highlights of the City of Chanute's Community-wide Network

The City of Chanute, Kansas has created a community-wide communications network for the benefit of the community. The City of Chanute has operated a fiber optic control network since 1984 for the benefit of critical electric operations for the City's Municipal Electric Department. That original network was upgraded and expanded to form the core infrastructure facilities of the community's network in 2001. Network participants are connected to extensions of this existing core infrastructure.

- The community's network utilizes multiple communications technologies; including fiber optics, broadband wireless, and traditional data circuits leased from AT&T/SBC. The City and AT&T/SBC have established an excellent working relationship that is good for the community and other portions of Southeastern Kansas, and are continuing to work toward a common goal.
- The network utilizes high-speed broadband wireless links to "off-network" patrons utilizing the tall structures at Ash Grove Cement to provide exceptional network reliability. Ash Grove Cement donated attachment space to support the City's communications network initiatives to serve public health and safety, education, governmental and utility purposes.
- All of the schools and administrative offices of USD 413 and the Neosho County Community College are connected and benefiting from the network's capabilities and high performance. City government offices and municipal utilities also utilize elements of the network.
- Through the efforts of the school district, community college, public library and City government, Kan-ed provided technical support and grant resources for the City to create this access point in Chanute to help deliver the benefits and resources of the state-wide network to the students, educators and administrators in and around Chanute. The City of Chanute serves as an aggregation point for the State-wide KAN-Ed education and medical network. The City also serves as an interconnection point for a local Internet Service Provider, Midwest Connections, which delivers KAN-Ed services through its wireless infrastructure to educational facilities outside the City of Chanute.

- Chanute has developed a co-location facility for educational institution use in vacated space within a retired municipal power plant, effectively extending the life of this historic building. This space allows the schools, library and college to share computing, staff and other resources maximizing the value of these entities' assets for the community. Additional co-location spaces are available to support businesses that require secure networking facilities connected to the City's network or off-site disaster recovery capabilities.
- The City hopes to further extend the utilization of the retired municipal power plant building by creating a small business incubator and technology innovation center. This development will help establish new technology-based businesses within the City and is expected to become a cornerstone in the City's economic development efforts for the region.
- Chanute has developed an Emergency Operations Center (EOC) to provide coordinated interagency public safety and emergency management support and monitored video-surveillance based security. This Emergency Operations Center will serve as a backup facility to the county's 911 and central dispatch center in Erie, Kansas. These sites are linked through a high speed broadband wireless connection on the City's network. Additional critical municipal infrastructure sites will have monitored video-surveillance equipment installed summer, 2006.
- The City's free public access Wi-Fi Hot Spot offers public Internet Access at the City's Memorial Building. In the summer of 2006, the City plans include establishing additional Wi-Fi Hot Spots at four municipal park green spaces and a future downtown theatre complex. Additional infrastructure expansion includes connections at the regional medical center and local clinics, state agencies, each of the municipal water towers, and throughout the City's industrial park.
- Current community network participants include: Chanute Public School District USD 413, Neosho County Community College (both Chanute and Ottawa Campuses), the County of Neosho County E911 and central dispatch site, Kustom Signals, Kansas State Board of Regents (Kan-ed), Midwest Connections, Ash Grove Cement, Tri-Valley Developmental Services, Chanute Public Library, City of Chanute governmental and public safety departments, Chanute's municipal utility departments, Chanute Manufacturing, and Community National Bank (under contract). A proposal providing aggregated fiber network access has been submitted to the State of Kansas to support the State Agencies' offices located in Chanute (KDOT, Highway Patrol, SRS, KCC, KDHE and other State agencies will benefit if the proposal is accepted by the State).

SPECIFIC COMMUNITY BENEFITS ACHIEVED THROUGH CHANUTE'S COMMUNITY NETWORK

- Neosho County Community College (NCCC) is saving \$60,000 over a three year agreement with Chanute for Internet Access. NCCC is taking low-cost Internet access from the City. This community-provided alternative via \$60,000 lower than the next lowest proposal received by NCCC for the three year term requested by NCCC.

- Through what is now known as the ICAN Partnership, the School District, local community college and Chanute City government sought to more efficiently utilize community technology resources. Through this unique relationship, these entities are saving in excess of \$100,000 per year through shared use of computer hardware, software and technical staffing resources. Computing and networking equipment is also co-located in renovated, shared spaces that were once part of a retired municipal power plant. Fiber connections to the community network offer gigabit per second network performance among the entities. On-line research data and documents that used to take hours to download now require seconds.

- Kustom Signals is a patron on the community's network. After nearly a week-long outage from its previous provider Kustom Signals asked to be connected to the City's highly reliable network. Hampered by its inability to arrange shipping for its products through the required on-line UPS interface and missed on-line bidding opportunities, Kustom Signals literally begged for relief. Kustom Signals' response to the City's technical support team regarding the company's satisfaction with the performance of the City's network resulted in an email response that simply read "Weeeeeeeeeeeeeeeee!"

- Tri-Valley Developmental Services is a quasi governmental entity within the City of Chanute. Tri-Valley supports its multiple locations using a variety of technologies supported by the City of Chanute to facilitate connections to the community's network. Tri-Valley is not currently connected to the network via fiber, rather, it accesses the Community's network via broadband wireless and a leased frame relay circuit arranged by the City through AT&T/SBC. While Tri-Valley's immediate needs are met, it is eager to further improve its network performance through a fiber connection planned for the summer of 2006.

**Testimony to Kansas Senate
Ways and Means Committee
RE: HB 2026 January 30, 2006**
Ben Smith, Dean of Planning and Operations
Neosho County Community College
Chanute, KS

Thank you Mr. Chairman, and members of the committee.

My name is Ben Smith and I am Dean of Planning and Operations at Neosho County Community College (NCCC) in Chanute, Kansas. NCCC is just one of the hundreds of institutions of higher education, unified school districts, libraries, and hospitals throughout the state of Kansas that are currently members and receiving services through the Kan-ed network.

First of all, I would like to congratulate the legislature for the incredible foresight and judgment shown to fund the creation of such a state-of-the-art network. Through its statewide backbone, Kan-ed provides vital access to services and opportunities which would not otherwise be available to many areas. Video collaboration, data sharing, access to high-quality content, educational and research databases are all essential resources available through the Kan-ed network.

All of these services would not be possible, of course, without the network technology investment. As is the case with any major system, we must constantly reinvest to maintain and advance the system. If I might use the example of the highway system, you cannot just build a road and declare victory. You must plan to repave the road when necessary, widen the road if traffic demands, and even change the route as population centers shift. I realize this is a very simple analogy, but Kan-ed is an integral part of that "information highway" to rural Kansas.

Currently Kan-ed's network provides institutions like NCCC a vital connection that we could otherwise not afford, and this connection must be maintained and expanded as our situation grows and changes. Imagine a map of Kansas with a light representing each of the hundreds of points of connection on the Kan-ed network, reaching from the bright spots of dense population centers to the most rural parts of the state. Without the Kan-ed network, it is those lights in the most remote and rural areas that will begin to wink out when they can no longer afford to maintain this connection on their own. NCCC is the fifth-smallest community college in the state of Kansas and, as such, we need Kan-ed and the services it provides.

Beyond providing connectivity, Kan-ed also gives us the opportunity to maintain our internal infrastructure and advance our technological capabilities through grant programs. For NCCC, the Local Infrastructure grant program funding provided by a Kan-ed matching grant made our connection possible to the previously mentioned unique and innovative Chanute community-wide network known as the Integrated Community Access Network (ICAN). This same grant

program also provided funding for the upgrade of our existing campus network backbone to high-speed gigabit (GB), giving our students and patrons faster, and more reliable service. These enhancements and upgrades simply would not have been possible without the assistance of the Kan-ed grant programs.

Yet another Kan-ed/NCCC success story was the Kan-ed H.323 grant initiative. NCCC was able to place interactive TV units at three of our service area high schools and at both of our physical campuses. Doing so allows us to offer classes which would not otherwise be available to these high schools through live interactive distance learning, sharing instructors and resources, while eliminating costly point-to-point communication charges. While this example may seem insignificant in comparison to other state-wide initiatives, the H.323 grant program made a very real and positive difference to our students and our service area.

This brings us here today. Funding for the continuation of Kan-ed is at a crossroads. As you know, HB2026 requires Kan-ed funding through the KUSF to be phased out through 2009. Allow me to add my voice to those who are asking you to continue to fund Kan-ed through the state general fund.

Kan-ed is money well spent. Kan-ed helps ensure that every student, hospital or library patron has equal access to technology resources, no matter where they are in the state. Without Kan-ed, the little lights of connectivity will begin to wink out across the state. You've built a wonderful information highway here—please help us maintain and advance it. I urge the members of the committee to continue complete funding of Kan-ed through the state general fund through the phase-out and beyond with state general fund monies.

I would like to conclude my testimony by briefly discussing a separate but related letter drafted by the Higher Education Strategic Connectivity Taskforce (HESCT), of which I am a member. This taskforce was formed by the Kansas Board of Regents to discuss and guide a long range strategic planning effort for higher education networking in Kansas. A copy of this taskforce letter is attached with my testimony.

One of the six recommendations made by the taskforce involves possible legislative action. Statute 75-7223, also attached, limits the Kan-ed network in various ways. The taskforce is recommending the legislature review 75-7223(b) specifically, and modify the statute to allow consortial membership; revisit the Kan-ed membership definitions; and delete unnecessary restrictions on network development as established in the current statute. I likewise urge members of the committee and legislature to work to remove possible legislative restrictions which might hamper or restrict further statewide network development.

Thank you.

January 3, 2006

Hal Gardner, Kan-ed Executive Director
Kansas Board of Regents

Denise Moore, Director of DISC
Department of Administration

Doug Heacock, Executive Director
KanREN, Inc.

Dear Directors:

It gives us great pleasure to write this letter of commendation of the *Study of Private Data Networks in Kansas*. The Higher Education Strategic Connectivity Taskforce (HESCT) was formed to discuss and guide a long range strategic planning effort for higher education networking in Kansas. Members of the taskforce represent various higher education institutions in the state, including Regents Universities, Community Colleges, and Private Colleges and Universities. The purpose of the taskforce is to identify key strategic networking goals that will facilitate services to students, faculty, and the larger community, with the objective of insuring that higher education in Kansas remains globally competitive. This strategic planning has not focused on one particular data network, but rather, has explored a variety of technologies and services that will be required to fulfill the mission of higher education in the state.

To that end, HESCT members were pleased to review the *Study of Private Data Networks in Kansas*, the study mandated in HB 2026. The taskforce recognizes that roadblocks to network efficiency include statutory inconsistency, existing contract provisions and a lack of a public policy regarding public competition with private industry. The members of the taskforce greatly appreciate the opportunity to provide detailed feedback about the report.

After reviewing the final draft report, we have the following overall suggestions relating to the recommendations in the report:

- **Single physical infrastructure** - KanREN and Kan-ed should work towards a single physical infrastructure in as short as time as possible and regardless of specific administrative or management models that may be implemented.
- **Funding** – A detailed study on funding with an intended outcome of maximizing the benefit of state funding from Kan-ed and the subscriber funding from KanREN should be undertaken. One model would be for Kan-ed to fund the extended edge network, including Internet and Internet 2 connectivity, with a combination of user fees and user subsidies to fund institutional connectivity. Stable and reliable state funding is essential.
- **Approaches to the last mile** – All options for connectivity for each subscribing institution should be evaluated following a standardized methodology and an optimal

solution implemented. Financial and technical assistance to institutions for last mile connectivity is essential.

- **Kan-ed business practices that need to be reviewed** – Kan-ed should evaluate its business practices in terms of: providing Internet connectivity; provision of niche services only; relationships with local telecommunication providers; membership policies.
- **Administration and management** – Charge the Board of Regents and the Secretary of Administration jointly with the development of a plan for an integrated organization and management structure that recognizes the needs of all constituent groups.
- **Legislative and regulatory requirements** – Kan-ed enabling legislation needs to be modified to: allow consortial membership; revisit the Kan-ed membership definitions; delete unnecessary restrictions on network development as established in statute 75-7223(b).

Again, we commend the authors of this document for seeking outside advice and input, and developing a document that is concise, easy to understand and is so very logically and responsibly crafted.

Sincerely,

Jim Bingham
Associate Vice Chancellor for Information Resources & CIO
KU Medical Center

Charles Perkins
Network Analyst
Barton County Community College

Bonnie Postlethwaite
Associate Vice-President of Information Services
Baker University

Ben Smith
Dean of Planning and Operations
Neosho County Community College

Melanie Strodman
Executive Director
Associated Colleges of Central Kansas

Bruce Vieweg
Associate Vice-President of Technology and Computing Services
Emporia State University

Brad Williams
Director of Information Technology
Kansas Board of Regents

75-7223

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 72.--INFORMATION TECHNOLOGY

75-7223. Same; purpose of act; purposes for which network not a provider. (a) The purpose of this act is to provide for a broadband technology-based network to which schools, libraries and hospitals may connect for broadband internet access and intranet access for distance learning. For that purpose, the state board of regents shall contract in accordance with this act for the creation, operation and maintenance of such network, to be known as the KAN-ED network.

(b) The network shall not provide for: (1) Impairment of any existing contract for the provision of telecommunications services or internet services to any school, library or hospital; (2) state ownership or construction of any network facilities other than those owned or being constructed by the state on the effective date of this act; (3) switched voice access, except to the extent switched access is being provided by state owned, leased or operated facilities as of the effective date of this act; (4) transmission of voice over internet or voice over internet protocol, except to the extent necessary to facilitate interactive two-way video; or (5) use of the network for purposes inconsistent with the purposes of this act.

History: L. 2001, ch. 136, § 3; Apr. 26.



Chanute
a TRADITION of INNOVATION

Public Safety Highlights City of Chanute's Community-wide Network

The City of Chanute, Kansas has created a community-wide communications network for the benefit of the community. Public Safety has been and continues to be at the forefront of concerns for not only our citizens but also from a regional concept that must interact on a state and national level as well.

- Chanute developed an Emergency Operations Center (EOC) to provide interagency and public safety emergency management support. The (EOC) in Chanute serves as a backup (EOC) for Neosho County.
- Chanute implemented Mitigation 20/20 procedures to enable public safety departments to respond not only to man made disasters but also natural disasters. During our assessment process the medical community was identified as a critical component to the overall response.
- It is imperative that we establish uninterrupted and reliable communications that will enable public safety to interact with the medical community. It is imperative that the medical facilities be able to communicate locally, regionally and on a state and national level at the same time.
- Should a disaster of pandemic proportion present itself it would be essential that our public safety departments be able to communicate with each other and our critical infrastructures. The ability to communicate with medical facilities whether **public** or **private** will be of the highest priority.

TESTIMONY
WAYS & MEANS COMMITTEE

Date: January 30, 2006

Presented by: Stephen Parsons, Superintendent of Schools, Chanute USD 413

I would like to thank the members of the committee for this opportunity to share some information about some of the great things happening in Chanute, Kansas. My teammates have shared some information about the ICAN group and the fiber-optic network. Before addressing Kan-ed, I would like to impress upon you that ICAN was accomplished through persistence and building a common vision. Building a common vision for three separate taxing entities where decisions are made by elected board members and commissioners did not happen over night. Now that ICAN is a reality, we have seized control, invested tax dollars back into the community and have created an asset which has a positive impact on the whole community.

So how does Kan-ed fit into this conversation? As you know, Kan-ed was established with a vision similar to that of the ICAN group. Kan-ed has three objectives. These objectives are:

1. Build a private, secure network to which members can connect for access to high speed content and services and a stable platform for video conferencing.
2. Provide members with subsidies to help reduce their fees with internet access from local providers.
3. Seek quality content and services that enhance the private network and that Kan-ed members can use through their commercial or private internet connections.

As I relate the Kan-ed objectives to Chanute and the ICAN group I see that objective one means getting the digital highway to come to our town. That digital highway is not dial-up access but is high speed access. Not a dirt road but an interstate digital highway.

Objective two has to do with cost. Controlling cost is always a concern for taxing entities so Kan-ed makes access affordable. Smaller, rural communities like Chanute can afford the services which their constituents need and deserve thanks to Kan-ed. An objective of the ICAN group is to control technology costs and Kan-ed assists in that process.

Kan-ed objective three relates to unlimited opportunities for using and growing the network. It almost becomes a "Field of Dreams". Since Kan-ed has been established the impact is limited only by imagination. Simply put, Kan-ed is essential for the rural community. Rural communities have greater control of their destiny because of Kan-ed.

The membership of Kan-ed has been restricted to Kansas hospitals, K-12 schools, libraries and higher education institutions. Who could deny that access to high speed internet is essential to all of these groups? Who could deny that controlling costs relating to technology is important to all of these groups? And who could deny that technology will continue to grow as an essential part of the operations of all of these groups? Because Kansas hospitals, K-12 schools, libraries and higher education institutions are essential to a prospering society, Kan-ed plays an important role in the future of Kansas. Kan-ed could and should become a contributing factor in improving security across the state. As an educator, I am very aware

Senate ways and means
1-30-06
Attachment 5

that expectations for schools continue to increase. Kan-ed becomes increasingly more important to my school district and to other districts throughout the state.

We all know that Kan-ed is not free. There is a cost for this service. Some good news comes from the fact that the Kansas Universal Service Fund, E-rate, has assisted with some revenue, about \$10 million. As members of the Ways and Means Committee you are aware of the cost of Kan-ed and the many other services and programs which Kansas residents expect. If quality education for all students is a priority, if affordable, quality health care is important for even those served in rural hospitals and clinics, if technology is essential to a prosperous economy, and if we want to enhance security in our towns, then Kan-ed must be expanded. Yes, not just maintained but expanded. Expanded to areas still not served satisfactorily.

I encourage you to consider Kan-ed as a good investment in the future of our state. I encourage you to support the funding for Kan-ed so that Chanute, Kansas and other similar communities can continue with our "Field of Dreams". Kan-ed helps us take control of our destiny and find new and better ways to use technology in that process. Kan-ed is good for Kansas.

Thank you for your attention and consideration.

Testimony to the Senate Ways and Means Committee
Library Constituency's Report on Kan-Ed
January 30, 2006

Chairman Umbarger and members of the Committee, I am very please to be here today to provide testimony regarding the library community's relationship with Kan-Ed. My name is Tim Rogers and I am the president of the Kansas Library Association, an organization that represents librarians, media specialists, board members, and users of all types of libraries throughout the state. In addition, I am the Associate Director of Operations at the Johnson County Library in Overland Park.

Libraries and Their Rolls

Libraries fill the information needs of Kansans of all ages, education levels, and social and financial situations through the provision of books, videos, digital resources and experiential classes and programs. Often times, the local public library is the lone remaining community service provider in town, and residents depend on it to be an institution of community survival and growth. It may be the only place in town to ask how to start a business, where to find information about retirement, how to figure out what kind of computer you want to buy, or how to help your 6th grader with her math homework that, sadly, you long-since forgotten how to manage. Libraries are no longer simply the place to find a copy of the latest best seller, and are now accepted and depended upon as the community information place.

Library Perspective of Kan-Ed

I quote the Kansas Library Association's Kan-Ed Position Paper (page 2) when I say:
"Libraries in Kansas have long recognized the need for statewide broadband access to the Internet and other computer networks as a means of delivering electronic information and communication to residents of the state. Over a two-year period, advocacy from Kansas libraries and other constituencies led the Kansas legislature to pass laws that established Kan-Ed to meet the need for broadband electronic networking in the state."

In a brochure promoting the network to prospective members across the state, Kan-Ed listed three primary objectives:

- 1) to build a private secure network to which members could connect;
- 2) to provide subsidies that would help reduce member access fees to an affordable level; and
- 3) to enhance the network by making quality content available.

The 2002 Annual Report (dated January 31, 2003), stated that Kan-Ed "seeks to improve the quality of life and the quality of the economy by using public libraries to help eliminate the digital divide for citizen access to information."

The library community and the Kansas Library Association fully endorsed Kan-Ed's approach of using public libraries as a conduit to support and drive the improvement of the quality of life of all Kansans and economic stability of Kansas communities. We also recognized that we were the only constituency that was easily accessible to any and all Kansans (public schools, institutions of higher education, and hospitals primarily, if not exclusively, serve a specific user group), and therefore, the reach of libraries and the services they provide would be greatly enhanced by a successful implementation of a State-wide network.

The Kansas State University Office of Educational Innovation & Evaluation (OEIE) surveyed the Kan-Ed library constituency over an 18-month period and found that there were four common areas of interest or concern:

- 1) Communication
Libraries sought clear and consistent communication from Kan-Ed with advanced notice of changes that would impact their plans and budgets.
- 2) Broadband Connectivity
Libraries needed subsidies provided by Kan-Ed to offset the high cost of broadband access, especially if they were going to make use of the videoconferencing and other bandwidth-intensive tools. Without the subsidies, many smaller libraries would have no chance to provide their constituents with services, and inequity would prevail.
- 3) Content
Libraries participated in the identification and selection informational databases that were made available through the network. The model was so successful that libraries (including those in K-12 and High Ed settings) have come to depend on these resources.
- 4) Technical Support
Libraries require cost-effective technical training and support to ensure that they are able to maintain and support Kan-Ed specific technology and content.

In the year that has passed since this report was presented to Kan-Ed staff and the various advisory groups, we have noticed little change. To underline this fact, Kan-Ed staff announced on January 12, 2006 that all subsidies to public libraries would be eliminated. I found this odd, as the Kan-Ed Strategic Plan (approved in July 2005) specifically states that subsidies to libraries would be crucial to ensuring that the network was managed efficiently and effectively. This action had two immediate impacts: 1) local libraries had difficulty meeting the deadline to file for Federal Erate reimbursements, and 2) lack of subsidies may cause some libraries to reduce connectivity, thus reducing the ability of library users to access the information and tools they need.

In addition, Kan-Ed staff have communicated to the library constituency that they do not plan to continue to use Kan-Ed funds to pay for the five information databases in the future. It is likely that these valuable resources which include genealogy, literature, full-text newspapers, nursing journals, and the online WorldBook encyclopedia would be eliminated from the suite of services available to all Kansans, as no local funds would be available to cover the expense.

With these two services eliminated, we in the library world are left wondering ... What advantage or benefit will Kan-Ed provide to the everyday, tax-paying, voting, Kansan?

While the subsidies enabling access to the network are now gone, and so might be the informational databases for which the access is needed, I doubt very much that the information needs that drive quality of life or economic viability of Kansas communities will simply disappear. In the end, these changes, for which we've heard little or no reasoning, will likely increase the cost to local tax payers while reducing their buying power.

Action for the Future of Kan-Ed

As I have stated more than once while talking with you today, the library community is squarely behind the concept of a State-wide broadband network delivering high quality content to the people of Kansas through educational, medical, and library facilities. To do this, some changes will need to be made.

The KLA Kan-Ed Position Paper laid out specific responses that could be enacted to resolve some of the aforementioned issues. In brief, these included:

Communication

- Increase the quality and consistency of information being communicated from Kan-Ed to the library community;
- Utilize existing communication networks within the library community to deliver information;
- Establish a formal feedback mechanism for the network;
- Establish a formal process to communicate proposals of innovation to Kan-Ed staff;
- Develop a method of collaborative communication that supports interaction between libraries, their users, and all other constituent groups;

Connectivity

- Provide broadband access to the network for all libraries;
- Provide subsidies that make broadband access affordable;

Content

- Provide content that enables residents to make good decisions and build local economic power;
- Provide State-wide professional training to ensure appropriate use of Kan-Ed sponsored content by library staff and users.

In addition, Kan-Ed should provide the library community with a response to the KLA Kan-Ed Position Paper. While Kan-Ed did post the document on their site, we have never had any opportunity to adequately discuss specific actions or resolutions with anyone from Kan-Ed.

I would like to mention that we have been invited to speak with President & CEO of the Kansas Board of Regents, Reginald L. Robinson on February 8, 2006 regarding our concerns with and thoughts on Kan-Ed. He has been extremely gracious and interested in what the library constituents have to say, and I am absolutely confident that we will be able to find common ground in order to achieve the tremendous vision of Kan-Ed.

In closing, let me say that I would very much like to have the opportunity to report back to you, at your convenience, to let you know how our concerns are being addressed and resolved.

Thank you for the opportunity to provide this testimony. I am happy to stand for any questions.



Thomas L. Bell
President

To: Senate Ways and Means Committee Members
From: Jennifer Findley, Kansas Hospital Association
Date: January 30, 2006
Re: Kan-ed Network and Hospitals

The Kansas Hospital Association appreciates the opportunity to provide comments in support of the Kan-ed network. I am Jennifer Findley with the Kansas Hospital Association and I am also a member of the Kan-ed User Advisory Council. I am here today to represent the 103 hospitals currently participating in KAN-ED.

Hospitals of all sizes have enjoyed many benefits from their participation in Kan-ed including:

- Financial and technical assistance in acquisition of broadband services;
- Grants to hospitals for upgrading video conferencing equipment to allow operation on the Kan-ed network;
- Educational and reference resources for hospital employees;
- Grants to hospital members to develop continuing education programs that will be provided over the Kan-ed network;
- Opportunities for collaboration among Kan-ed constituents; and
- Access to a state-wide hospital communication system.

There are two specific hospital related Kan-ed projects that we would like to highlight.

First, Kan-ed has provided hospitals access to EMSsystem, a trauma diversion and resource tracking system that has been used in Kansas to address trauma care, emergency preparedness, and state-wide communication. Hospitals can view in real-time information on hospital emergency department status, hospital patient capacity, availability of staffed beds, and specialized treatment capabilities. Currently there are 120 hospitals updating their emergency department capacity on a daily basis. Of those 120 hospitals, 23 hospitals provide daily status updates on their psychiatric bed availability. In addition, we have six regional/statewide dispatch centers/communication centers and six flight transportation services that update their status on a daily basis.

EMSsystem has provided many benefits to hospitals. In fact, EMSsystem played a very pivotal role in disseminating information related to Hurricane Katrina and Rita. Both the Kansas Department of Health and Environment and the Kansas Division of Emergency Management had access to EMSsystem in their Emergency Operations Centers. The Kansas Division of Emergency Management asked hospitals to enter

information regarding their bed capacity on EMSsystem during the aftermath of both Hurricane Rita and Katrina to help aid in the possible influx of evacuees to the state. Moreover, the U.S. Department of Health and Human Services and the Centers for Disease Control requested all states/jurisdictions using EMSsystem to poll hospitals on resource availability and surveillance data. Kansas Hospitals were second to the state of Texas in providing the Department of Health and Human Services daily updated status information related to Hurricane Katrina and Rita.

Second, the rural nature of our state coupled with the anticipated health care workforce shortages in future years make expanding telemedicine programs in Kansas imperative. Kan-ed has jump started expansion of telemedicine by enabling a significant number of hospitals to take advantage of the benefits provided by using video conferencing equipment. Through a special program this year, Kan-ed has provided funds to hospitals wanting to connect to the Kan-ed network. For each hospital a router and funds to help pay for their last mile connection to the network is provided. The hospital is responsible for purchasing the video conferencing equipment. We currently have 12 hospitals connected and 23 in various stages of connecting. For many of the hospitals participating in this program, the start-up funds provided by Kan-ed enabled them to do something they would not have been able to afford to do. These connections can be used for a variety of things including telemedicine, education of hospital employees and reducing travel time to participate in meetings. KHA has also been connected to the network and will do our first test with hospitals next week. We are just beginning to learn all the benefits that these connections can provide and I am confident by this time next year, we will have many stories to share with you regarding the difference this program has made.

We urge you to continuing supporting Kan-ed not just for what is has already provided to Kansas hospitals, but equally important for the potential that exists for future services. The Medicare Modernization Act, the Governor's Healthy Kansas Initiative, the Leapfrog Initiative and many others have all focused on increased use of technology as a key factor to decreasing costs and increasing the quality and safety of the health care delivery system.

We are currently at the brink of several comprehensive health information technology initiatives. For example last year, President Bush's has set a goal for most Americans to have interoperable electronic health records within 10 years. Hospitals along with others have begun to work on making this a reality in Kansas. Kan-ed has been an active participant in those discussions and can provide the private network needed to make this kind of an endeavor successful. Having Kansas hospitals connected to a state-wide network that allows communication and data transfer to be easy, reliable and secure will make implementation of these kinds of programs easier and more effective. We believe Kan-ed can be that network for hospitals.

A large part of Kan-ed's continued success will lie in its ability to receive adequate and stable funding. Many of the critical services related to hospitals are only successful if there is long-term usage. In light of all the pressures currently placed on the State General Fund, we are very concerned about the future of Kan-ed and urge you to do what you can to find a stable funding source for this program.

Thank you for consideration of our comments. Please feel free to contact us if you need any additional information.