

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on February 6, 2007 in Room 241-N of the Capitol.

All members were present.

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Mary Torrence, Revisor's Office
Jason Long, Revisor's Office
Renaë Hansen, Committee Assistant

Conferees appearing before the committee:

Larry Berg, Midwest Energy
Paul Morrison, Kansas Attorney General
Steve Rerrick, CURB
Anthony Brown, State Representative
Tom Hawk, State Representative
Ed Wallace, General Motors
Whitney Damron, Kansas Automobile Dealers Association
Tony Reinhart, Ford Motor Company
Tom Thompson, Sierra Club
Richard Cram, Department of Revenue

Others attending:

Twenty-Eight including the attached list.

Hearing on:

HB 2278: Consumer protection; exemption for certain public utility transactions.

Proponents:

Larry Berg, Midwest Energy gave testimony in favor of **HB 2278**, (Attachment 1), noting the way this bill would work, and offered some language to amend the bill that would perhaps make it more amicable to the opposition.

Opponents:

Paul Morrison, Kansas Attorney General offered testimony in opposition of **HB 2278**, (Attachment 2), noting that the original form of the bill is highly objectionable.

Steve Rerrick, CURB gave testimony against **HB 2278**, (Attachment 3), because CURB believes that consumers should not be without the protection of the Kansas Consumer Protection Act.

Questions were asked and comments made by Representative: Tom Sloan, Peggy Mast, Annie Kuether, and Carl Holmes.

Hearing closed on **HB 2278**.

Chairman Holmes appointed a subcommittee to consider some alternative options for **HB 2278** consisting of Representatives: Bill Light, Chairman, Dan Johnson, Tom Sloan, Josh Svaty, and Terry McLachlan.

Testimony from KEPCO was handed out concerning the report heard yesterday on Rural Development Projects, (Attachment 4).

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on February 6, 2007 in Room 241-N of the Capitol.

Hearing on:

HB 2222: Income tax credit for certain hybrid motor vehicles.

Proponents:

Anthony Brown, State Representative presented testimony in support of **HB 2222**, (Attachment 5), noting that this bill has been drafted since August outside of the definition for “hybrid”, which was finalized recently.

Questions were asked by Representatives: Tom Hawk, and Peggy Mast.

Tom Hawk, State Representative, offered testimony in favor of **HB 2222**, (Attachment 6), noting his personal experience with hybrid vehicles and offering information on Colorado’s (Attachment 7) current tax incentive program.

Ed Wallace, General Motors gave testimony in support of **HB 2222**, (Attachment 8).

Whitney Damron, Kansas Automobile Dealers Association, offered comments in support of **HB 2222**, (Attachment 9).

Tony Reinhart, Ford Motor Company, gave testimony in support of **HB 2222**, (Attachment 10), noting what Ford’s current car production is and mileage they are able to attain.

Tom Thompson, Sierra Club, offered testimony in favor of **HB 2222**, (Attachment 11), because it would encourage the use of Hybrid vehicles which would help reduce green house gasses and their effects on the ecosystem.

Peter Bock, MD, Eudora, offered testimony in support of **HB 2222**, (Attachment 12).

Written Proponent:

Vern Swanson, State Legislator, offered written testimony in support of **HB 2222**, (Attachment 13).

Opponents:

Richard Cram, Department of Revenue, raised concerns with **HB 2222**, (Attachment 14), noting that the \$2,500 per vehicle rebate is about 10% of the cost of the average vehicle. He also noted that it would cost about \$200,000 per year for the administrative expense of this program.

Questions were asked and comments made by Representatives: Cindy Neighbor, Carl Holmes, Don Myers, Tom Sloan, Judy Morrison, Oletha Faust-Goudeau, Forrest Knox, Josh Svaty, Vaughn Flora, Bill Light, and Tom Moxley.

Hearing closed on **HB 2222**.

Chairman Holmes made the committee aware that we would work the bills we had hearings on this week on Thursday, and on Friday we will have a hearing on a new bill.

The next meeting is scheduled for February 7, 2007.

Meeting adjourned.