

Approved: March 14, 2003

Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:07 a.m. on January 28, 2003 in Room 526-S of the Capitol.

All members were present except: Representative Jim Ward

Committee staff present: Mary Galligan, Legislative Research  
Dennis Hodgins, Legislative Research  
Mary Torrence, Revisor of Statutes  
Jo Cook, Administrative Assistant

Conferees appearing before the committee:

John Ivanuska, Birch Telecom  
Michael Murray, Sprint  
Mike Reece, A T & T  
Jan Kruh, AARP

Others attending: See Attached List

**HB 2019 - State Corporation Commission prohibited from regulating high speed Internet access/broadband service**

John Ivanuska, Vice President of Birch Telecom, appeared in opposition to **HB 2019 (Attachment 1)**. Mr. Ivanuska explained Birch's business plan and how it would be affected by the proposed legislation. He stated that many customers enjoy lower prices and better services with competition and they would be denied an opportunity to choose their local service provider with this bill.

Michael Murray, Director of Governmental Affairs for Sprint, testified as an opponent to **HB 2019 (Attachment 2)**. Mr. Murray explained that the deregulation of SBC's broadband network could result in deregulation of basic local voice telephone service. He stated that Sprint faces competition by at least 50 competitors in its local exchanges in Kansas and are not asking to change the rules to avoid competition.

Appearing on behalf of AT&T, Mike Reece spoke in opposition to **HB 2019 (Attachment 3)**. Mr. Reece told the committee that the ambiguous language of the bill could result in unintended consequences for customers in Kansas. He also stated that the state must maintain the ability to oversee the actions of the utilities operating within the state.

Ms. Jan Kruh addressed the committee as a representative of AARP and as an opponent to **HB 2019 (Attachment 4)**. Ms. Kruh shared concerns about the elimination of the Corporation Commission oversight. She stated that the inevitable reduction in competition and rate increases would especially hurt low-income users and the rural elderly.

Written testimony in opposition to **HB 2019** was submitted by Edward Cadieux on behalf of Nuvox Communications (Attachment 5). Also submitted to the committee is a copy of a letter to the Federal Communications Commission Commissioners signed by twenty members of the U. S. Congress (Attachment 6) and a copy of a letter to the Federal Communications Commission Commissioners sent by the Kansas Corporation Commission (Attachment 7).

Mr. Ivanuska, Mr. Murray, Mr Reeht, and Ms. Kruh responded to questions from the committee.

The meeting adjourned at 10:54

The next meeting will be Wednesday, January 29, 2003 at 9:00 a.m.