

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3417-01
Bill No.: HB 1402
Subject: Political Subdivisions: Telecommunication Utilities
Type: Original
Date: February 5, 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	\$0	\$0	\$0

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 **Department of Economic Development - Office of the Public Counsel** stated that the proposal would not significantly affect their agencies.

Officials of the **City of Kansas City** stated that while the proposal would not affect any sources of city revenue it would, by making permanent the prohibition on city-provided telecommunication services, eliminate a possible future source of revenue.

<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
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small telecommunications businesses could be affected competitively by of this proposal.

DESCRIPTION

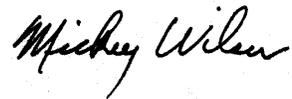
This proposal would removes the August 28, 2002, sunset date for the prohibition against political subdivisions providing or selling telecommunication services that require a certificate of service authority from the Public Service Commission.

Municipal utilities could offer telecommunication facilities or services within their service boundaries on a nondiscriminatory, competitively-neutral basis at a price that covers costs, including imputed costs that a subdivision would incur if it were a for-profit business.

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

SOURCES OF INFORMATION

Department of Economic Development
Public Service Commission
Office of the Public Counsel
Kansas City



Mickey Wilson, CPA
Acting Director
February 5, 2002