MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on January 26, 2004 in Room 123-S of the Capitol.

All members were present except: Senator Chris Steineger- excused Senator David Kerr- excused Senator Nick Jordan- excused Senator Pete Brungardt- excused

Committee staff present:

Kathie Sparks, Legislative Research Susan Kanarr, Legislative Research Helen Pedigo, Revisor of Statutes Nikki Kraus, Committee Secretary

Conferees appearing before the committee: Kathie Sparks, Legislative Research

Others attending: See Attached List.

Ms. Sparks presented and explained to the committee three different reports from the 2003 Interim Committees. First, she reviewed the Special Committee on Utilities. (<u>Attachment 1</u>) This report focused on the issue of telecommunications including broadband coverage, SBC deployment of DSL services, and KAN-ED. The report provided the following conclusions and recommendations: KAN-ED should provide services to medical clinics in communities without a hospital, House Utilities, JCIT, and Senate Commerce should hold a joint meeting during session to address information on broadband services available in various communities and and address the use of KUSF moneys by public school districts, libraries, and hospitals for KAN-ED implementation. It went on to say that the Legislature should consider increasing the maximum fine from the KCC for violations of its orders, that the Department of Transportation allow the use of its 800 MHz radio towers, and that a link be created between the KDOT fiber backbone along I-70 through Topeka and the Capitol in downtown Topeka.

The Special Committee on Commerce and Labor discussed workers compensation issues including the system itself, insurance and rates, fraud and abuse, physician choice, school cost presentation, Kansas cooperative cost outlook, small and business cost outlook, and other citizen concerns.

Ms. Sparks then presented the committee with "Reports of the Joint Committee on Economic Development" which addressed rural economic development issues such as agritourism and "Farmaceutical" development. (<u>Attachment 2</u>) The conclusions and recommendations of the committee were that the Kansas Insurance Commissioner open a dialog with the Kansas insurance industry about the lack of liability insurance for farmers and ranchers developing agritourism operations. The report went on to say that the committee wished to acknowledge Senator Schmidt's proposed bill regarding limiting liability on agritourism and recommended that all of the interested parties should come together to produce a cooperative bill.

Ms. Sparks provided the committee with copies of an explanation of Executive Reorganization Order 31 (<u>Attachment 3</u>) and concluded with the "Report of the Special Committee on Commerce and Labor". (<u>Attachment 4</u>)

Following discussion, Chairperson Brownlee adjourned the meeting at 9:30 a.m. The next meeting will be held at 8:30 a.m. on January 27, 2004 in Room 123-S of the Capitol.