

HOUSE COMMERCE COMMITTEE

Minutes of Meeting
1996 - 1997 Interim
February 5, 1997

I. CALL TO ORDER

Representative John Travis, Chairman of the House Commerce Committee, called the meeting to order at 10:10 a.m. in Committee Room 1 of the State Capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative John Travis,
Chairman
Representative Robert Barton
Representative Sydnie Mae Durand
Representative Dan Flavin
Representative Mickey Frith
Representative Butch Gautreaux
Representative Herman Hill
Representative Arthur Morrell
Representative Gil Pinac
Representative Tommy Wright (ad hoc)

MEMBERS ABSENT:

Representative Pete Schneider,
Vice Chairman
Representative Michael Michot
Representative Edwin Murray
Representative Tank Powell
Representative Sharon Weston

III. STAFF MEMBERS PRESENT

T. Michael White, Attorney
Cindy Mancuso, Attorney
Sandy Painting, Secretary
Evelyn Holden, Sergeant at Arms

IV. DISCUSSION

Mr. Lawrence "Tubby" St. Blanc, secretary, and Ms. Von M. Meador, deputy under secretary, Louisiana Public Service Commission, One American Place, Baton Rouge, Louisiana, (504) 342-4427, appeared before the committee and gave a brief overview of the Louisiana Public Service Commission. He stated that the budget was approximately \$9 million, of which \$5 million is used to run the commission and \$4 million goes into the treasury. He also stated that the commission regulates all utility companies and transportation.

Representative Travis asked Mr. St. Blanc if inside consultants had been hired to perform

audits and how many outside consultants were being used.

Mr. St. Blanc stated that the 19 staff positions had all been filled and stated that only two outside firms were being used. He stated that the commission now regulates approximately 600 telephone companies as opposed to approximately 15.

Representative Morrell asked Mr. St. Blanc if the commission regulated beepers and cellular phones.

Mr. St. Blanc stated that the Federal Communications Commission (FCC) regulated beepers and cellular phones. He stated that the commission only regulated telecommunications intrastate.

Representative Morrell asked if regular telephones were regulated by the commission.

Mr. St. Blanc stated that the commission did regulate regular telephones.

Representative Morrell stated that he had a problem with pay telephones and the amounts charged, the maintenance, and the conditions of areas surrounding the phones.

Representative Travis asked Mr. St. Blanc to explain to the committee what happens to the funds collected by the Public Service Commission.

Ms. Von Meador stated that approximately \$9 million is collected every fiscal year. She stated that of the \$5 million motor carrier collections, 20% stays in the Public Service Commission fund and 80% goes in the general fund.

Representative Wright asked for a history on cable television regulation.

Mr. St. Blanc stated that cable television regulation began with the FCC and was then turned over to the local government to regulate.

Representative Travis asked if the Public Service Commission had any control over cable television.

Mr. St. Blanc stated that they do not regulate cable television at all but would if they got into telecommunications.

Representative Travis asked if there was any regulation regarding the rates charged by cable television.

Mr. St. Blanc stated that there was no regulation regarding the rates.

Representative Travis asked Mr. St. Blanc to work with the committee in researching ways to regulate cable television.

Representative Gautreaux stated that he had a problem with the service received from directory assistance.

Mr. St. Blanc stated that he would check into the problem for Representative Gautreaux.

Representative Gautreaux asked if utility companies purchased electricity produced by plants for their own consumption.

Mr. St. Blanc stated that utility companies were required by law to purchase any excess electricity not used by the plant at the going rate.

Representative Travis asked for the history of cellular phone regulation.

Mr. St. Blanc stated that the Public Service Commission regulates only terms and conditions on cellular phones. He stated that cellular phone companies must file their tariffs with the Public Service Commission and that the rates are regulated by the FCC.

Representative Travis asked who regulated long distance telephone calls.

Mr. St. Blanc stated that the Public Service Commission only regulates intrastate calls, i.e., calls which originate and terminate in Louisiana.

Representative Pinac reiterated the problems mentioned above.

Representative Morrell asked who regulated service charges on cellular phones and beepers.

Mr. St. Blanc stated that service charges were regulated by the FCC.

Representative Morrell asked how many plants in Louisiana are generating their own electricity and the effects it will have on the local consumer.

Mr. St. Blanc stated that he would provide Representative Morrell with this information.

Representative Flavin asked about the rule concerning tree trimming.

Mr. St. Blanc stated that the Public Service Commission has a line clearance rule for utility companies and they must trim trees a certain way, i.e., the trees cannot be butchered.

Representative Gautreaux asked for the regulation history on the trucking industry.

Mr. St. Blanc stated that the Public Service Commission began years ago as the Railroad Commission when railroads were monopolies. He stated that it then evolved into bus and then into transportation. He stated that transportation was deregulated on the federal level except waste, household goods, and passenger transportation.

V. OTHER BUSINESS

There was no other business discussed.

VI. ANNOUNCEMENTS

There were no announcements.

VII. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:25 a.m.

Respectfully submitted,

John Travis, Chairman

Date Approved: _____