

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on February 20, 2002 in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

April Holman, Legislative Research  
Debra Hollon, Legislative Research  
Norman Furse, Revisor of Statues  
Sherman Parks, Revisor of Statues  
Lea Gerard, Committee Secretary

Conferees appearing before the committee:

Rachel Lipman Reiber, Vice President of  
Regulatory and Governmental Affairs  
Everest Connections  
Bill Yanek, Director Governmental Relations,  
Kansas Association of Realtors

Others attending:

See attached list

Hearings on **SB 605**--Act concerning certain reports to the legislature and committees.

Chairperson Brownlee briefly explained **SB 605** would eliminate paper reports to the New Economy and Senate Commerce Committees and would be published on the internet. Committee members would be provided with the uniform resource locator (URL) of where the report can be located on the internet.

Senator Steineger moved, seconded by Senator Jordan that **SB 605** be amended on Page 2 Line 7 to strike “economic development” and insert the words “new economy”. Motion carried.

There being no conferees wishing to testify, the hearing on **SB 605** was closed.

Hearings on **SB 593**--Landlord agreements with telecommunication providers.

In accordance with KSA 75-3715a, the fiscal note for **SB 593** was submitted to committee members.

Rachael Lipman Reiber, Vice President of Regulatory and Governmental Affairs, Everest Connections, testified in support of **SB 593** (Attachment 1). Everest has not been successful in their ability to serve all apartment complexes. In Lenexa, Kansas alone, there are 18,000 residential units and Everest has been able to build to 12,000 of those units. The remaining are apartment complexes that Everest is unable to serve because owners have signed an exclusive perpetual easement agreement with incumbent providers. Many of the owners indicate they would like to do business with Everest but fear breach of contract if they permit Everest to provide that service. The Cable Reform Act of 1992 and Telecommunications Act of 1996 was to give people choice so they would be able to select services, lower price, and better customer service. Everest feels that apartment residents should not be deprived of the benefits of competition.

The committee questioned if the easement meant taking the wire to the apartment or using the wire that is already placed. Rachael explained that Everest builds their plant in from the street to the utility closet located in the apartment complex and this would be the easement. The FCC has some rules pertaining to the inside wiring of a building and in many cases an apartment was wired by the provider in return for the exclusive right to provide service.