Approved: Date 3/13/00

MINUTES OF THE SELECT COMMITTEE ON INFORMATION MANAGEMENT.

The meeting was called to order by Chairperson Jim Morrison at 10:01 a.m. on February 25, 2000 in Room 174-W of the Capitol.

All members were present except Representative Farmer, who was excused.

Committee staff present:

Bob Nugent, Revisor of Statutes' Office Audrey Nogle, Kansas Legislative Research Department Lynne Holt, Kansas Legislative Research Department Gary Deeter, Committee Secretary

No guest list was circulated. From memory, those attending: John Federico, Kansas Cable Industry; Mike Murray, Sprint; Ron Gaches, Gaches and Associates.

Members discussed details of the changes provided by staff to <u>HB 2743</u>. (See Attachment 1) <u>A motion was passed to change the balloon (originating from line 27 of page 3) to end the sentence after "such order" in line three, and also to strike all references to ISDN in the bill. (Motion, Representative Dean, second Representative Krehbiel.)</u>

A further motion by Representative Burroughs, second, Representative Dean, was made to replace the word "methodology" with "technology" in the balloon. The motion passed.

Further discussion focused on how a local exchange carrier must notify a customer that it cannot fulfill the request for advanced services. A motion passed requiring a local exchange carrier to provide written notification that it will not fulfill a firm customer order. (Motion, Representative Burroughs, second, Representative Dean.)

The chair noted that the intent of the bill is to mandate a specified speed for advanced services, not a specified technology. He said if a customer utilizes an alternative service, certain protections would be waived under the Kansas Telecommunications Act of 1996. Members said the statute applies only to local exchange carriers. John Federico, consultant, Kansas Cable Industry, reminded members that the bill does not address the cable industry's inability to utilize the Kansas Universal Service Fund. Members responded that only local exchange carriers subject to rate of return can benefit from KUSF.

A member noted that lines 5-6 in the balloon used the term "local exchange carrier" when referring to rural telephone service, saying that "rural telephone carrier" has already been defined in statute. A motion was made and passed to change "local exchange carrier" in lines 5-6 to "rural telephone carrier." (Motion, Representative Dean, second, Representative Faber)

A motion was made and passed to adopt **HB 2743** as amended. (Motion, Representative Dean, second, Representative Faber.

The meeting was adjourned at 10:41 a.m. The next meeting will be announced by the Chair.