

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 13, 2006 in Room 123-S of the Capitol.

All members were present except:  
Susan Wagle- excused

Committee staff present:  
Kathie Sparks, Kansas Legislative Research Department  
Helen Pedigo, Revisor of Statutes  
Jackie Lunn, Committee Secretary

Conferees appearing before the committee:  
John Federico-Kansas Cable Telecommunications Association  
Kim Winn-League of Kansas Municipalities  
David Kerr-AT&T

Others attending:  
See attached list.

Chairperson Brownlee announced to the Committee they would be working **SB 449--Video competition act**, today. Chairperson Brownlee introduced John Federico, Kansas Cable Telecommunications Association to explain the amendment he offered on **SB 449**. Mr. Federico referred the Committee to Solution #1. (Attachment 1) He stated this is a fair and simple solution. After reviewing Solution #1 for the Committee, Mr. Federico moved to the second amendment, which he referred to as Solution #2. (Attachment 2) He explained this amendment to the Committee. It is based on what they heard in the Committee during the testimony given at the hearing on **SB 449**. During the explanation of the second amendment, Mr. Federico called the Committee's attention to the written testimony of Gary Shorman, President of Eagle Communications, Inc. (Attachment 3) stating Eagle Communications a progressive cable company in Hayes, Kansas. The Committee asked questions of Mr. Federico regarding his amendments. Mr. Federico called the Committee's attention to the Customer Service Standards. (Attachment 4) The Committee had questions concerning PEG, emergency broadcast standards, customer standards, and build-out requirements. The Committee also has concerns with regard to the fact that all concerned parties have not met and tried to come to a compromise agreement. Chairperson Brownlee had questions on the build-out and discussed that with Mr. Federico. In closing, Mr. Federico stated he felt the better solution would be to consider what would happen at the Federal level since they were considering a couple of bills regarding this same issue. He thinks the Committee should take more time to gather all the facts. He asked the Committee to put this bill in subcommittee.

The Committee discussed the amendment offered by Mr. Federico. During the discussion the Committee has concerns that both sides have not worked hard enough to resolve some of the issues of this bill.

Chairperson Brownlee introduced Kim Winn representing the League of Kansas Municipalities to explain the amendment she is offering on **SB 449**. (Attachment 5) Ms. Winn stated they have concerns with local contracts, definition of gross receipts and red-lining. Ms. Winn told the Committee they used some of the language from the AT&T amendment as a compromise. After explaining the amendment she offered, she asked the Committee to consider these important issues.

Chairperson Brownlee introduced David Kerr, President, AT&T to explain the amendment they are offering. (Attachment 6) Mr. Kerr reviewed the amendment for the Committee. Mr. Kerr stated they have made several language changes in an effort to address the issues with the bill. The Committee questioned Mr. Kerr regarding PEG; the number each city has currently and how that was determined. During the discussion with the Committee, Mr. Kerr stated he would welcome the chance to work out the differences with all parties involved. All the Committee members would like for all parties concerned to meet and try to work out their differences on the bill.

Chairperson Brownlee announced this bill would be put in a subcommittee and she would announce the members later today.

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 13, 2006 in Room 123-S of the Capitol.

Chairperson Brownlee stated the Committee would probably have to meet at 8:00 a.m. on Wednesday and would try to finish the eminent domain bills.

Chairperson Brownlee recognized Senator Barone. Senator Barone encouraged all parties involved with this bill to start work right away and not wait for the first subcommittee meeting.

**Senator Barone made a motion to approve the minutes for January 11, 2006 and January 26, 2006. Senator Jordan seconded. Motion carried.**

Chairperson Brownlee adjourned the meeting at 9:30 p.m. with the next meeting scheduled for Tuesday, February 14, 2006 at 8:30 a.m. in room 123S.