

SENATOR BROWN: On Friday we spoke for about an hour about this bill. I would like to reiterate that my perspective on this is that we remove language from the constitution to give us, the Legislature, the flexibility in terms of restructuring the agency and also in accountability issues. On Friday we talked a lot about why we wanted to remove it from the constitution and why it was in the constitution in the first place. And I have requested from Bruce Prenda a list of the activities of the Public Service Commission, which I will go through in some detail with you. But I think that the conclusion that we all reached on Friday was that economic regulation, i.e. rate setting, especially within uncompetitive environments is the justification for constitutional protection. That is who may provide an economic service, where it may be provided, and for how much. Many of these activities have been preempted at the federal level. And there was some discussion on Friday about merger and rate setting within the railway...railroad industry. And those are things that have been totally preempted at the federal level. The Pages will be handing out a list of the current responsibilities of the Public Service Commission. The responsibilities fall into three major areas, grain warehousing, which...where they are involved in inspection and licensing and moisture testing. There is very little true rate setting in this area that would require constitutional protection. The second major area is communications. And this area has a big asterisk beside it. Even though the state of Nebraska has changed from a rate of return type of regulation to a cost-based regulation, there is activity within the Public Service Commission that is involved in rate setting in this area. But there's also federal legislation pending which will change the whole ball game, and which will allow competition in this area. So this is an area that's very much in a state of flux. The third major area that the PSC has some jurisdiction in is transportation. Last year, as you may remember, there was a lot of activity on the federal level in terms of deregulation of interstate trucking that's going to have a huge impact on us locally. The one thing that the PSC actually is involved in, in terms of economic jurisdiction, that meets the criteria that I talked about, who does it, where it is, and for how much, is that they regulate rates for interstate...intrastate, within the state of Nebraska, household goods movers and passenger carriers, i.e. taxis and limousines. On Friday we talked a lot about arguing whether...whether there were things that they did