

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

June 1, 2005

LB 548

SENATOR CUDABACK: Time, Senator.

SENATOR CHAMBERS: Waited till their bill was signed...I'm going to put my light on again. And, Senator Schrock, you can ask them that question.

SENATOR CUDABACK: Thank you, Senator Chambers. Senator Mines, followed by Senator Beutler.

SENATOR MINES: Thank you, Mr. President, colleagues. I don't mean to appear like I'm piling on. But this was brought to us at the 11th hour, and I'm trying to catch up quickly. Maybe a correction. I think Senator Chambers asked Senator Schrock if the monies that are collected specifically for a mandated project are dedicated to that project, and Senator Schrock responded that he thinks they are. Two places in the bill indicate that they are not. Section 12 says a public entity may elect, "may" elect to pay or reimburse mandated project costs and finance costs through the use of mandated project charges. And Section 15 explicitly says, a public entity undertaking a mandated project is not required to pay or reimburse the cost of the mandated project with mandated project charges. And such public entity is not required to issue mandated project bonds as well. I would hope that our public power could use a bill like this in order to secure better rates on bonding. I think no one in this body would disagree with that. The difficulty I've got with this particular bill...and again, it's 11th hour. I apologize. But it...there are holes. Primarily, the mandated projects are...I don't...I think it's still too broad. I'm not sure we've discussed what's not included. We've discussed...or, it's listed what is included, but I think there are some issues about what's not included in the bill. Senator Beutler hit...I think that the big point in this is, we've taken the public out of the rate-making process if we allow mandated fees to be added by an elected body and then remain on customer bills without further changes or discussion. The public is removed from the rate-making process, as they are with regular rates. So I struggle with that. And then one final point, and I haven't found the answer yet. My guess is that the revenue that's derived from a mandated project is off budget. In other words, it's not part of your regulatory rate-making budget. And I