

AN ACT concerning utilities; imposing certain retail customer service fees; relating to education funding.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) There is hereby imposed a monthly education utility fee in the amount of \$3 for each residential utility retail customer account and \$10 for each commercial or industrial utility retail customer account. Each billed retail customer shall be liable for the utility education fee until such fees have been paid to the utility. It shall be the duty of a utility to remit such fees to the state treasurer pursuant to K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state school finance fund.

(b) The duty to collect the fees imposed pursuant to this section shall commence July 1, 2017. Such fees shall be added to and shall be stated separately in billings for the customer account and labeled as "education utility fee." The education utility fees imposed by this section shall be collected insofar as practicable at the same time as, and along with, the charges for utility service in accordance with regular billing practice of the utility. A utility may delay initial collection up to six months in establishing the necessary billing system as long as all fees are backdated and collected.

(c) The utility shall have no obligation to take any legal action to enforce the collection of the education utility fees imposed by this act. The utility shall provide annually to the state treasurer a list of the amount of uncollected education utility fees along with the names and addresses of those customer accounts which carry a balance that can be determined by the utility to be nonpayment of such fees.

(d) (1) The education utility fees and the amounts required to be collected therefor are

due monthly. If the amount of such fees collected in one month is less than \$10,000, then all such fees collected shall be remitted to the state treasurer on a quarterly basis. If the amount of such fees collected in one month by a utility is greater than than \$10,000, then all such fees collected shall be remitted to the state treasurer not more than 15 days after the close of the calendar month.

(2) A return for the preceding month or months shall accompany the fees remitted and be filed with the state treasurer. Such return shall be in a form and shall contain such information as required by the treasurer. The utility shall maintain records of the amount of any such fees collected for a period of three years from the time the fees are collected.

(e) The education utility fee imposed pursuant to this section shall not be deemed to be a rate increase for purposes of K.S.A. 66-117, and amendments thereto.

(f) The education utility fee imposed pursuant to this section shall not be subject to the provisions of K.S.A. 79-3606(a), and amendments thereto.

(g) The state treasurer is hereby authorized to adopt rules and regulations to effectuate the collection and remittance of the education utility fees, establish any forms necessary for the remittance of such fees and assess any penalties for the failure to remit such fees.

(h) As used in this section:

(1) "Person" means any individual, firm, partnership, copartnership, joint venture, association, cooperative organization, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state department, commission, board, bureau or fraternal organization, nonprofit organization, estate, trust, business or common law trust, receiver, assignee for the benefit of creditors, trustee or trustee in bankruptcy or any other legal entity.

(2) "Customer account" means the account assigned to a retail customer by a utility for the purpose of billing the retail customer. "Customer account" does not include the government of the United States or its agencies or instrumentalities.

(3) "Utility" means any person that furnishes electricity, water or natural gas at retail to a person in this state.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

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