Approved: April 5, 2002

Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:14 a.m. on March 7, 2002 in Room 526-S of the Capitol.

All members were present

Committee staff present:	Robert Chapman, Legislative Research Dennis Hodgins, Legislative Research		
5		nce, Revisor of Statutes	
		ninistrative Assistant	
Conferees appearing before the committee:		Walker Hendrix, Citizens' Utility Ratepayer Board	
		Doug Smith, Direct Marketing Association	
		Mike Murray, Sprint	
		George Barbee, Kansas Association of Financial Services	
		Steve Montgomery, MCI Worldcom	
		Jim Gartner, Southwestern Bell Company	

Others attending: See Attached List

Representative Dreher moved to approve the minutes of the January 22, January 23, and January 24 meetings. Representative Loyd seconded the motion. Motion carried.

Chairman Holmes announced that a tour of the Lawrence and Tecumseh power plants would be the following day and asked for a count of those in the committee planning to attend.

HB 2100 - Unsolicited consumer telephone calls; do-not call list HB 2903 - Telemarketer no-call list

The hearing on HB 2100 and HB 2903 continued.

Walker Hendrix, Consumer Counsel for the Citizens' Utility Ratepayer Board, appeared in support of do not call legislation (Attachment 1). Mr. Hendrix stated that the language in HB 2767 and SB 538 was the most complete form of legislation that could be passed this session.

Doug Smith, appearing on behalf of the Direct Marketing Association (DMA), addressed the committee in support of a do not call list created by the industry (<u>Attachment 2</u>). They believe using the DMA's list would form a perfect public/private partnership. Mr. Smith urged the committee to consider the industry's proposal and provided a chart comparing different aspects of each piece of legislation.

Mike Murray, Director of Governmental Affairs for Sprint, spoke as a proponent of no call legislation, endorsing the industry language (<u>Attachment 3</u>). Mr. Murray provided a history of proposed no call legislation. Additionally, he included a copy of the Corporation Commission's order on telephone directory messages informing the consumer about the DMA list. Mr. Murray provided a current Sprint telephone directory showing that information.

George Barbee, Executive Director of Kansas Association of Financial Services, addressed the committee on no call legislation (Attachment 4). Mr. Barbee stated they were neither a proponent or an opponent of any of the bills, and were not opposed to the concept of a no call list. He stated their concern was with the subsidiary operations and their ability to offer services through telemarketing activities.

Steve Montgomery, appearing on behalf of MCIWorld com, spoke in support of the general concept of do not call legislation, but was opposed to specific proposals in <u>HB 2100</u> and <u>HB 2903 (Attachment 5)</u>. He stated they support one central list and that diverting from the current DMA listing would confuse consumers. He also addressed some concerns about the Missouri legislation that appears to have incurred costs of \$1.2 million.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 526-S Statehouse, at 9:14 a.m. on March 7, 2002.

Jim Gartner, representing SBC Southwestern Bell, appeared before the committee regarding the no call legislation (Attachment 6). Mr. Gartner stated that the industry's proposal would be a public/private effort that avoids creating a new state bureaucracy, it is already in operation and is free for those who mail in their registration.

The conferees responded to questions from the committee.

The hearing on <u>HB 2100</u> and <u>HB 2903</u> will continue on March 11.

Chairman Holmes announced that the hearing on $\underline{HB 2754}$ would be reopened on Monday. The hearing on $\underline{SB 480}$ would also be on Monday.

The meeting adjourned at 10:54 a.m.

The next meeting will be March 8, 2002.