

constitutional. What he is saying in essence is we can never deregulate anything. It says the powers and duties of such commission, blah, blah, blah, shall include, and then the last words that he forgot to mention to you, as the Legislature may provide by law. Now you see when the Constitution turns over authority to us, as it does here, that is the authority to make the decisions whether to regulate, deregulate. The only problem there is that if you do decide you want a particular type of regulation, then it has to be in that commission set up for it. So we are not in any constitutional problem there. Senator Schmit suggested, in his particular proposal, which I want to address specifically, he would keep a complex and additional new system of regulation, but the goal of this new regulation, this new system would be as follows, it would be to get deregulation when the competition decided that the competition was all perfect. Now let me show you the Catch-22. Let us assume, and this is the actual case, but let's talk about cars rather than telephones, let us assume we were regulating cars, car dealers, and we had a law that said the dealer, in Neligh, Nebraska, had to sell \$10,000 Chevrolets at \$5,000. Okay? We have to sell \$10,000 Chevrolets at \$5,000. But as soon as there is competition we are going to allow deregulation, allow the business to go to the normal market. Now let me ask you this, if you are forcing somebody to sell \$10,000 items at \$5,000 how many people are going to come in and compete to sell their \$10,000 items at \$5,000? That is the ludicrousness of this whole idea that somehow if you regulate forever you are going to create competition. It simply isn't going to work and hasn't worked. You get competition by allowing competition, by allowing the marketplace to operate. And there are all kinds of competitive forces, from the new technologies, to the completely unregulated groups providing telecommunications services. There are all kinds of competitive forces. And it is unreasonable to keep one in handcuffs and the others outside.

SPEAKER NICHOL: One minute.

SENATOR DECAMP: Senator Schmit said I will bet you, I will bet you that within 5 years you are going to see a 50 percent increase in some telephone service. Senator Schmit, I will bet you that within 5 years you will see a 50 percent increase in some telephone service, whether this bill passes or doesn't pass. No matter what, you have some services that simply are so far below cost and are being subsidized that the balloon is ready to break. I will also bet you you see 50 or 100 percent declines, I said declines, that is dropping in the price of some