

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Sen. Pat Ranson at 1:30 p.m. on March 15, 2000 in Room 231- N of the Capitol.

All members were present except:

Sen. Hensley was excused

Committee staff present:

Lynne Holt, Legislative Research Department

Mary Torrence, Revisors of Statute Office

Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:

None

Others attending:

See attached list

Sen. Ranson announced that the committee will meet at 1:00 p.m. tomorrow and will return to the Abandoned Well Plugging Report and **HB 2782-concerning oil and gas; relating to disposition of certain fees.** and asked members to pass along any observations or recommendations to Lynne Holt, who will be writing the final report. Sen. Brownlee introduced pages from her district, who are assisting the committee today.

Sen. Ranson announced the committee will have a briefing, hearing and discussion on **HB 2897-public lands; relating to grants of easements.** She called on Lynne Holt to brief the committee on the bill. Ms. Holt referred to the Supplemental Note on the bill and also to a letter to Don Heiman, Chief Information Technology Officer for the Division of Information Systems and Communication from N.B. Nelson, Chief, Bureau of Computer Services for the Department of Transportation (Attachment 1). Sen. Salisbury asked why the bill specifies notification to the state finance council, and Ms. Holt responded that amendment was added to the bill by the House Committee of the Whole and she did not know the reason for it. Sen. Morris stated the state finance council does not meet often, and he believes adding the notification would hamper proceedings. Sen. Lee also asked for the definition for "state of Kansas as a whole". Staff did not know, but assumed it was to include interests other than the agencies. Sen. Ranson asked if Ms. Torrence provided language for the bill, and she replied yes and no. Sen. Clark stated he and Sen. Barone are on the Joint Committee of Information Technology which discussed issues surrounding the bill, but the House introduced the bill. No conferees had requested to appear before the committee on the bill.

Sen. Ranson then referred to the letter from the Department of Transportation and asked if anyone was present from the department. Ron McMurry stated he was here monitoring the bill. Sen. Barone stated it appears the Department of Transportation gave significant access to highway easements without sharing it with anyone else. Sen. Clark stated the expense is in opening the hole and the concern was giving away exclusive use of the right of way or crossing, as was done by the Missouri Department of Transportation. He stated he has read the Kansas Department of Transportation contracts and feels state agencies should be notified before easements are granted for future needs. The committee then referred to the map which is the last page of Attachment 1 from the Department of Transportation. The committee asked who owns an interest in the easements as shown on the map, and it was concluded that Williams Oil Company does. Their representative, Ms. Braden, responded she would furnish the committee with more information tomorrow. Sen. Salisbury questioned if new subsection (b) is necessary, and Sen. Barone asked who the bill applies to, is it to everyone in the state? Ms. Torrence replied it is applicable to all state agencies, and Sen. Lee questioned who was granted right of way to lay cable along Highway 36. Sen. Ranson asked Ms. Braden to furnish more information to the committee tomorrow.

Sen. Ranson asked the committee to refer to **HB 2984-fiber-optic cable; requiring owners to submit information to the state; penalties** and asked Lynne Holt to brief the committee on it. Ms. Holt referred to the Supplemental Note and stated it was requested by the Select Committee on Information Management. She

CONTINUATION SHEET

MINUTES OF THE SENATE UTILITIES COMMITTEE, Room 231- N Statehouse, at 1:30 p.m.
on March 15, 2000.

stated there was security concerns expressed by the telephone companies during the House hearing on the bill, and that is the reason the confidentially portion was added in (c). Ms. Holt also pointed to the language that was taken out in Lines 35 to 40. Sen. Ranson stated there is a fiscal note for 3.0 FTE positions for FY 2001 in the amount of \$164,607. Ms. Holt stated there is a problem with the language in Line 25 and that it is her understanding the Kansas Corporation Commission will propose clarifying language. Sen. Ranson asked Ms. Holt to tell the committee what would happen if the bill were to pass. Ms. Holt answered it would provide a mechanism for the KCC to require and access information regarding fiber-optic cable, which may be designated confidential. It further provides for a consolidated map showing placement of fiber-optic cable across the state. Ms. Holt questioned the intent of the bill in Lines 15 and 16. Sen. Ranson questioned if it includes cable laid on private property and for what purpose would the information be used? Sen. Barone also questioned if the requirement applies to everyone, or if it applies to cables laid along and down pipelines. Sen. Ranson asked who requested the bill, and Ms. Holt answered the Select Committee on Information Management, and Sen. Ranson clarified that it was not requested by the KCC.

Ms. Holt again referred to Section 1, Subsection (c) related to providing certain information and stated she is not certain of the intent of the bill. Sen. Ranson stated it is hard to consider passing this legislation with no specific designation, which includes everyone and asked for clarification from the KCC. Tom Day said he could speak to the original version of the bill, which was if fiber has been laid by a company and it crosses a local exchange, and if there is a point of presence in Kansas, the company then becomes part of this bill and would have to designate it to the Kansas Corporation Commission and the Chief Information Officer. He cited as an example, Western Resources, which has four points of presence in the state - Wichita, Lawrence Energy Center, Wolf Creek and the Jeffrey Energy Center. Sen. Barone believes the bill is because the Joint Council on Information Technology and KAN-ED would like to know where fiber-optics are laid across the state, as it is very expensive to lay. He believes the logic behind the bill is that they could lease or buy access to lay fiber-optics, which would cost less and they want to use the resources already in place. Sen. Clark added it is difficult to find out what fiber-optics are in the ground in order to address future technology needs. Sen. Ranson stated she still does not understand the object of the bill, because if you need information, it could be accomplished through RFP's; that there is a way to notify all parties to provide the information. She added that the telecommunications industry was to provide services to schools, libraries and other entities, and questioned if they are doing what they have said they would do. She added there is to be an Audit soon of the telecommunications industry to see whether they are living up to what they have said they will do. Sen. Steffes stated he can see some value in knowing where fiber-optic cables are laid and knowing what the states' capabilities are in delivering technology across the state. Sen. Barone stated he believes it is more of a desire to gather data and to ask companies to comply in divulging where they are; however, do you mandate it? Sen. Morris stated the bill will request private companies to provide information and if they do not comply, fine them \$10,000 per day. Sen. Ranson announced the committee will have a hearing on the bill tomorrow. She also reminded the committee it will meet at 1:00 p.m.

Meeting adjourned at 2:30.

Next meeting will be March 16.