

didn't have to allow competition, and the opposition of LT&T and some others against any competition, it looked like nothing would get done. And then everything changed. Everything changed because overnight the Public Service Commission, without benefit of the Public Works Committee doing anything, without benefit of any law change, and LT&T, without benefit of any of these, suddenly, overnight changed their minds and dropped their opposition to allowing competition into the state, Sprint being one of the new competitors, along with many others. Why did that all occur? It occurred because they faced up to the fact that the federal government, the antitrust boys were going to step in if something wasn't done. That is where we were last year because we failed to act. You will be in the same position next year if you fail to act now. Senator Schmit has said this legislation goes further than any other state has gone. That is not inaccurate, not inaccurate at all. But you know how far it goes? You know how far Senator Lamb's amendment goes? Let me tell you a little secret. Senator Lamb has five companies in his area, they are already deregulated. And, as Paul Harvey says, here is the rest of the story. He's going to move the amount from 20 percent to 10 percent, right, because he's afraid of what will happen if it remains at 20 percent, and he's afraid of what will happen in Anselmo. Do you know what the current law has been for many years, ever since Senator Lamb and Senator Schmit helped get that bill passed? The law already is 30 percent. If there were going to be these disasters, why they should just be occurring like mad in Senator Lamb's area. Why is the 20 percent necessary? Make no secret of that. If you are currently charging \$15, and it is costing you 25 to provide the service, which is the case for Bell, then over a period of 5 years you've got to get up to actual cost, which is about \$2.50 a year for that one item. Therefore, I think you can know in advance that you are going to have to get in excess of 10 percent on that one item. Yes, long distance rates will go down. And, yes, some rates will go up. But let me give you another problem that is going to happen in the rural areas if you try to create a tighter regulatory scheme. I'm going to use a living, actual example, Petersburg, Nebraska, which was one of the strong opponents of doing anything originally. Petersburg was charging, I think, \$4 or \$4.75 for "the local service".

PRESIDENT: One minute.