Approved: <u>3-4-08</u>

Date

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on February 25, 2008 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Raney Gilliland, Kansas Legislative Research Department

Cindy Lash, Kansas Legislative Research Department

Mike Corrigan, Revisor of Statutes Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Others in attendance: See attached list

Chair opened for continued discussion and possible action on

SB 468 - Certification of federal universal service fund high cost support by the state corporation commission

Senator Pine provided some new information he had acquired regarding the adverse effect this bill would have on a small independent telephone company in his district. It was also noted that two other independent telephone companies in other areas would be affected.

Moved by Senator Francisco, seconded by Senator Taddiken, the amendment to SB 468 adopted at the February 22, 2008 meeting be removed. Motion carried.

A map in two colors (green and gray) showing the areas serviced by AT&T in green and other companies in gray was displayed. Much discussion on how funds distributed for use in the gray areas could be converted to use in the green areas if this bill were passed. It was noted there would be no additional funds, they would just be spread out over a greater area.

Moved by Senator Francisco, seconded by Senator Lee, SB 468 be tabled. Motion carried.

SB 570 - Kansas universal service fund, exemptions for certain local exchange carriers.

Considerable discussion on language to address intrastate situations. Consensus no action be taken at this time.

SB 580 - Establishing the weatherization assistance program account of the state housing trust fund, providing annual transfer from state general fund

Revisor provided a balloon of **SB 580**, Due to shortness of time, deferred further discussion until a later meeting. (Attachment 1)

SB 586 - Incentives to encourage development of nuclear power by utilities and authorizing recovery of certain costs.

No action taken, deferred to a later meeting.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachment - 1

SENATE UTILITIES COMMITTEE GUEST LIST

DATE: FEBRUARY 25, 2008

Name	Representing
- Mark Schreber	Wester Energy
Saut Buchanan	KCC SITH
Jim Grand ver	A)E)
STEVE KEAPASY	AICTÉC
Paul Sniter	Em Sang KCPC
Dong Smitz	SITA/RTMC
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SENATE BILL No. 580

By Committee on Utilities

2-7

AN ACT relating to housing; establishing the weatherization assistance program account within the state housing trust fund; relating to the transfer of funds in the state general fund to the weatherization assistance program account; amending K.S.A. 2007 Supp. 74-8959 and repealing the existing section.

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

Section 1. K.S.A. 2007 Supp. 74-8959 is hereby amended to read as follows: 74-8959. (a) (1) There is hereby established in the state treasury the state housing trust fund. All moneys credited to the state housing trust fund shall be used for the purposes of housing programs and services including, but not limited to, the provision of financial programs for the repair, rehabilitation and improvement of existing residential housing, accessibility modifications, rental subsidies, the provision of housing services and assistance to persons having low or moderate income and disabled persons and costs and expenditures incurred in implementing K.S.A. 58-4217 through 58-4224, and amendments thereto, of the Kansas manufactured housing act.

- (2) There is hereby created the weatherization assistance program account within the state housing trust fund. All moneys credited to the weatherization assistance program account shall be used to fund grants under the weatherization assistance program to increase housing energy efficiency. On July 1, 2008, and each July 1 thereafter, the director of accounts and reports shall transfer \$2,000,000 from the state general fund to the weatherization assistance program account of the state housing trust fund.
- (b) The state housing trust fund shall be administered by the division of housing in the Kansas development finance authority.
- (c) The division of housing and the Kansas development finance authority are hereby authorized to apply for and receive available public or private grants, gifts and donations for the purposes of housing programs and services. All such grants, gifts and donations shall be remitted to the division of housing in the Kansas development finance authority.
- (d) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the state housing

Balloon Amendment

> Senate Utilities Committee February 25, 2008

Subject to the provisions of federal law, for the fiscal year ending June 30, 2009, and each ensuing fiscal year, the head of the agency receiving the low income energy assistance block grant shall transfer 15% of any emergency or supplemental federal appropriations for such block grant to the weatherization assistance program account.

- trust fund interest earnings based on:
- (1) The average daily balance of moneys in the state housing trust fund for the preceding month; and
- 4 (2) the net earnings rate for the pooled money investment portfolio for the preceding month.
- Sec. 2. K.S.A. 2007 Supp. 74-8959 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its
- 8 publication in the statute book.