

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on February 08, 2001 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Bob Nugent, Revisor of Statutes
 April Holman, Legislative Research Department
 Lea Gerard, Secretary

Conferees appearing before the committee: Lynn Holt, Legislative Research Department
 Dan Stanley, Secretary of Administration
 Mark Uhart, Education Market Mgr.-Sprint
 Doug VanderLinden, Kansas Technology Coordinators Ntwk

Others attending: See attached list.

Lynn Holt, Legislative Research Department, briefed the Committee on the "State Education Technology Based Network Task Force to the 2001 Kansas Legislature", (a copy is on file in the office of Legislative Research) and **HB 2035** which was amended by the House Committee on Utilities. Ms. Holt defined a "network" as a fabric of elements which work together to support the transfer of information. A problem in not having a state-wide network is that school districts and libraries purchase their own network services and content instead of doing so on a total basis. With a state-wide network there is an opportunity to aggregate to purchase content in bulk.

Lynn Holt explained that **HB 2035** (as amended by the House) essentially establishes a Broadband Technology Based Network for schools, libraries and hospitals. The purpose of the network is found in Section 3-B and is a public/private partnership that will contract with telecommunications, cable and other communication companies for the creation, operation and maintenance of the network. The board is made up of nine members and will be responsible for planning, implementing and administering all aspects of this network. Amendments made to the bill by the House were to include Kansas Independent Colleges, Washburn University and libraries. The bill was also amended to authorize the KAN-ED board to request and receive assistance from any state agency in gathering the necessary data for development of the network.

Dan Stanley, Secretary of Administration, testified regarding **SB 48** that it would be a mistake to exempt KAN-ED from the Information Technology Governance laws as this bill does. Mr. Stanley stated it would be better to use the existing resources to staff the KAN-ED initiative. Hiring an executive director and staff duplicates resources already available in DISC. The proposed legislation fails to discuss the cost of the network and the central strategies for designing the network. Mr. Stanley recommended that the KAN-ED board as proposed in the bill become a research subcommittee of ITEC. This committee would be supported by the Kansas Information Technology Office and the technologists from the existing Information Technology Advisory Board. Mr. Stanley stated one of the key problems with major information technology projects is that 60% of them nationally fail for lack of governance, lack of discipline and lack of architecture; we have all those pieces in place in ITEC and they are functioning well. (Attachment 1)

In response to a question from Senator Emler, Mr. Stanley stated there are 17 members on the ITEC Board. They represent industry, higher education, legislature, Chief Technology Officer, cabinet officers, and a wide variety of individuals.

Senator Emler asked who on the list has telecommunications business experience and Mr. Stanley responded there is a representative from the Information Network of Kansas and the Chief Information Technology Officer of the State has significant experience in telecommunications. Mr. Stanley stated he would be open to amending the ITEC membership to include more representatives from the telecommunications industry.

Mark Uhart, Education Manager for Sprint, testified in support of **SB 48**. Mr. Uhart stated the governance issue could be addressed in a number of different ways but it is a legislative decision. His primary concern is that managing a network is not just monitoring the data flow that goes through the network but ensures the capacity be delivered to the school sites as contracted and there are no outages.

Thomas L. Bell, Sr. Vice President/Legal Counsel, Kansas Hospital Association presented written testimony in support of **SB 48**.

Doug VanderLinden, Kansas Technology Coordinators Network, was unable to testify due to time constraints. He was invited by the Committee Chair to come back and testify at a later date. Mr. VanderLinden's written testimony was presented to the committee (Attachment 2).

Meeting was adjourned at 9:30 a.m.

Next meeting scheduled February 09, 2001 at 8:30 a.m.