

Testimony in Support of House Bill 2326

**Testimony by CenturyLink
John Idoux, Kansas Governmental Affairs
Before the House Committee on Committee, Labor and Economic Development
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Thank you Chairman Kleeb and members of the Committee. My name is John Idoux with CenturyLink's Governmental Affairs team and I appreciate this opportunity to express CenturyLink's support to House Bill 2326.

CenturyLink Introduction

CenturyLink has provided communications services in Kansas for over 110 years and is the third largest telecommunications company in the United States providing broadband, voice, and managed services across the country. CenturyLink serves over 72,000 rural Kansans in 119 communities including Junction City, Fort Riley, Gardner, and 111 communities with less than 1000 residents. CenturyLink has deployed high speed Internet facilities to all 119 Kansas communities and nearly 92% of customers have access to broadband.

House Bill 2326 Background

The telecommunications marketplace is quickly transitioning from the traditional voice network to a robust broadband communications platform. New competitive entrants are entering the Kansas marketplace, investing millions of dollars in new technologies and implementing new business models. Unfortunately, not all companies are treated equally when it comes to regulatory oversight and the disproportionate regulation and associated disproportionate cost burden associated with regulatory compliance results in competitive disparities. House Bill 2326 unequivocally deregulates these new telecommunications technologies for all companies – new entrants as well as traditional phone companies – and establishes a competitively-neutral regulatory playing field.

Competitive Parity In A Technology Neutral Manner

CenturyLink faces growing and intense competition from a variety of competitors using a variety of technologies. Traditional wire-line telephone companies provide telephone service to less than 4 of 10 customers nationwide and CenturyLink is just one of multiple comp

service areas. As such, the competitive market – not governmental regulation – should discipline the marketplace and drive accountability to customers. CenturyLink advocates for a lower regulatory burden on all communications companies. For new technologies such as VoIP and IP-enabled services, CenturyLink suggest that the only regulation that should apply is that which is proven to be required. In other words, the default assumption should be deregulation. House Bill 2326 is consistent with this public policy position.

Competition benefits consumers by providing greater choices and this competition is sufficient to discipline the marketplace. CenturyLink embraces free market principles and supports efforts to eliminate regulations that get in the way of free market competition that do little to benefit consumers. House Bill 2326 treats all competitors the same, regardless of the type of facilities, network, or technology used to deploy VoIP, internet-enabled services. House Bill 2326 does not limit competitive neutrality to only regulatory oversight but also continues to recognize parity with respect to regulatory fees and contributions to the Kansas Universal Service Fund.

Conclusion

House Bill 2326 unequivocally establishes competitive parity in a technology neutral manner for the new telecommunications services currently being deployed in Kansas. CenturyLink urges you to support House Bill 2326.

Thank you for your consideration.