

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Scott Emler at 9:30 A.M. on March 10, 2005 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Athena Andaya, Kansas Legislative Research Department
Raney Gilliland, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes' Office
Diana Lee, Revisor of Statutes' Office
Ann McMorris, Committee Secretary

Conferees appearing before the committee:
Richard Lawson, Sprint

Others in attendance: See attached list

In order to start promptly, Chairman Emler, asked Ranking Minority Leader Janis Lee to start the meeting and preside until his arrival after page pictures.

Senator Lee opened for continued discussion on:

SB 120 - Telecommunications, regulation thereof, KUSF

Richard Lawson of Sprint continued his presentation of amendments to **SB 120**. (Attachment 1)

Amendment #5 - p.8 line 6 insert the language "are at least two telecommunications carriers or other entities"

Section (p) would read as follows: The commission shall price deregulate within an exchange area any individual residential service or service category upon a demonstration by the requesting local telecommunications carrier that there *are at least two telecommunications carriers or other entities* providing basic local telecommunications service to residential customers in that exchange area.....

Amendment #6 - p8 line 11 -insert the language "are at least two telecommunications carriers or other entities"

Section (p) in the sentence starting on line 8, would read.....
The commission shall price deregulate within an exchange area any individual business service or service category upon a demonstration by the requesting local telecommunications carrier that there *are at least two telecommunications carriers or other entities* providing basic local telecommunication service to business customers in that exchange.....

Amendment #7 - p8, line 22 - After the word "service" insert - ;and (iv) commercial mobile service providers as identified in 47 U.S.C. section 332(d)(1) and 47 C.F.R. parts 22 or 24, shall be considered entities providing basic local telecommunications service, except that only one such nonaffiliated provider shall be considered as providing basic local telecommunications service within an exchange.....

Amendment #8 - p8, line 27 - insert the word "business" before the word "services".

Amendment #9 - p8, line 42 - add the language "the conditions in this section for price deregulation no longer exist"

(q) (second sentence would read) The commission shall resume price regulation of a service provided in any exchange area by placing it in the appropriate service basket, as approved by the commission, upon a determination by the commission that *the conditions in this section for price deregulation no longer exist* in that exchange area.

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 10, 2005 in Room 526-S of the Capitol.

Written comments were provided by Cox Communications on the amendments offered by Sprint on **SB 120**. (Attachment 2)

In the discussion, concern was voiced on the fate of a company that made a big investment under the existing rules if this bill was enacted. Opposition noted this bill is premature and unnecessary and would take KCC and CURB out of the process. The committee was urged to not deregulate. It was felt there is a need for analysis of the competition and an interim study. Service to rural communities should be a focus. If deregulated, a price war would force smaller companies out of business.

Approval of Minutes.

Moved by Senator Pyle, seconded by Senator Apple, minutes of the meetings of the Senate Utilities Committee held on March 8, 2005 and March 9, 2005, be approved. Motion carried.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 2