

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairperson Don Myers at 9:00 a.m. on February 6, 1998 in Room 514-S of the Capitol.

All members were present except: Rep. Mayans - excused

Committee staff present: Lynne Holt, Legislative Research Department  
Mary Ann Torrence, Revisor of Statutes  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Vice-Chairman Clay Aurand opened the meeting to discussion regarding the motion regarding HB 2649 made by Representative Alldritt and seconded by Representative McKinney on February 5, 1998. Representative Alldritt withdrew his motion upon agreement by Representative McKinney, who had seconded the motion.

The Vice-Chairman recognized Representative Alldritt, who made a motion for a new balloon amendment for New Sec. 1, and Sec. 2 that the act shall take effect after its publication in the statute book for HB 2649. Representative McKinney seconded the motion. (Attachment #1) Representative Alldritt explained his balloon amendment. Questions and discussion followed. Representative Alldritt indicated that he wanted the customer to be the sole source of any change of provider. Representative Alldritt closed and moved his motion. Motion carried.

The Chairman recognized Representative Klein who made a conceptual motion to incorporate one of the suggestions from the KCC telecommunications suggestions for a new Subsection 5 providing that in a slamming complaint, written verification is the only defense. Representative Humerickhouse seconded the motion. Questions and discussion followed. Representative Klein closed and moved his motion. Motion carried.

The Vice-Chairman recognized Representative McClure who made a motion to change on the last line of HB 2649 "to be published in the Kansas Register". Representative Burroughs seconded the motion. Motion carried.

The Vice-Chairman recognized Representative Alldritt who made a motion that the Committee recommend HB 2649 favorable as amended for passage. Representative Burroughs seconded the motion. Motion carried. The Chairman asked Representative Alldritt to carry the bill.

Chairman Don Myers thanked the Vice-Chairman for chairing the meeting, thanked the conferees and the Kansas Corporation Commission for attending the meeting. He also mentioned that next week the Committee will continue hearing HB 2679 and hearings will be held on HB 2743. A new bill came into the Committee today, HB 2830. The Committee will work the KUSF bills the following week.

The meeting was adjourned at 10:00 a.m.

The next meeting is scheduled for February 10, 1998.



DRAFT

House Bill No. 2649

New Sec. 1 (a) No local exchange carrier or telecommunications carrier shall honor a request by any person other than its customer to change the primary carrier of long distance or local exchange service to such customer in the state, except: (1) Where the request is placed by a local or long distance company that has received a letter of agency containing clear and conspicuous disclosure of such change signed and dated by the customer authorizing the change; or (2) where the customer affected by the change initiated the contact with the local or long distance company in order to request the change; or (3) where the customer affected by the change called a toll-free number to confirm the request for changes made in response to a contact initiated by the local exchange or long distance company requesting the change; or (4) where the state corporation commission or Federal Communications Commission otherwise expressly authorizes. For purposes of this section, "customer" means any person, firm, partnership, corporation, or legal entity that is authorized to order telecommunications services supplied by a telecommunications services provider.

(b) The requisite letter of agency at a minimum shall (1) identify a single designated carrier, (2) be separate or severable from any sweepstakes, contest, or similar promotional program, (3) contain the telephone number of the account, and (4) be signed and dated by the customer responsible for paying charges on the account.

(c) Any local exchange carrier or telecommunications carrier that violates the verifications procedures prescribed in section 1 (a) shall (1) be liable to the customer for any amount collected in excess of the amount the properly authorized carrier would have charged; (2) be liable to the authorized carrier in an amount equal to the charges paid by the customer to the unauthorized carrier; (3) be liable to the local exchange carrier or the telecommunications carrier for the reasonable costs of making and reversing the change; and (4) shall be liable to the authorized carrier for an amount equal to the value of any premiums to which the customer would have been entitled if the customer's selection had not been changed.

(d) Upon receiving the amount equal to the value of any premiums the customer would have been entitled, the authorized carrier shall provide or restore to the customer any premiums to which the customer would have been entitled should the unauthorized change not occurred.

(e) Any violation of this section is an unconscionable act or practice under the provisions of the Kansas consumer protection act and shall be subject to any and all of the enforcement provisions of the Kansas consumer protection act. Nothing in this section shall preclude the state corporation commission from exerting its authority as it pertains to intrastate services.

(f) This section shall be part of and supplemental to the Kansas consumer protection act.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

*House Utilities  
02-06-98  
Attachment 1*