

## MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on March 19, 2008 in Room 123-S of the Capitol.

All members were present except:  
Ruth Teichman- excused

Committee staff present:  
Jennifer Thierer, Kansas Legislative Research Department  
Kathie Sparks, Kansas Legislative Research Department  
Jason Long, Revisor of Statutes  
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:  
Brad Williams, Kan-ed  
Dick Veatch, Pioneer Communications  
Jay Allbaugh, Cox Communications  
Karin Dougherty

Others attending:  
See attached list.

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

### **HB 2315--Home inspectors competency and financial responsibility**

Chairperson Brownlee announced that Brad Williams would be giving a overview of Kan-ed in the meeting this morning. She called on Kathie Sparks, Legislative Research, to give a brief overview of the establishment of the Kan-ed Network.. Ms. Sparks presented written copy (Attachment 1) which can be found in its entirety on the link listed above.

Chairperson Brownlee introduced Brad Williams, Executive Director, Kan-ed. Mr. Williams presented a written powerpoint testimony (Attachment 2) which can be found in its entirety on the link listed above.

Upon the conclusion of Mr. Williams' testimony there was a question and answer session with the Committee. Customer premises equipment and the video grants were discussed. The AT&T contract was also discussed with Mr. Williams stating AT&T is bringing T-1 to Kan-ed and it is absolutely within the statute guidelines. Mr. Williams also noted that Kan-ed customers will not be able to keep their own carrier to connect to the Kan-ed network. They will have to do that through the AT&T network.

Chairperson Brownlee introduced Mr. Dick Veatch of Pioneer Communications to give his testimony regarding his concerns with the RFP and awarding that to AT&T. Mr. Veatch presented written testimony (Attachment 3) which can be found in its entirety on the link shown above.

Before introducing Jay Allbaugh, Cox Communications, to give his testimony regarding his concerns with the RFP and awarding that to AT&T, Chairperson Brownlee stated there would be questions and answers after the completion of the testimonies. Mr. Allbaugh presented written testimony (Attachment 4) which can be found in its entirety on the link listed above.

Chairperson Brownlee introduced Karin Dougherty, Sunflower Broadband, to give her testimony regarding her concerns with the RFP and awarding that to AT&T. Ms. Dougherty presented written testimony (Attachment 5) which can be found in its entirety on the link listed above.

Upon the conclusion of Ms. Dougherty's testimony there was a discussion with the Committee, Mr. Williams and the three parties which testified. The RFP was discussed in great length. The Committee has concerns that Kan-ed is not compliant with statute; and is putting themselves in a position of competing with private enterprise which was not the original intent of the Legislature for Kan-ed. Senator Emler stated that the Committee worked hard in 2001 and met with various providers in order to establish Kan-ed. He stated the

## CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on March 19, 2008 in Room 123-S of the Capitol.

original intent for Kan-ed was to connect hospitals, libraries and schools throughout the state and in doing so, not to compete with companies of the state. Senator voiced his he fears that is where Kan-ed is headed with the new RFP. Senator Wagle also voiced her concerns which are the same as Senator Emler's. Mr. Williams stated that he feels he is within the guidelines of the statute and does not think he has done anything inappropriate. The discussion continued along the same lines. Chairperson Brownlee stated there needed to be more discussion to resolve these issues in order for Kan-ed to move forward.

Chairperson Brownlee announced to the Committee they would be working on **HB 2315** in tomorrow's meeting and adjourned the meeting at 9:30 a.m. with the next scheduled meeting to be March 20, 2008 at 8:30 a.m. in room 123 S.