

LEGISLATIVE BILL 573

Approved by the Governor April 5, 1982

Introduced by Clark, 47

AN ACT to amend section 75-609, Reissue Revised Statutes of Nebraska, 1943, and section 75-610, Revised Statutes Supplement, 1980, relating to the Public Service Commission; to limit rate regulation of small telephone companies as prescribed; to provide a penalty; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 75-609, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

75-609. ~~All~~ Except as provided in section 2 of this act, all rates for local telephone service and for intrastate long distance telephone service shall be prescribed by the commission. In determining the valuation of telephone property for the purpose of fixing fair and reasonable rates, the commission shall give consideration to the current value of such property and to such other factors as may be just and reasonable.

Where two or more telephone companies jointly furnish such local or long distance service, the revenues from such jointly-furnished service shall be divided in such manner as may be agreed upon between the companies furnishing such service. In the event of inability to agree, any one of the companies jointly furnishing such local or long distance service may file an application with the commission requesting that the commission enter an order prescribing an equitable division of revenues from such jointly-furnished service. The order entered pursuant to such application may be appealed from by any party to the proceeding in the same manner as from other orders of the commission.

Sec. 2. (1) Telephone companies which serve less than five thousand subscribers within the state shall not be subject to rate regulation by the Public Service Commission pursuant to section 75-609 unless (a) the company elects by action of its board of directors to be subject to such rate regulation by the commission, (b) the proposed increase exceeds thirty per cent in any one year, (c) five per cent of the subscribers petition the commission to regulate rates pursuant to subsections (2) to (4) of this section, or (d) the commission declares that the company shall be subject to rate regulation by

the commission pursuant to subsection (5) of this section.

(2) Each such telephone company not subject to rate regulation shall, at least sixty days before the effective date of any proposed rate change, notify the commission and each of the company's subscribers of the proposed rate change. Notice to the commission shall include a list of the company's published subscribers. Notice by the company to all subscribers shall be in a form prescribed by the commission, shall be by first-class mail, and shall include a schedule of the proposed rates, the effective date of the rates, and the procedure necessary for the subscribers to petition the commission to determine rates in lieu of the proposed rates. If the telephone directory published by the company for its subscribers sets forth the procedure for petitioning the commission, a reference to the location in the directory shall be adequate notice of the procedure.

(3) The subscribers of a telephone company not subject to the commission's rate regulation may petition the commission to determine rates in lieu of any rate change proposed by the company pursuant to subsection (2) of this section. The commission shall adopt and promulgate rules and regulations governing the form of such petitions and a petition substantially in compliance with such rules and regulations shall not be deemed invalid due to minor errors in its form.

(4) If, by the effective date of the company's proposed rate change, the commission has received petitions from fewer than five per cent of the subscribers requesting that the commission determine rates, the commission shall certify such fact to the company and the company's proposed rates shall become effective as published in the notice to subscribers. If, on or before the effective date of the proposed rate change, the commission has received petitions from five per cent or more of the subscribers requesting that the commission determine rates, the commission shall notify the company that it will determine rates for the company in lieu of the company's proposed rate change. Rates established by the commission or by a telephone company pursuant to subsections (2) to (4) of this section shall be in force for not less than one year.

(5) In addition to the procedure for petition prior to any proposed rate change pursuant to subsections (2) to (4) of this section, the subscribers of a telephone company not subject to the commission's rate regulation may at any time petition the commission to

declare that the company shall be subject to such rate regulation. If the commission determines that at least fifty-one per cent of a company's subscribers have properly petitioned that the company be subject to the commission's rate regulation, the commission shall certify such fact to the company and thereafter the company shall be subject to rate regulation by the commission until at least fifty-one per cent of the company's subscribers properly petition that the company no longer shall be subject to the commission's rate regulation. The commission shall adopt and promulgate rules and regulations governing the petition procedure and the form of such petitions and a petition substantially in compliance with such rules and regulations shall not be deemed invalid due to minor errors in its form.

Sec. 3. That section 75-610, Revised Statutes Supplement, 1980, be amended to read as follows:

75-610. Any telephone company, or manager thereof, failing or neglecting to comply with the provisions of sections 75-607 to 75-609 or section 2 of this act, or who shall violate any of the provisions of said such sections, shall be guilty of a Class IV misdemeanor.

Sec. 4. That original section 75-609, Reissue Revised Statutes of Nebraska, 1943, and section 75-610, Revised Statutes Supplement, 1980, are repealed.