

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on February 14, 2011, in Room 548-S of the Capitol.

All members were present except:

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes  
Mary Torrence, Revisor of Statutes  
Cindy Lash, Kansas Legislative Research Department  
Heather O'Hara, Kansas Legislative Research Department  
Ann McMorris, Committee Assistant

Conferees appearing before the Committee:

Scott Schneider, Cox Communications  
Steve Rarrick, Citizens' Utility Ratepayer Board  
Patrick Fucik, Sprint

Others attending: See attached list.

Chair continued the hearing on:

**SB 72 – Telecommunications and Price Deregulation**

Opponents

Scott Schneider, Cox Communications, noted Cox opposes **SB 72** because it substantially changes the operating rules regarding interconnection and the obligation of incumbent carriers. (Attachment 1)

Steve Rarrick, Citizens' Utility Ratepayer Board, voiced their concerns with **SB 72** and urged the committee to vote against passage of the bill in its entirety. If the Committee decides to proceed with the bill, CURB urged them to consider amending the bill to (1) include an annual cap on price increases for basic residential and up to four business lines tied to a telecommunications market consumer price index or the Safe Harbor; (2) include an exchange-wide pricing requirement; (3) require any carrier electing complete deregulation under this bill to decline to receive any further federal and state universal service subsidies; and (4) include authority for the KCC to resume price cap regulation for violation of quality of service standards or changes in the status of competition. (Attachment 2)

Patrick Fucik, Sprint, voiced their major concern that **SB 72** will allow deregulated carriers to be subsidized by wireless, long distance and competitive carrier customers in the form of Kansas Universal Service Fund payments. (Attachment 3)

Written testimony only provided by Jason Vellmer, Communications Workers of America (Attachment 4)

Chair asked the committee for their requests for information to be provided in written form to answer concerns of the committee in the language of **SB 72**.

Chair closed the hearing on **SB 72**.

The meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Ann McMorris  
Committee Assistant

Attachments - 4