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Sam Brownback, Governor

Jon Hummell, Interim Director

March 13, 2014

The Honorable Pat Apple, Chairperson Senate Committee on Utilities Statehouse, Room 224-E Topeka, Kansas 66612

Dear Senator Apple:

SUBJECT: Fiscal Note for SB 331 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 331 is respectfully submitted to your committee.

SB 331 would require local exchange carriers and electing carriers to establish an internet protocol to internet protocol connection point in the form and capacity requested by the telecommunications carrier within 180 days. This connection would be used for the exchange of all voice traffic, regardless of the technology used to provide the voice service. The telecommunications carrier could choose one technically feasible location, unless mutual agreement allows more. The local exchange carrier or electing carrier would be responsible for all costs incurred to deliver and receive traffic, including any conversion costs. Upon request, the local exchange carrier or electing carrier would provide interconnection at cost-based rates. The Kansas Corporation (KCC) would have the authority to resolve disputes.

The KCC and the Citizens Utility Ratepayer Board both indicate that the fiscal effect of the bill on the agencies would be negligible.

Sincerely,

Jon Hummell,

Interim Director of the Budget

cc: Tom Day, KCC Shonda Smith, CURB