

**HOUSE BILL No. 2390**

By Committee on Appropriations

3-14

1 AN ACT concerning KAN-ED; amending K.S.A. 2010 Supp. 66-2010 and  
2 repealing the existing section; also repealing K.S.A. 2010 Supp. 75-  
3 7221, 75-7222, 75-7223, 75-7224, 75-7225, 75-7226, 75-7227 and 75-  
4 7228.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. On July 1, 2011, the director of accounts and reports  
8 shall transfer all moneys in the KAN-ED fund to the state general fund. On  
9 July 1, 2011, all liabilities of the KAN-ED fund are hereby transferred to  
10 and imposed on the state general fund and the KAN-ED fund is hereby  
11 abolished.

12 Sec. 2. K.S.A. 2010 Supp. 66-2010 is hereby amended to read as  
13 follows: 66-2010. (a) The commission shall utilize a competitive bidding  
14 process to select a neutral, competent and bonded third party to administer  
15 the KUSF.

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

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

34 (d) The administrator shall be authorized to maintain an action to  
35 collect any funds owed by any telecommunications carrier, public utility or  
36 wireless telecommunications provider in the district court in the county of

1 the registered office of such carrier, utility or provider, or, if such carrier,  
2 utility or provider does not have a registered office in the state, such an  
3 action may be maintained in the county where such carrier's, utility's or  
4 provider's principal office is located. If such carrier, utility or provider has  
5 no principal office in the state, such an action may be maintained in the  
6 district court of any county in which such carrier, utility or provider  
7 provides service.

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

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

24 ~~(2) On or before the 10<sup>th</sup> day of each month, the administrator of the~~  
25 ~~KUSF shall pay from the KUSF to the state treasurer 1/12 of the amount~~  
26 ~~certified by the chief executive officer of the state board of regents~~  
27 ~~pursuant to subsection (a) for the fiscal year preceding the fiscal year in~~  
28 ~~which the payment is made. Upon the receipt of the payment, the state~~  
29 ~~treasurer shall deposit the entire amount in the state treasury and credit it~~  
30 ~~to the KAN-ED fund. Any such payments shall be made after all payments~~  
31 ~~required by K.S.A. 66-2008, and amendments thereto, for the month are~~  
32 ~~made from the KUSF.~~

33 ~~(3) Not more than the following shall be paid from the KUSF to the~~  
34 ~~state treasurer pursuant to this subsection (f): In fiscal year 2006,~~  
35 ~~\$10,000,000; in fiscal year 2007, \$8,000,000; in fiscal year 2008,~~  
36 ~~\$6,000,000; and in fiscal year 2009, \$5,500,000.~~

37 ~~(4) The provisions of this subsection (f) shall expire on June 30,~~  
38 ~~2009. Thereafter, state general fund moneys shall be used to fund the~~  
39 ~~KAN-ED network and such funding shall be of the highest priority along~~  
40 ~~with education funding.~~

41 Sec. 3. K.S.A. 2010 Supp. 66-2010, 75-7221, 75-7222, 75-7223, 75-  
42 7224, 75-7225, 75-7226, 75-7227 and 75-7228 are hereby repealed.

43 Sec. 4. This act shall take effect and be in force from and after its

- 1 publication in the statute book.
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