

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4946-01
Bill No.: SB 1263
Subject: Telecommunications:
Type: Original
Date: March 18, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development- Public Service Commission** and the **Office of Public Counsel** assume no fiscal impact.

Officials of the **Office of State Courts Administrator** stated there would be no fiscal impact to the State's Courts.

Officials of the **City of Springfield** stated that they are currently studying the feasibility of a publicly owned cable system. Officials stated that if this proposal would become law they would have significant additional cost. Officials stated that currently the City does not have a publicly owned cable system.

Officials of the **Kansas City Manager's Office** stated that Kansas City does not provide cable television service to its citizens in competition with its current service providers. Officials stated there should be no direct fiscal impact at this time.

Oversight assumes that established publicly owned cable television systems and cities that are studying the feasibility of operating a cable system would have to follow the rules and regulations offered by this proposal, and would have additional costs from required hearings, notices, possibly arbitration costs, publishing costs for an annual report etc. Oversight will show fiscal impact, on a statewide basis, as (Unknown) costs to political subdivisions.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Cost to Certain Political Subdivisions from rules and regulations	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

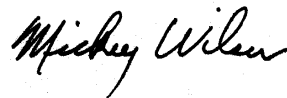
This act regulates competition between public and private providers of cable television services. Political subdivisions, 1) may not prefer the public cable service over private cable service; 2) fail to apply cable regulations on a nondiscriminatory basis; 3) or fail to pay all applicable fees or their equivalent. Political subdivisions may not have extraterritorial public cable service recipients in excess of 50% of the number of participants within the political subdivision or unreasonably withhold a request to modify terms of a franchise.

Political subdivisions are required to provide notice of consideration of certain ordinances relating to provision of cable service. Notice must be at least 45 days prior to the enactment of the ordinance, must be in writing and delivery requirements are specified. Political subdivisions are required to prepare and publish annual accountings. Disputes must first be submitted to arbitration and thereafter may bring a civil action. In certain circumstances a political subdivision may bring a civil action for declaratory relief. Issues which may be considered by the court are specified.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development- Public Service Commission and Public Counsel
Office of State Courts Administrator
Kansas City Manager's Office
City of Springfield



Mickey Wilson, CPA
Acting Director
March 18, 2002