

# HOUSE BILL REPORT

## SHB 2234

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**As Passed House:**

March 12, 1999

**Title:** An act relating to K-20 telecommunications governance.

**Brief Description:** Changing K-20 telecommunications governance.

**Sponsors:** By House Committee on Appropriations (Originally sponsored by Representatives Huff, H. Sommers and Carlson).

**Brief History:**

**Committee Activity:**

Appropriations: 3/3/99, 3/6/99 [DPS].

**Floor Activity:**

Passed House: 3/12/99, 96-0.

**Brief Summary of Substitute Bill**

- Creates a new K-20 network governance structure, assigning responsibility for governance to the Information Services Board (ISB).
- The K-20 Network User Steering Committee is created under the ISB, which must delegate general network operational and technical oversight to the steering committee as appropriate.
- The steering committee includes seven voting members representing the users and other stakeholders, and three non-voting members.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

**Staff:** Mary Alice Grobins (786-7118).

**Background:**

The 1996 Legislature approved the creation of a telecommunications network to serve distance learning, internet access, data transmission, and other telecommunications needs of various public and private organizations in Washington (E2SSB 6705). The network was to be developed in phases:

**Phase 1:** A backbone connecting K-12 educational service districts (ESD), the main campuses of public baccalaureate institutions, the branch campuses of the University of Washington and Washington State University, and the main campuses of community and technical colleges.

**Phase 2:** Connection to the network by (a) K-12 school districts, public higher education off-campus and extension centers, branch campuses of community and technical colleges, and independent non-profit baccalaureate institutions, and (b) distance education facilities and components for entities wired in Phases 1 and 2.

**Phase 3 and beyond:** Connections to other entities determined by the Telecommunications Oversight and Policy Committee (TOPC). These may include public libraries, state and local governments, community resources centers, and the private sector.

**Governance of the K20 Network**

E2SSB 6705 established the TOPC to adopt policy goals and objectives for the K20 telecommunications system, to adopt a network design and implementation plan, and to authorize release of funds for network purposes.

There are 8 voting members of TOPC (or their designees):

- the Governor,
- one member from each caucus of the Senate, appointed by the president of the Senate,
- one member from each caucus of the House of Representatives, appointed by the speaker of the House of Representatives,
- the Superintendent of Public Instruction (SPI),
- the chair of the Higher Education Coordinating Board (HECB), and
- the chair of the Information Services Board (ISB)

There are also 8 non-voting members of TOPC (or their designees):

- a community/technical college president, appointed by the State Board for Community and Technical Colleges (SBCTC),
- the president of a public baccalaureate institution, appointed by the Council of Presidents (COP),
- the State Librarian,
- a superintendent of an ESD, appointed by OSPI,
- a school district superintendent, appointed by OSPI,
- a private school representative, appointed by OSPI,
- a representative of an independent non-profit baccalaureate institution, appointed by the Washington Friends of Higher Education, and
- a representative of the computer/telecommunications industry appointed by ISB.

### **Duties of the ISB and Department of Information Services (DIS)**

The ISB provides recommendations to the TOPC on network design and planning, names the computer industry representative to TOPC, plans, reviews and approves the K-20 construction technical plan, serves as a member of TOPC, and provides project oversight. The ISB established a technical working group to provide recommendations to the ISB regarding design, planning and construction of the network. The DIS convenes and staffs TOPC and authorizes disbursements for the network.

### **Status of network development**

The TOPC has adopted a network use policy designating K-20 as an educational network. Following enactment of the K-20 network enabling legislation, the federal government announced the establishment of a new program to provide funding to states for public K-12 internet connections (known as "e-rate"). Current Federal Communications Commission rules do not allow public schools to receive e-rate funds if they participate in consortia that are not exclusively composed of public education users. K-20 connections have not been provided beyond public education sites. K-20 Phase 1 development and implementation are complete, and the portion of Phase 2 that provides connections to public K-12 and higher education sites is nearly finished.

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### **Summary of Bill:**

The ISB governs, operates and oversees the K-20 network. Duties include establishing and implementing network policy, budget request preparation including review of K-20 budget requests submitted jointly by the educational sectors, and user/provider dispute resolution. The ISB must delegate general operational and technical oversight to the K-20 Network User Steering Committee. The ISB has rule-making authority for the K-20 network.

The K-20 Network User Steering Committee is established. It has general operational and technical oversight over the K-20 network. The committee has seven voting members:

- the executive director of the HECB
- the Superintendent of Public Instruction
- the executive director of the SBCTC
- a representative of an ESD, appointed by the ESDs
- a representative of baccalaureate institutions, appointed by COP
- a representative of the computer or telecommunications industry, appointed by the Governor
- a representative of the DIS, appointed by the director

With the exception of the industry representative, each voting member may designate an appointee.

A representative of the organization that operates the K-20 network is named as a non-voting member of the network user steering committee. The State Librarian and a representative of the independent nonprofit higher education institutions are added as nonvoting members. The ISB may name additional non-voting members. The committee shall select a chair from among its members.

Independent nonprofit institutions of higher education may be connected to the network if the ISB determines that connection will not jeopardize the state's ability to receive Federal e-rate funds. Phase 3 network connections specified in E2SSB 6705 (public libraries, state and local governments, community resource centers and the private sector) are eliminated.

Actions of the TOPC shall remain in effect. The ISB is not intended to duplicate statutory responsibilities of the network users. The DIS shall maintain the K-20 operations cooperative, which is responsible for day-to-day network operations.

The DIS shall provide staff support to the K-20 Network User Steering Committee. Network connection to independent nonprofit institutions is conditioned upon written terms and conditions stipulating that article VIII, section 5, (lending of credit) of the state constitution not be violated, and upon determination by the ISB that the connection will not significantly affect the network's eligibility for "e-rate" funds.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect on July 1, 1999.

**Testimony For:** (Original bill) This bill is consistent with the approach of the Telecommunications Oversight and Policy Committee with regard to recommendations for future governance structures. There is a bill in the Senate, and it is hoped that differences between the House and Senate bills can be worked out. A provision should be added to the bill specifying that network users must pay a co-payment. The bill mandates the connection of private colleges but does not acknowledge the attorney general's opinion regarding constitutionality. The bill requires that DIS provide a full FTE in support of the steering committee, but a full FTE is not required. The bill appears to change the scope of the network, and it changes the mission of the ISB from standard-setting to governance. This would be a role change for the ISB. Student representatives of the two- and four-year institutions should be considered as members of the steering committee because students are customers and stakeholders.

(In support with concerns on original bill) Public libraries were included in the original network. Rural libraries are sometimes the only affordable access to the internet in some communities. The more users connect to the K-20 network, the lower the user charges will be. There is no concern about jeopardizing e-rate by connecting public libraries.

**Testimony Against:** None.

**Testified:** (In support) Steve Kolodney and Dave Danner, Department of Information Services; Norm Wisner, Office of the Superintendent of Public Instruction; and Jesse Salomon, Washington Student Lobby.

(In support with concerns) Nancy Zussy, Washington State Library.