



TESTIMONY

BEFORE THE SENATE COMMITTEE ON UTILITIES

TO: Senator Jay Emler, Chairman
And Members of the Committee

FROM: Martha Neu Smith, Executive Director
Kansas Manufactured Housing Association

DATE: January 31, 2005

RE: SB 63 – Public Utilities, excluding certain landlords from definition

Chairman Emler and Members of the Committee, my name is Martha Neu Smith and I am the Executive Director of the Kansas Manufactured Housing Association (KMHA). KMHA is a statewide trade association, which represents all facets of the manufactured housing industry (i.e. manufacturers, retailers, community owners and operators, finance and insurance companies, service and suppliers and transport companies). I would like to thank you for the opportunity to comment on SB 63.

The industry does have several members that are currently regulated by the Kansas Corporation Commission (KCC) as a Public Utility because they sub-meter water to their residents. Needless to say we would appreciate the passage of SB 63 so that they would no longer be considered a Public Utility.

In getting ready for this hearing I did contact Tom Day of the KCC to find out what was involved or required in being a Public Utility. As I understand it to be a Public Utility you must comply with the KCC reporting requirements; and I

assume that there are also EPA reporting and testing requirements; property is taxed at 33% of fmv; and as a public utility, the entity must be willing and able to serve all persons who apply, without discrimination. This last requirement raises the question, what happens if we are not capable of serving all who apply? Are we still considered a public utility?

Some of the other questions we have are: what enables us (manufactured home communities) to meter individual lots for gas and electric and not be considered a public utility?

Does this definition also apply to commercial property such as office complexes and shopping malls that sub-meter water?

Are other states in the same situation as Kansas?

In closing, I would like to mention that Tom Day did note that the KCC does have an open docket #04-DCAG-1097-COM which is a gas complaint that may have some impact on this issue. I am hopeful that he will be able to perhaps provide some insight into the complaint and when the ruling might be forthcoming.

Again, thank you for the opportunity to comment.