

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Senator Vratil at 9:33 a.m. on February 1, 2002 in Room 120-S of the Capitol.

All members were present except: Senator Haley (excused)  
Senator Oleen (excused)  
Senator Adkins (excused)  
Senator Gilstrap (excused).

Committee staff present:

Gordon Self, Revisor  
Mike Heim, Research  
Jerry Donaldson, Research  
Mary Blair, Secretary

Conferees appearing before the committee:

Doug Smith, Direct Marketing Association (DMA)  
Mike Murray, Sprint  
Mike Reece, AT&T  
Jim Gartner, Southwestern Bell (SWB)  
Steve Montgomery, MCI and Worldcom  
Steve Rarrick, Deputy Attorney General, Consumer Affairs Division  
Dr. Ernie Pogge, AARP

Others attending: see attached list

The minutes of January 29<sup>th</sup> meeting were approved on a motion by Senator Schmidt, seconded by Senator Donovan, Carried.

**Bill introductions:**

Senator Schmidt requested introduction of two bills. The first bill would expand the enforcement authority of the Attorney General's Medicaid Fraud Division and the second would prohibit felons from wearing body armor. (no attachment) Senator O'Connor moved to introduce the bills, Senator Schmidt seconded. Carried.

Conferee Smith requested introduction of a bill which would add certain language to current legislation regarding illegal methamphetamine production. (attachment 1) Senator Schmidt moved to introduce the bill, Senator Umbarger seconded. Carried.

**SB 265—residential landlord/tenant act; notice of termination**

Senator Schmidt testified in support of **SB 265**, a bill he introduced which would restrict the ability of landlords to coerce tenants into agreeing to supplemental terms of their lease. He discussed two negative experiences he encountered which gave rise to his interest in introducing this legislation, and described how the bill would remedy the problems he identified. (attachment 2) Discussion followed.

**SB 296—consumer protection; unsolicited calls**

Conferee Smith testified in support of **SB 296**, a bill which would require telemarketers to use the Direct Marketing Association Telephone Preference Service list (TPL) prior to making telephone solicitations. The list contains the names of telephone consumers who do not want telephone solicitations in their home. He gave a brief overview of the DMA and discussed several name-removal services available to consumers at no cost. He discussed **HB 2580** (passed in 2000) which required that the Kansas Corporation Commission work with the telecommunication industry in the development of rules and regulations governing the education of the public about their rights regarding telemarketing. He further discussed the harm created by fraudulent telemarketers. (attachment 3)

Conferee Murray testified in support of **SB 296**. Stating that this bill complements **HB 2580**, he reviewed the latter and discussed the manner in which Sprint has implemented the rules developed by the KCC and the telecommunications industry. He offered 3 amendments to the bill describing the purpose of each. (attachment 4) He discussed interest the Federal Trade Commission has in this issue and cited an article addressing this in the Topeka Capital Journal Business Section, Friday, February 1, 2002 entitled "Hate telemarketers? Tell it to the FTC".

Conferee Reece testified in support of **SB 296**. He discussed the TPL, reiterating its purpose and added that the list is used by AT&T and other members of the DMA. He stated that **SB 296** requires that the DMA

make the national list available to the AG on a quarterly basis. ([attachment 5](#))

Conferee Gartner testified in support of **SB 296**. He assured the Committee that SWB maintains an internal do not call list whereby they refrain from making calls at a customers request. ([attachment 6](#))

Conferee Montgomery testified in support of **SB 296**. He discussed the following: how the bill would “enhance enforcement of violations by illegitimate telemarketers,” the efficiency of one central “do not call” list, and the importance of educating the public on how to avoid undesirable calls. ([attachment 7](#))

Conferee Rarrick testified in opposition to **SB 296**. He reviewed a survey done by his office which revealed that a majority of Kansans support the enactment of a “no-call” law. He stated that the AG supports no-call legislation that does not contain numerous exemptions but opposes the concept in the bill “specifically the unstructured use of the DMA telephone preference list.” He elaborated on this and addressed other concerns with the bill as well. ([attachment 8](#))

Conferee Pogge testified in opposition to **SB 296**. He discussed the issue of telemarketing fraud and its effect on consumers and the current legislation which addresses this problem. He stated that meaningful legislation will provide oversight, protection, and privacy for the consumer and he iterated provisions which the bill should include. ([attachment 9](#))

The meeting adjourned at 10:31 a.m. The next scheduled meeting is Monday, February 4, 2002.