Approved: April 06, 2001

Date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on March 22, 2001 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research Department

Bob Nugent, Revisor of Statutes

Lea Gerard, Secretary

Conferees appearing before the committee:

Others attending: See attached sheet.

SB 306-Telecommunications; right-of-way.

Bob Nugent, Revisor of Statutes, clarified what had been worked by the committee members regarding balloon amendments dated 03-12-01 (the complete bill) and 03-15-01, additional proposed changes. (Attachment 1).

- Definition of Telecommunications facilities.
- Local option for gross receipts basis versus an access line fee.
- Definition of Access Line.
- \$1.81 Cap.
- Attorney's fee for gross receipts litigation.
- Reference to resold lines deleted.
- Page 5, subsection (f) needs to be conformed to same language as on Page 14.
- Cross-reference to the Kansas Open Records Act.
- Adopted the changes on Page 6 and 7 on the March 12, 2001 balloon
- Page 6, Line 9, striking the language "without costs."
- The balloon on Page 7, striking the language "as soon as possible."

The Chair stated that Page 7, Line 5, Section (g) was amended to say "to return the right-of-way to it's functional equivalence."

The Chairperson walked the committee members through the remaining amendments for **SB 306.**

- Page 7, Bills dated 03-12 and 03-15-01, adopt Paragraph (g) and the other small changes on Page 7, add the 03-12-01 balloon as a Page 8, Paragraph h that indicates "the city may require a telecommunications provider to relocate or adjust any of its facilities in the public right-of-way".
- Page 9, the removal of the word "franchise".
- Page 9, New Section 8, Line 7 a proposed amendment.
- Page 9, Line 2, subjection (j); Line 7 thru Line 15, New Section 8; Line 23 thru Line 31.
- Page 10, Line 8, Line 26 and Line 27.
- Page 12, Lines 16 thru 43.
- Addition of language on Pages 13 and 14.
- Page 15, changes Line 1 thru 28.

During Committee discussion regarding <u>SB 306</u>, it was decided that the preamble language (<u>Attachment 2</u>) would not be a part of the motion for the remaining amendments.

Senator Emler moved, seconded by Senator Kerr to adopt the remaining amendments for **SB 306**. Motion carried.

Senator Emler moved, seconded by Senator Jenkins to make this a Senate Substitute bill for **SB 306**. Motion carried.

Senator Emler moved, seconded by Senator Jenkins that **SB 306** be recommended favorably for passage as amended. Motion carried.

CONTINUATION SHEET

Senator Emler moved, seconded by Senator Kerr that the following preamble for **SB 306**, new section (a), Page 2 be removed and placed in the minutes, "The Kansas legislature declares that in 1996 the Congress of the United States and the legislature of Kansas both enacted statutes to promote competition and reduce regulation to encourage deployment of new telecommunications technologies to better serve the citizens of Kansas. To further meet the goal of competition in telecommunications services, it is no longer appropriate to treat telecommunications providers in the same manner as monopoly providers of other utility services. In accordance with the provisions of Section 101 of the federal telecommunications act of 1996, telecommunications providers shall no longer be subject to franchise agreements. The legislature further declares that use of the public rights-of-way by telecommunications providers is consistent with state and federal efforts to promote competition and to encourage deployment of new technologies and, therefore, is appropriate for the public good.

Mike Santos, City Attorney for the City of Overland Park presented information to the Committee members regarding street degradation (<u>Attachment 3</u>).

The Committee considered the appointment of Shirley A. Sicilian and reappointment of Gregory M. Windholz, term expiring as members of the Public Employee Relations Board (<u>Attachment 4</u>).

Senator Steineger moved, seconded by Senator Kerr to confirm the appointment of Shirley A. Sicilian, member of the Public Employee Relations Board. Motion carried.

Senator Brungardt moved, seconded by Senator Steineger to confirm the reappointment of Gregory M. Windholz, member of the Public Employee Relations Board. Motion carried.

HB 2124-Lake Wabaunsee improvement district; powers and duties.

Senator Steineger moved, seconded by Senator Jordan, to pass HB 2124 favorably. Motion carried.

Meeting adjourned at 9:30 a.m.