Approved: 3-26-03

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Senator Stan Clark at 9:30 a.m. on March 18, 2003 in Room 231-N of the Capitol.

All members were present except:

Senator Tyson, excused

Committee staff present:

Raney Gilliland, Legislative Research

Bruce Kinzie, Revisor of Statutes

Ann McMorris, Secretary

Conferees appearing before the committee:

Chris Wilson, Kansas Building Industry Association

Others attending:

See attached list

Chair continued the hearing on

H.B. 2131 - Update of energy efficiency standards for new commercial and industrial buildings

Proponent

Chris Wilson, Kansas Building Industry Association (Attachment 1)

Ms. Wilson requested that the committee amend **HB 2131** by removing the language on lines 31 and 32 of page 1, and substituting, "the buyer, or to the prospective buyer upon request. Consensus of committee page 1, line 32 should be amended to read "shall disclose to the buyer, or prospective buyer upon request or, at the latest, during contract negotiations prior to closing."

Chair closed the hearing on HB 2131.

Moved by Senator Barone, seconded by Senator Emler, amend **HB 2131**, page 1, line 32 to read "shall disclose to the buyer, or prospective buyer, upon request or prior to closing." Motion carried.

Moved by Senator Barone, seconded by Senator Emler, **HB 2131** be passed out favorably as amended. Motion carried.

Chair reopened the hearing on

HB 2374 - Procedures for recovery of public utilities' security costs

Rep. Carl Krehbiel urged that the language suggested by David Springe of CURB on page 3 of his testimony be amended into **HB 2374.** This suggestion was to add to Sec. 3(a)(4), "and shall be added to all wholesale and retail rates and contracts." Considerable discussion involving representatives of Westar, Great Plains Energy and KCC regarding investments into equipment for security and the need to expedite the return and the time period.

Due to lack of time, discussion on **HB 2374** and **HB 2037** will be continued at the Senate Utilities Committee meeting on March 18, 2003.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments – 1

SENATE UTILITIES COMMITTEE GUEST LIST

DATE: MARCH 18, 2003

Name	Representing
Died Rokel	Westeen.
David Spring	Curb
Jim BARTLING	ATMOS ENERGY
ham Holly	tec
(prose Sure	GPE
Mark Schiebe	Wester Energy
TOM DAY	KCC
JC Fores	aquila Inc.
Doe Dick	KCBPU
Steve Johnson	Kansas Gas Servie
Whitney Jamen	KS Gas Service
Dane Halth	KEC

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STATEMENT OF THE KANSAS BUILDING INDUSTRY ASSSOCIATION

TO THE SENATE UTILITIES COMMITTEE

SENATOR STAN CLARK, CHAIR

REGARDING H.B. 2131

MARCH 17, 2003

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Government Affairs of the Kansas Building Industry Association (KBIA). KBIA is the state professional and trade association of the residential building industry.

We support H.B. 2131, but only with amended language. When this bill was considered by the House Utilities Committee, we did not testify because it did not concern residential construction. However, at that hearing a conferee requested amendments to the bill which bring in residential construction.

KBIA worked with those interested in the amendments, and when the Committee worked the bill, they spent considerable time trying to word the language to accomplish the intent of the amendment without causing problems for those involved in selling new residences. The language we are concerned with is on page 2, line 32 of the bill. The current statute specifies that the energy efficiency information will be provided to the buyer. The intent of the amendment is to provide this information to buyers prior to closing on the home. So, the suggestion of the conferee was to add "prospective" so that the information would be provided to the prospective buyer. But it is difficult to define who is a prospective buyer. For instance, 25,000 people will go through a home on a parade of homes tour sponsored by the Wichita Area Builders Association, but surely they are not all prospective buyers. It was suggested that the information be posted in the new home, but often homes are purchased prior to being built. They are purchased during all stages of construction.

After discussions on this issue with other housing-related associations, we believe that the language in current statute is the best. The Legislature had these same discussions when the statute was originally adopted and came to that conclusion. However, there is

Senate Utilities March 18, 2003 Attachment 1-1 certainly nothing wrong with providing the information to a "prospective" buyer, and certainly anyone wanting to sell a home would do so. Language could be added to state that the information will be provided to the buyer — or to a prosepective buyer upon request. The language in the bill that says, "at the latest, during contract negotiations," is problematic in that a contract may be offered on a home and accepted without negotiation, or may be concluded very quickly. This could cause problems for someone who did not provide the energy efficiency information until the signing of the contract or later.

We respectfully request that the Committee amend H.B. 2131 by removing the language on lines 31 and 32 of page 2, and substituting, "the buyer, or to the prospective buyer upon request..."

Thank you for the opportunity to speak to H.B. 2131, and I would be happy to respond to questions.