

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:05 a.m. on February 13, 2002 in Room 526-S of the Capitol.

All members were present.

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

Conferees appearing before the committee: Tom Gleason, Independent Telecommunications Group  
Kendall Mikesell, Kansas Rural Independent  
Telephone Companies  
Mark Caplinger, State Independent Telephone Assn of KS

Others attending: See Attached List

**HB 2754 - Telecommunications; affordable rates; quality of service; standards**

Chairman Holmes opened the hearing on **HB 2754** and welcomed Tom Gleason, regulatory counsel for the Independent Telecommunications Group. Mr. Gleason provided a detailed narrative of the changes HB 2754 would make to the Telecommunications Act. Mr. Gleason stated that the bill is the culmination of the rural telecos, the KCC staff and the CURB staff coming together to achieve an agreement on a standard of affordable local rates for residential and business service customers of the rural telephone companies.

Kendall Mikesell, President of Southern Kansas Telephone Company and appearing on behalf of the Kansas Rural Independent Telephone Companies, appeared in support of **HB 2754 (Attachment 1)**. Mr. Mikesell addressed the major components of the legislation. He spoke, in detail, on the clarification of KUSF funding for the carrier of last resort.

Mark Caplinger, Executive Manager for the State Independent Telephone Association of Kansas, testified in favor of **HB 2754 (Attachment 2)**. Mr. Caplinger stated this bill stabilizes the legislative policy set in motion by the 1996 Kansas Telecommunications Act and defines KUSF eligibility for carriers with minimal corporation commission oversight.

Tom Gleason next appeared in support of **HB 2754 (Attachment 3)**. Mr. Gleason focused on the issue of basic service rates and the importance of affordability. Without the legislature providing specific guidance to the corporation commission, local rate increases could be unreasonable.

Mr. Mikesell, Mr. Caplinger, and Mr. Gleason responded to questions from the committee.

The hearing on **HB 2754** was recessed and will be reconvened on February 14, 2002.

The meeting adjourned at 10:25 a.m.

The next meeting will be February 14, 2002.