

SESSION OF 2008

**CONFERENCE COMMITTEE REPORT BRIEF
SENATE BILL NO. 570**

As Agreed to April 4, 2008

Brief*

SB 570 would amend current law to remove the requirement for the Kansas Corporation Commission (KCC) to approve or deny mergers or acquisitions solely between telecommunications companies that have elected price cap regulation in Kansas. Embarq and AT&T are the only price-cap regulated telecommunications companies in Kansas.

The bill also would require broadband service providers to submit a report to the KCC containing information about the geographic areas where service is available from the provider. This report would have to be submitted by October 1, 2008.

The KCC would be required to report to the Legislature by January 15, 2009, and every year following, on the state's broadband service. This report would include a report of census tracts where broadband service is available and how many providers service each census tract. Starting in 2010, the report would document changes of the number of providers and areas where broadband service is available. The KCC also would report the names of providers that fail to comply with the reporting requirement. The KCC would be required to protect the confidentiality of the information provided by each provider and to prevent disclosure of trade secrets from the providers while collecting information for the report. These requirements would sunset on July 1, 2013.

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/klrd>

Conference Committee Action

The Conference Committee agreed to the Senate-passed version of SB 570. The Conference Committee also agreed to amend the bill to include the broadband service reporting requirements.

Background

The bill was introduced at the request of Embargo Corporation, whose representative stated that passage of the bill could prevent delays in mergers and acquisitions that potentially increase financing and acquisition costs.

Representatives of the KCC and the Citizens' Utility Ratepayer Board testified in opposition to the introduced version of the bill.

The Senate Committee amended the bill to clarify that only mergers that were solely between telecommunications companies operating under price cap regulation in Kansas were exempted from review by the KCC.

The fiscal note prepared by the Division of the Budget indicates passage of the bill would have no effect on the state budget.

telecommunications; broadband service providers