

January 16, 1992 LB 301, 573

probably the most effective in the rural areas. So with that, I would urge the advancement of LB 573.

SENATOR WARNER: Motion is advanced, LB 573, E & R Initial. Those in favor vote aye, opposed nay. Have you all voted? Clerk, record.

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of LB 573.

SENATOR WARNER: Motion is carried, the bill is advanced. LB 301, Mr. Clerk.

CLERK: Mr. President, 301 was a bill introduced by Senator Hall. (Read title.) The bill was introduced on January 15 of 1991, referred to Natural Resources, advanced to General File. I have committee amendments pending by the committee.

SENATOR WARNER: Senator Johnson, for the committee amendments.

SENATOR R. JOHNSON: Thank you, Mr. President and members. LB 301 was brought to us as indicated by Senator Hall. It was a well-attended hearing if I recall, and we've received an awful lot of testimony. The bill as it was originally written basically said that any privately owned public utility could not be involved in the, basically the sales and services of appliances. That is to say that you could sell your gas, such as K N or Minnegasco, or Peoples, but you can't be involved in the servicing or the sale or the maintenance or the repair of any commercial or private or household appliance, such as a heater, a water heater, an air conditioner unit, those type of appliances. When the gas companies came forward, they said, hey, we do not...the argument has been from the smaller business, the contractors, the smaller business have said, these gas companies are cross-subsidizing. They're...they're cross subsidizing through the sale of their gas, into helping make selling their product...their appliance and their repair of those appliances very low. And it's very difficult for us to compete with these large companies that can cross-subsidize. The gas companies came forward to the committee and said we do not cross-subsidize. We keep separate books. We...we keep that separate. We can prove that, and so rather than take the gas companies completely out of the business of sales and service of appliances, we said, okay, we'll...let's look at your books. Let's compare how you provide both gas services and the services