



## KANSAS BOARD OF REGENTS

### HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE March 29, 2011

#### *Testimony in Opposition to House Bill 2390*

#### **Dr. Andy Tompkins, President & CEO**

Chairman McLeland, Ranking Member Burroughs, and members of the Committee, I am here on behalf of the Kansas Board of Regents to testify in opposition to HB 2390, legislation that would eliminate the Kan-ed program.

As you may know, Kan-ed is a program that was created by the 2001 Legislature and is administered by the Board of Regents. Kan-ed provides high-speed bandwidth connectivity for Kansas hospitals, libraries, higher education institutions, and K-12 schools, and works with over 20 private telecom and cable providers to facilitate the public-private partnerships and collaboration necessary to provide this connectivity within the state. Kan-ed provides video-conferencing technology that is utilized to connect local and state leaders with their counterparts across the state, national, and globe, assists in providing distance learning services to school districts throughout the state, provides educational and research databases to libraries, provides critical services to hospitals, and homework tutorial services to students at all educational levels. Kan-ed is funded through the Kansas Universal Service Fund (KUSF) at \$10 million annually – a total budget amount that has not changed since the program’s inception. We fully support Governor Brownback’s recommendation to continue funding for Kan-ed in his Fiscal Year 2012 budget, and his understanding that Kan-ed contributes directly to the broadband access vision he articulated in his “Road Map for Kansas.”

HB 2390, if ultimately enacted, would terminate Kan-ed effective June 30, 2011. All Kan-ed contracts with private companies and public agencies would be cancelled, and nine FTE positions would be eliminated. Because Kan-ed is funded by the KUSF, elimination of the program would not result in any SGF savings to the state. All connections and services would be terminated including all network and video connections, statewide video licenses and servers, a host of program and services provided to hospitals, libraries, higher education institutions, and K-12 schools, and statewide 1-800 E-rate support. Kan-ed would also cease to partner with state agencies and Kan-ed members for grant development.

Kan-ed currently provides a T-1 (1.54mb) of access at no charge to Kan-ed members that do not have high-speed broadband access. The T-1 provides access to the internet, video conferencing (if site is equipped), access to Internet2, and all Kan-ed services. Kan-ed provides a 24/7 Network Operation Center in conjunction with KanREN, which is the research network for

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Regents universities. Kan-ed members receive discounted service (\$500/month) for 3mb of service and pay 100% of costs above 3mb. Kan-ed helps those with minimal connections the most.

As of March 18, Kan-ed had connected 443 members (K-12 schools, libraries, hospitals and higher education institutions) with daily internet access and access to a private advanced network for distance learning and telemedicine. Kan-ed currently pays telecom providers in Kansas to provide Kan-ed connectivity, and this is accomplished by partnering with over 20 private cable and telecom companies. Any contracts or grants with these providers would be terminated if this bill was enacted. It is important to note that Kan-ed does NOT compete with private entities.

Additionally, private industry also provides the Kan-ed network operations center (KanREN in Lawrence), and at least 10 high-tech jobs would be impacted by elimination of Kan-ed at the Network Operation Center. All Kan-ed services are purchased or leased from private companies, the majority of which are located in Kansas.

Kan-ed provides a website portal where Kan-ed members go for information and enhanced services. Kan-ed has 420,000 non-duplicated user accounts on the Kan-ed Empowered Desktop portal. Schools and district administrators have access to formative tests, quizzes, and district-wide results (optional fee service), and have access to a safe search engine as required by the Children's Internet Protection Act (CIPA). Kan-ed also provides CIPA filtering at the network level to further reduce K-12 and library filtering costs. Kan-ed also provides students, staff and faculty with an online "backpack" to store documents and files so they can access them anywhere they are. Not all students (especially those in rural areas) have access to a PC at home. All of these resources would need to be duplicated locally unless another statewide purchasing consortium is formed so that the best prices can be attained.

Kan-ed collects and surveys members for aggregated demand and then provides access to critical services by partnering with the State library and libraries across the state to purchase statewide licenses for educational and research databases. An example is that Kan-ed provides the "ProQuest Nursing Journal" which meets required resource criteria for public and private higher education institutions that have accredited nursing programs. Kan-ed provides a grant to the State Library of Kansas for \$869,000 per year to assist with the purchase of statewide databases. An additional \$800,000 is provided by Kansas libraries and Kan-ed member institutions for the purchase of these databases.

Kan-ed provides staff resources on the statewide Broadband initiative (Governor's office and Department of Commerce), statewide Health Information Technology initiative (KDHE and Kansas Health Information Exchange, INC.), and the statewide Enhanced E911 initiative (Governor's office). In March Kan-ed hosted a 41 site video conference for the Kansas Department of Health and Environment. This resulted in hundreds of participants not needing to travel and simple cost avoidance. Kan-ed has worked with JJA, KDHE, Labor, Governor's office, Board of Nursing, Fire Marshall's office and Legislators to provide statewide AND worldwide video conferencing access. Kan-ed has facilitated over 36,000 video sessions in 2010 and has over 10,000 video sessions completed from January 1 through March 14th, 2011. Passage of HB 2390 would eliminate these efficiencies and partnerships in State government.

Passage of HB 2390 will result in termination of the EMResource program. EMResource is a real-time tracking database that resides in every hospital in Kansas. The program lets doctors, nurses, and hospital administrative staff know the availability in terms of specialty units (burn, ICU, etc.). It also reports doctors that are available should such resources become necessary in a mass disaster or casualty. Kan-ed provides the grant funding for this program on an annual basis as a service to hospitals through a partnership with the Kansas Hospital Association.

K-12 schools and public libraries connected to Kan-ed would need to replace their existing Kan-ed circuits and routers with new circuits and routers. These circuits and routers are leased through participation in the federal E-Rate program. The E-Rate program specifically prohibits the ownership, re-selling or re-purposing of equipment or services leased with E-rate dollars. The E-rate window has closed for 2011-2012, and schools and libraries would not be able to use the Kan-ed equipment as the contracts would be canceled and the vendor is returned the leased equipment. Since the E-Rate filing window has closed, schools and libraries that connect through Kan-ed would be left with no Kan-ed and no federal funding for 2012.

This vision developed by the legislature and Governor over a decade ago and now reconfirmed by Governor Brownback was intended to help all of these institutions, which are critical to the education and care of our citizens, bridge the digital divide regardless of their size or location. Their hope also envisioned a network that would provide cost efficiencies and enhanced quality through aggregation of services statewide. That dream has become a reality, and those who use it can certainly testify to how it has served them. I am convinced that elimination of this network would recreate the digital divide in our state, reduce the quality of services available to most of these institutions, and in many cases dramatically increase the price for these services which will ultimately mean that they will not be available to the citizens served by these institutions across the state.

In summary, Kan-ed provides an invaluable service to Kansas within the institutions that are a part of the mission of this initiative at no cost to the SGF. Kan-ed connects hundreds of Kansas hospitals, libraries, and higher education and K-12 institutions, and hundreds of thousands of Kansans within these institutions. Also, Kan-ed ensures that these institutions no matter where they are located in the state have high quality, cost effective, high-speed broadband access.

Mr. Chairman, thank you for the opportunity to appear before your Committee today.