

**STATE OF KANSAS
DEPARTMENT OF ADMINISTRATION
NOTICE OF HEARING ON REVOCATION OF ADMINISTRATIVE REGULATIONS**

A public hearing will be conducted at 9:00 a.m. on January 17, 2012, in the Landon State Office Building, 900 SW Jackson, Room 106, Topeka, Kansas to consider the revocation of K.A.R. 1-64-1, a rule and regulation of the Department of Administration, on a permanent basis.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the revocation of K.A.R. 1-64-1. All interested parties may submit written comments prior to the hearing to the Governor's Grants Program, 900 SW Jackson, Room 304 North, Topeka, Kansas 66612 or at Jennifer.Cook@ks.gov. All interested parties will be given a reasonable opportunity to present their views orally on the revocation of K.A.R. 1-64-1 during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request K.A.R. 1-64-1 and the economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Mary Greb-Hall, at (785) 296-2701 (or TTY 1-800-766-3777). The northwest entrance to the Landon State Office Building is accessible. Handicapped parking is located near the northwest entrance.

Summaries of K.A.R. 1-64-1 and its economic impact follow.

K.A.R. 1-64-1 established a regulation that authorized the Secretary of Administration (Secretary) to assess monetary penalties against wireless carriers and voice-over internet protocol

(VoIP) providers that fail to comply with the provisions of the Wireless Enhanced 911 Act (K.S.A. 12-5321 et seq.) or the VoIP enhanced 911 Act (K.S.A. 12-5351 et seq.). Under the terms of the regulation, the local collection point administrator is to notify the Secretary or the Secretary's duly authorized agent of any wireless carrier or VoIP provider that (1) has not submitted the carrier's or provider's wireless enhanced 911 local fees or the corresponding return within 14 days of its due date; or (2) has submitted fees and a return that are substantially inconsistent with each other. A penalty of 10% of the enhanced 911 local fees due from a delinquent wireless carrier or VoIP provider is to be assessed by written order of the Secretary against any carrier or provider that is determined to be in delinquent status. Written notice of the penalty assessment, the violation, and the right to a hearing is to be issued by the Secretary. Interest at an annual rate of 10% accrues if a wireless carrier or VoIP provider remains in delinquent status for 30 days or more after the date on which the fees and return were due.

The regulation requires any monetary penalties to be remitted to the Secretary or the Secretary's duly appointed agent. K.S.A. 12-5325 and 12-5354 direct any civil penalty recovered to be deposited with the local collection point administrator and subsequently routed back to the corresponding PSAP.

The Secretary or a duly authorized agent of the Secretary is required to administer the processes for determining and assessing penalties, hearing any appeals of the penalties in accordance with the provisions of the Kansas Administrative Procedures Act (KAPA), and forwarding the recovered penalties to the local collection point administrator.

With the revocation of K.A.R. 1-64-1, the economic impact on the Department of Administration associated with the administration of the penalty process will be eliminated.

With the revocation of K.A.R. 1-64-1, the economic impact on any wireless carrier or VoIP provider that does not accurately and timely remit data and fees as required by the Wireless Enhanced 911 Act and the VoIP Enhanced 911 Act will be eliminated.

Revocation of K.A.R. 1-64-1 is not anticipated to have an economic impact on PSAPs as penalties were not issued under the regulation. Therefore, PSAPs did not receive additional revenue as a result of assessed penalties authorized by the implementation of K.A.R. 1-64-1.

It is assumed that because penalties were not actually assessed to wireless carriers and VoIP providers, there was not an identifiable impact on subscriber rates or fees. Therefore, the revocation should not trigger a change in subscriber rates or fees.

Copies of K.A.R. 1-64-1 and the associated economic impact statement may be obtained from the Governor's Grants Program, 900 SW Jackson, Room 304 North, Topeka, Kansas 66612 or (785) 291-3205. K.A.R. 1-64-1 and the economic impact statement may also be viewed at <https://governor.ks.gov/serving-kansans/grants-program/boards-and-councils>.

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**STATE OF KANSAS
DEPARTMENT OF ADMINISTRATION
ECONOMIC IMPACT STATEMENT ON REVOCATION OF ADMINISTRATIVE
REGULATIONS**

I. Summary of K.A.R. 1-64-1, including its purpose.

K.A.R. 1-64-1 established a regulation that authorized the Secretary of Administration (Secretary) to assess monetary penalties against wireless carriers and voice-over internet protocol (VoIP) providers that fail to comply with the provisions of the Wireless Enhanced 911 Act (K.S.A. 12-5321 et seq.) or the VoIP enhanced 911 Act (K.S.A. 12-5351 et seq.). Under the terms of the regulation, the local collection point administrator is to notify the Secretary or the Secretary's duly authorized agent of any wireless carrier or VoIP provider that (1) has not submitted the carrier's or provider's wireless enhanced 911 local fees or the corresponding return within 14 days of its due date; or (2) has submitted fees and a return that are substantially inconsistent with each other. A penalty of 10% of the enhanced 911 local fees due from a delinquent wireless carrier or VoIP provider is to be assessed by written order of the Secretary against any carrier or provider that is determined to be in delinquent status. Written notice of the penalty assessment, the violation, and the right to a hearing is to be issued by the Secretary. Interest at an annual rate of 10% accrues if a wireless carrier or VoIP provider remains in delinquent status for 30 days or more after the date on which the fees and return were due.

The regulation requires any monetary penalties to be remitted to the Secretary or the Secretary's duly appointed agent. K.S.A. 12-5325 and 12-5354 direct any civil penalty recovered to be deposited with the local collection point administrator and subsequently routed back to the corresponding PSAP.

II. Reason for proposing revocation for K.A.R. 1-64-1

The statutes authorizing and implemented by K.A.R. 1-64-1 will be repealed on January

1, 2012.

III. Regulation mandated by federal statute or federal regulation

K.A.R. 1-64-1 does not contain provisions that are mandated by federal statute or federal regulation. K.A.R. 1-64-1 does not contain provisions that exceed federal statute or federal regulation. Therefore, revocation of K.A.R. 1-64-1 is not in violation of federal statute or federal regulation.

IV. Anticipated Economic Impact upon the Department of Administration and other state agencies

The Secretary or a duly authorized agent of the Secretary is required to administer the processes for determining and assessing penalties, hearing any appeals of the penalties in accordance with the provisions of the Kansas Administrative Procedures Act (KAPA), and forwarding the recovered penalties to the local collection point administrator. With the revocation of K.A.R. 1-64-1, the economic impact on the Department of Administration associated with the administration of the penalty process will be eliminated. K.A.R. 1-64-1 does not have an economic impact on other state agencies therefore, revocation of K.A.R. 1-64-1 will not have an economic impact on other state agencies.

V. Anticipated Economic Impact upon Wireless Carriers and VoIP Providers

With the revocation of K.A.R. 1-64-1 the economic impact on any wireless carrier or VoIP provider that does not accurately and timely remit data and fees as required by the Wireless Enhanced 911 Act and the VoIP Enhanced 911 Act will be eliminated.

VI. Anticipated Economic Impact upon Public Safety Answering Points (PSAPS)

Revocation of K.A.R.1-64-1 is not anticipated to have a negative economic impact on PSAPs as penalties were not issued under the regulation. Therefore, PSAPs did not receive

additional revenue as a result of assessed penalties authorized by the implementation of K.A.R. 1-64-1.

VII. Less costly or intrusive methods considered and rejected.

The statutes authorizing and implemented by K.A.R. 1-64-1 will be repealed on January 1, 2012. Therefore, revocation of K.A.R. 1-64-1 is the only option.

VIII. Anticipated Economic Impact upon Kansas citizens who are service subscribers

It is assumed that because penalties were not actually assessed to wireless carriers and VoIP providers, there was not an identifiable impact on subscriber rates or fees. Therefore, the revocation should not trigger a change in subscriber rates or fees.