Approved: _	3-31-08
-	Date

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 15, 2008 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department Dennis Hodgins, Kansas Legislative Research Department Jason Long, Revisor of Statutes Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

To read testimony submitted by conferees go to http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee.

SB 526--Distribution of moneys from E-911 fees

SB 453--Establishing the Kansas commission on rural policy

Chairperson Brownlee called the Committee attention to <u>SB 526</u> and introduced Jennifer Thierer, Legislative Research, to present information she had regarding the question which was raised in the hearing as to whether cell phone companies are required to accept 911 calls from other carrier's phone. Ms. Thierer stated since 1997, the Federal Communications Commission has required wireless carriers to transmit all 911 calls regardless of whether the originating phone has a service contract with that carrier. This requirement includes phones from other carriers as well as phones with no subscription at all.

A discussion followed regarding the dead spots around the state where cell phones will not work.

Chairperson Brownlee called on Judy Moler representing the Kansas League of Municipalities and the Kansas Association of Counties to present information requested at the hearing of <u>SB 526.</u> (<u>Attachment 2</u>) Ms. Moler stated that the information lists the population and average monthly 911 fees of counties that do not have Phase I or Phase II. A discussion followed regarding the information on the counties without Phase I and Phase II.

Chairperson Brownlee recognized Senator Elmer. Senator Elmer stated Jason Long, Revisors Office, has some amendments he has recommended on the bill. Senator Elmer reviewed the written copy of the amendments. (Attachment 3) for the Committee. He stated the amendment deals with page 2 of the bill; the changes are in the language making sure that the PAP's that have not achieved Phase II level get the monies first and when they all have achieved Phase II, such money shall be distributed for such purposes to any PAP.

Senator Elmer made a motion to approve the amendments for SB 526 changing the language on page 2, line 32 changing the word may to shall and then online on line 33, striking "and may be distributed to PAP's for such purposes" and adding on line 34:"until all PAP's have achieved phase II status, such moneys shall only be distributed for such purposes to PAP's that have not achieved phase II status, then such moneys shall be distributed for such purposes to any PAP. Senator Reitz seconded. Motion carried.

Chairperson Brownlee called on Jim Gartner representing AT&T asking if he wanted to comment regarding the information he had given to Chairperson Brownlee regarding Phase I and Phase II. He stated he was there if anyone had any questions. Chairperson Brownlee stated she would have the staff make copies and get those copies to the Committee members.

A discussion followed on what could be done to get coverage in the dead spots across the state. Mr. Gartner entered the discussion stating that the FCC was overseeing wireless service all the time. It was determined

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 15, 2008 in Room 123-S of the Capitol.

that if people would complain to the carrier where there is a problem they might work on getting that problem resolved. Chairperson Brownlee stated the Committee could write a letter to each of the companies that service Kansas and ask them to report to the Committee where they are at in the agreements for better coverage. Mr. Gartner stated that proprietary confidential agreements might be a problem. Senator Elmer stated the Committee Chair could file a complaint with the FCC.

<u>Senator Emler made a motion to move the bill out as amended. Senator Teichman seconded. Motion carried.</u>

Chairperson Brownlee moved the discussion to <u>SB 453</u>. A discussion followed regarding the Kansas, Inc. recommendation and what it would take to move that forward. Mr. Ahlerich, Kansas Inc., entered the discussion and stated they had been working with the Department of Commerce, the Governor, and the Department of Agriculture and it can be done administratively without a bill but since it does not include a commission, they are trying to find middle ground. The Committee agrees that something is needed to promote rural development all across the state. Chairperson Brownlee stated she was sensing the Committee would like the blending of the concept from Kansas, Inc. and the Kansas Farm Bureau. Maybe they could ask for a balloon that would have the Deputy Secretary for Rural Development and the Commission would have more authority with a 5 year sunset and that the Office of Rural Opportunity report to the Deputy Secretary. The members of the board and how they would be appointed was discussed and the Committee feels that the appointments to the board should be more structured and include members of Farm Bureau that are farmers in the rural communities.

Chairperson Brownlee announced that on Monday, February 25, 2008 there would be a roundtable discussion on workforce development with special guests and it should be a very good discussion.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. with the next meeting scheduled for February 19, 2008, at 8:30 a.m. in room 123 S.