Approved: February 11, 2003 Date

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on January 30, 2003 in Room 123-S of the Capitol.

All members were present except:	Sen. Steineger, absent
Committee staff present:	April Holman, Legislative Research Norman Furse, Revisor of Statutes Mitch Rice, Revisor of Statutes Jodie Anspaugh, Secretary
Conferees appearing before the committee:	Janet Buchanan, Kansas Corporation Commission
Others attending:	See attached list.

Senator Jordan moved to introduce a bill on tourism funding, similar to HB 2083. Senator Kerr seconded. The motion carried. Chairperson Brownlee introduced her two pages for the day.

Chairperson Brownlee welcomed Janet Buchanan, Chief of Telecommunications from the Kansas Corporation Commission, to the committee. Ms. Buchanan presented the committee with a review of some of the dockets filed at the Commission (<u>Attachment 1</u>). From July 2001 - June 2002, there were 821 telecommunications dockets filed, which is 80% of the total dockets filed at the Commission in that time period. Ms. Buchanan reviewed some of the dockets:

Audits of Independent Rural Telephone Companies

- 12 dockets were reviewed, with a report on whether the KUSF support was increased or decreased as a result of the audit.
- To date, the audits of the independent rural telephone companies have led to a \$6,877,099 reduction in the level of the KUSF.
- Ms. Buchanan answered questions about the audit reports. Method of settlement and retroactive rate making were discussed.

Other KUSF Related Issues

• 3 more dockets were reviewed. Ms. Buchanan answered questions about the Lifeline program.

Unbundled Network Elements

Broadband was discussed. Ms. Buchanan recommended that each committee member read Order 19 of Docket Number 01-GIMT-032-GIT, which relates to HB 2019. Ms. Buchanan passed out a booklet titled "Evolving Telecommunications Competition in Kansas," which is an overview prepared by the Telecommunications Section of the Kansas Corporation Commission.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections. Page 1

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:30 a.m. on January 30, 2003 in Room 123-S of the Capitol.

(Attachment 2)

Price Cap Regulation

The one docket in this category discusses free 800 service. Southwestern Bell and Sprint agreed to continue to provide free 800 service to public schools and county governmental entities where 10% or more of the constituents are required to make long distance calls to reach the school or county seat.

The committee also discussed "slamming," "win-back offers," and caller-id service.

The meeting was adjourned at 9:30 a.m.

The next meeting is scheduled for January 31, 2003 at 8:30 a.m.

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