

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 15, 2000 in Room 522-S of the Capitol.

All members were present.

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

Conferees appearing before the committee: Rep. Doug Johnston
Larry Bechtold, AARP
Steve Rarrick, Attorney General's Office
Mike Reece, A. T & T.
Mike Murray, Sprint
Doug Smith, Direct Marketing Association
Tyler Prochnow, American Teleservices Association
Bud Grant, Kansas Chamber of Commerce & Industry

Others attending: See Attached Guest List

Chairman Holmes announced that the committee would be meeting in Room 231-N beginning Thursday, February 17.

HB 2891 - Telemarketer no-call list**HB 2784 - Unsolicited telephone calls to sell consumer goods or services prohibited**

Chairman Holmes opened the hearing with testimony from Rep. Doug Johnston, lead sponsor of **HB 2891** (Attachment 1). Rep. Johnston gave a brief outline of the bill and included with his testimony a letter from Lynne Holt, Principal Analyst, that provided information about other states with 'no-call' list laws.

Rep. Johnston responded to questions from Rep. Vining, Rep. Alldritt, Rep. McClure, Rep. Myers, Rep. Dahl, Rep. Krehbiel and Rep. Holmes.

Dr. Larry Bechtold, AARP Kansas State Legislative Committee, testified in favor of **HB 2891** (Attachment 2). AARP believes that consumers have a right to personal privacy and should be able to reject intrusive marketing practices and communications.

Deputy Attorney General Steve Rarrick, Consumer Protection Division of the office of the Attorney General, appeared on behalf of Attorney General Carla Stovall. Mr. Rarrick stated the Attorney General's office was supportive of this concept and urged favorable consideration (Attachment 3).

Mike Reece, on behalf of A. T & T., testified in opposition to **HB 2891** (Attachment 4). He stated that this legislation fails to address the real concern, that is to discourage unscrupulous telemarketers from operating in our state.

Mike Murray, director of Governmental Affairs for Sprint, provided testimony as an opponent to **HB 2891** (Attachment 5). Mr. Murray stated that Sprint believes the required use of the Direct Marketing Association's (DMA) Telephone Preference Service list along with the FCC required internal list is all that is necessary to stop unwanted telemarketing phone calls. He also offered an amendment to the bill that would exempt those who used the DMA list.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES in Room 522-S on February 15, 2000 at 9:05 a.m.

Appearing on behalf of the Direct Marketing Association, Doug Smith appeared in opposition to **HB 2891** (Attachment 6). Mr. Smith stated that a state specific list can be expensive and is a duplicate of effective efforts already available. Mr. Smith also had distributed information on **HB 2784** (Attachment 7), which the DMA also opposes.

Chairman Holmes stated there was also written testimony from John W. Hesse, Senior Attorney and Director of Government Relations for the Direct Selling Association (Attachment 8).

Mr. Tyler Prochnow, representing the American Teleservices Association, testified as an opponent to **HB 2891** (Attachment 9). Mr. Prochnow expressed concerns about the Attorney General's staff's ability to enforce this law as it is applied to companies outside the state of Kansas.

Mr. Bud Grant, on behalf of the Kansas Retail Council, appeared as an opponent to **HB 2891**. Mr. Grant spoke to the request of the Attorney General's office to not having exemptions to the bill, such as those involved with a pre-existing relationship with the consumer.

The conferees responded to questions from Rep. Dahl, Rep. Alldritt, Rep. McClure, Rep. Myers, Rep. Loyd, Rep. Sloan, Rep. O'Brien, and Rep. Holmes.

Lynne Holt distributed copies of information requested by Rep. Kuether regarding the 1998 and 1999 testimony on competition of generation of electricity. (Attachment 10)

Rep. Sloan distributed copies of an article from the Lawrence Journal-World about green power (Attachment 11).

Meeting adjourned at 10:57 a.m.

Next meeting is Wednesday, February 16, 2000 at 9:00 a.m.