MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on February 16, 2011, in Room 548-S of the Capitol.

All members were present except: Sen. Jay Emler - excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes Mary Torrence, Revisor of Statutes Cindy Lash, Kansas Legislative Research Department Heather O'Hara, Kansas Legislative Research Department Ann McMorris, Committee Assistant

Conferees appearing before the Committee:

Janet Buchanan, Kansas Corporation Commission Steve Rarrick, Citizens' Utilities Ratepayer Board Mike Hutfles, Kansas Rural Independent Telephone Co. Kendall Hewitt, Sabetha Ed Rolfs, Junction City Keith Blake, Clay County Economic Development Group, Clay Center

Others attending: See attached list.

Approval of Minutes

Moved by Senator Taddiken, seconded by Senator Merrick, to approve the minutes of the Senate Utilities Committee meetings held on February 8, 2011, February 9, 2011 and February 10, 2011. Motion carried.

Steve Hahn, president, AT&T Kansas, offered written clarification on several matters regarding **SB 72.** (Attachment 1)

Chair opened hearing for: **SB 190 – Telecommunications and price regulation**

Proponents

Janet Buchanan, Kansas Corporation Commission, KCC supports **SB 190** which incorporates suggestions from the Commission's 2011 Report to the Kansas Legislature on Price Deregulation. Janet briefed the committee on the recommended changes. (Attachment 2)

Steve Rarrick, Citizens' Utilities Ratepayer Board, discussed the remedial steps recommended by the KCC which are contained in **SB 190** and briefly explained their functions. (Attachment 3)

Kendall Hewitt, Sabetha, discussed the internet service available in rural areas and his concerns that the cost to the consumer would get out of hand. He supported **SB 190.** (Attachment 4)

Ed C. Rolfs, President and CEO, Central National Bank, Junction City, voiced his approval of **SB 190**, since it provides the citizens of Kansas some protection in restraining communications prices. (Attachment 5)

Keith Blake, Clay County Economic Development Group, Clay Center, believes **SB 190** would support rural investment and rural employment opportunities, by limiting excessive price increases for a necessary service. (Attachment 6)

Mike Hutfles, Kansas Rural Independent Telephone Companies, noted **SB** 190 provides reasonable restraint on any runaway prices and puts predictable safeguards in place for all Kansas consumers. (Attachment 7)

Written testimony was provided by Ernest Kutzley, Advocacy Director for AARP Kansas. (Attachment 8)

Chair announced the hearing for **SB 190** will be continued on February 17, 2011 at which time the opponents will testify.

CONTINUATION SHEET

Minutes of the Senate Utilities Committee at 1:30 p.m. on February 16, 2011, in Room 548-S of the Capitol.

The meeting was adjourned at 2:05 p.m.

Respectfully submitted,

Ann McMorris Committee Assistant

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