

is, in my opinion, a serious question as to whether or not LB 835 is constitutional. In my opinion I do not believe that the Legislature can take away from the constitutional body the responsibility for their acts. Under this...under LB 835 we would effectively be doing that. Secondly, the amendment addresses one of the major concerns of the telephone industry, also addresses the concern that I have about the time lag between the filing of an application for a rate increase and the time an increase is approved. Many of you have been contacted by the industry, pointed out that there has been a serious time lag of many months, or even more than a year, from the time that a request for a rate increase was filed and the action by the PSC. This amendment amends Section 75-128 to allow the telephone companies to implement 90 percent of their proposed rate increase within one month and 30 days after the rate increase application is filed with the PSC. Of course you realize that if less than the 90 percent rate increase is granted by the PSC, then that portion that was not granted would subsequently have to be refunded by the company. Also the amendment will speed up the rate proceeding process because they are providing more staff assistance for the PSC. I think it is important to recognize that the PSC has not been staffed heavily. They have traditionally relied upon the office of the Attorney General for their assistance. And many times, with a flood of applications, they simply have not had the capability, physical capability to carry out their responsibility. The additional staff is funded by a 50 cent per year charge per access line. That is less than 5 cents a month, and I believe that that 5 cents per month is well justified by the fact that it will assure the customer's interest and the company's interest for balance as the current law provides. It is my conviction that LB 835 shifts the balance considerably away from the customer toward the company. In fact in my opinion, there is very little protection for the customer under LB 835. I am interested in the particular interests of our telephone customers. If 835 is passed without this amendment, the customer will have little protection in the rate-setting power of the company, and of course will have nowhere else to go for service. I want to point out to you again that the amendment which I have offered to you here today is an amendment that states, very emphatically, that when the Public Service Commission determines that the competition does exist, they have the authority and the power to deregulate that portion of the industry. Where they feel there is not competition, the Public Service Commission retains jurisdiction over that portion of the industry. I want to emphasize that there are many, many