

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Scott Emler at 9:30 A.M. on March 9, 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:

Others in attendance: See attached list

Chairman continued discussion on:

**SB 120 - Telecommunications, regulation thereof, KUSF**

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

Amendment #3 - on page 6, line 25, insert the words "in Kansas" after industry.

Comments from the audience - Cox Communications stated allowing adjustment of depreciation rates will affect the flow of the market. This amendment would allow them to change rates in one market and not in another. Lawson stated that cost is not regulated and depreciation is cost.

Clarification asked on definition of basket and other services. Other services would include caller ID, call waiting, etc. Much of the discussion centered around the proposed amendment #2 (see March 8 minutes) and the language on page 5, lines 36 thru 45, page 6, lines 1-12 that had been struck-out. Questioned whether the provisions being deleted were contained elsewhere in the bill. It was noted this was a big change and needs to be addressed in depth.

John Federico of Kansas Cable Communications had prepared a paper containing their concerns on the proposed amendments offered by Sprint to **SB 120** and an itemized listing of each of the proposed amendments with their comments. (Attachment 2)

Richard Lawson continued with his presentation of proposed amendments:

Amendment #4 - page 6 line 36 - change 6% to 4%. Discussion on the intent of this change and what effect a change to 4% would produce.

Staff from the Revisor's office was asked to do a study on how **HB 2042** affects **SB 120**.

Chairman announced this discussion on amendments to **SB 120** will be continued at 9:30 a.m. on March 10.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 2