

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Stan Clark at 9:30 a.m. on January 28, 2004 in Room 526-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Revisor of Statutes
Raney Gilliland, Legislative Research
Emalene Correll, Legislative Research
Ann McMorris, Secretary

Conferees appearing before the committee:

Don Low, Kansas Corporation Commission

Others attending:

See Attached List.

Bill Introduction

Moved by Senator Taddiken, seconded by Senator Emler, introduction of a bill regarding recovery of security costs by utilities. Motion carried.

Chairman Clark opened the hearing on

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

Proponent

Don Low, Director of the Utilities Division, Kansas Corporation Commission (Attachment 1)

This request for amendments to K.S.A. 66-138 and 66-177 would increase penalties on common carriers or utilities for violation of statutory or lawful Commission requirements from the current maximum penalty of \$1,000 per violation to \$20,000 per violation in K.S.A. 66-138; and in K.S.A. 66-177 to seek civil penalties in courts for willful violations would increase maximum penalties to \$20,000.

The current penalties set forth in the statutes are 92 years old and KCC felt they needed to be updated to at least reflect inflation.

Closed hearing on **SB 309**.

Chair opened for discussion. Questions were asked concerning definition of occurrence, recourse, fines levied in past years and amounts collected. Concern was expressed on giving so much statutory power to KCC. After considerable debate on the pros and cons, the committee requested that information be provided on (1) the Southwestern Bell penalty case as discussed in the Interim Commerce Committee, and (2) KCC prepare a listing of all fines for the past several years which were levied by KCC but possibly waived and the reason therefor.

The next meeting of the Senate Utilities Committee is scheduled jointly with the House Utilities Committee on January 29, 2004.

Adjournment.

Respectfully submitted,
Ann McMorris, Secretary

Attachments - 1