Approved: March 23, 2004 Call Dean Holnus

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:07 a.m. on March 12, 2004 in Room 231-N of the Capitol.

All members were present except:

Representative Eric Carter

Committee staff present:

Mary Galligan, Legislative Research Dennis Hodgins, Legislative Research Mary Torrence, Revisor of Statutes Jo Cook, Administrative Assistant

Conferees appearing before the committee: none

Others attending:

See Attached List

SB 309 - Increasing certain penalties for public utilities or common carriers

Chairman Holmes opened the debate on **SB 309**.

Representative Krehbiel distributed and explained a proposed amendment (Attachment 1). Representative Krehbiel moved to adopt the amendment. Representative Sloan seconded the motion. The motion carried. Representative Ward moved to change, on the sixth line of the amendment, \$5,000 to \$20,000. Representative Dillmore seconded the motion. The motion carried. Representative Dillmore moved to restore the stricken language in Section 2 and add the same language from the Krehbiel amendment from Section 1. Representative Sloan seconded the motion. The motion carried. Representative Kassebaum moved to amend Section 2, relating to the fines, from \$1,000 to \$5,000 in subsection (1) and from \$5,000 to \$50,000 in subsection (2). Representative Dillmore seconded the motion. The motion carried. Representative Kuether moved to recommend SB 309, as amended, favorable for passage. Representative Reitz seconded the motion. The motion carried. Representative Kassebaum will carry the bill.

The meeting adjourned at 9:33.

The next meeting will be the tour of Jeffrey Energy Center on Monday, March 15.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: _____ March 12, 2004

NAME	REPRESENTING
TOM DAY	KCC
John Pinegar	SITA
Jim Garkner	53C
D. S. KOCH	\$B<
5-teve John son	Kansus Gas Service / ONEOK
Whitney James	FS has Service / ONEOR
Daw Haleham	KEC
Tom Burgess	RTMC
Mark Schreiber	Wester Energy
Anne Spiess	KTIA.
BRUCE GRAHAM	KEPG
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SENATE BILL No. 309

By Committee on Utilities

1-15

AN ACT relating to the state corporation commission; concerning certain penalties; amending K.S.A. 66-138 and 66-177 and repealing the existing sections section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 66-138 is hereby amended to read as follows: 66-138. (a) If any common carrier or public utility governed by the provisions of this act violates any of the provisions of this act, or shall do any act herein prohibited, or fails or refuses to perform any duty enjoined upon it in this act, or fails, neglects or refuses to obey any lawful requirement or order made by the commission, or any final judgment or decree made by any court upon appeal from any order of the commission, it shall, for every such violation, failure or refusal, forfeit and pay to the state treasure of such offens. Upon receipt of any such sum, the state treasured such offens. Upon receipt of any such sum, the state treasurer shall credit the entire amount thereof to the public service regulation fund or the motor carrier license fee fund, as the case requires.

Such forfeiture shall be enforced and collected by the attorney general in any court of competent jurisdiction. The attorney general may appoint a corporation commission attorney as a special assistant attorney general for the purposes of enforcing and collecting any forfeiture contemplated herein. In construing and enforcing the provisions of this act, any act, omission or failure of any officer, agent or other person acting for or employed by any such public utility or common carrier, while acting within the scope of such person's employment, shall in every case be deemed to be the act, omission or failure of such public utility or common carrier and every day during which any such public utility or common carrier or officer, agent or employee thereof, fails to comply with any order or direction of the commission, or to perform any duty required or enjoined by this act, shall constitute a separate and distinct violation of the provisions of this act.

(b) The provisions of subsection (a), shall not apply to any motor carrier.

Sec. 2. K.S.A. 66-177 is hereby amended to read as follows: 66-177.

Krehbiel

HOUSE UTILITIES SATE: 3-(2-04)

(1) A sum not less than \$100 and not more than \$1,000 for such offense if the violator is a telecommunications public utility subject to traditional rate of return regulation; a telecommunications public utility described in K.S.A. 66-104a, and amendments thereto; a municipally owned and operated electric or natural gas public utility; an electric cooperative public utility; a water public utility; or a nonprofit public utility; and (2) a sum not less than \$100 and not more than \$5,000 for such offense if the violator is any other common carrier or public utility