

MEMBERS PRESENT: Chairman Dini  
Vice Chairman Schofield  
Mr. Craddock  
Mr. DuBois  
Mr. May  
Mr. Mello  
Mr. Nicholas  
Mr. Polish  
Mr. Prengaman  
Mr. Redelsperger

MEMBERS ABSENT: Mr. Jeffrey (excused)

Chairman Dini called the meeting to order at 10:00 A.M. and advised the secretary that Mr. Jeffrey was excused from attending the meeting.

Mr. Dini asked for the concurrence and approval of the committee to introduce bills as committee introductions.

BDR 37-163: Removes obsolete or unused provisions of law relating to veterans.  
(A.B. 35)

Mr. Dini stated that the bill came from Bill Hatfield, the Commissioner of Veterans Affairs through Mr. Coulter, who gave it to the Government Affairs Committee for introduction.

Vice Chairman Schofield moved that the Government Affairs Committee introduce BDR 37-163. Mr. Mello seconded the motion. Motion carried.

BDR 37-161: Increases bonds of and provides fee for commissioner for veteran affairs.  
(A.B. 36)

Mr. Dini stated that this bill also came from Veterans Affairs. Mr. May moved that the Government Affairs Committee introduce BDR 37-161. The motion was seconded by Mr. Craddock. Motion carried.

BDR 58-91: Provides for jurisdiction of public service commission over small water companies.  
(A B 38)

Mr. Dini stated that this bill came from the interim sub-committee that he was chairman of. During the last session, there was an exemption on small water companies from \$10,500 to \$5,000. This bill takes the \$5,000 off and puts the PSC over all small water companies. There was also an exemption in the law where cooperative associations and non-profit corporations were exempt from public utility regulations. That is one of the biggest stickers in trying to get a handle on these small water companies. There are over 200 small water companies having problems and you can't get a handle on them because of the exemptions, and that is what this bill addresses.

Mr. Redelsperger stated that one of the problems that they have had in the past is that if they were approved by the Public Service Commission and someone had a development and there were less than ten homes in it, you couldn't get financing to build a home. So, we have problems on both ends of it. He asked Mr. Dini what is the main reason he said we can't get a handle on them. What have been the problems in the past.

Mr. Dini stated that one of the biggest problems has been rate making. Several companies in his district have arbitrarily, by the use of this cooperative/non-profit thing, been able to raise the rates sky-high by being able to control the votes on the board of directors. They own all the lots, or have the controlling interest in all the lots and so control the board of directors if they want to raise the rates.

Mr. Redelsperger said that if they did come under the jurisdiction of the PSC, he assumed they would be treated just like any other public utility. It would probably also be easier as far as the financing to finish developments.

There was no further discussion and Mr. Mello moved for introduction of BDR 58-91 by the Government Affairs Committee. Mr. Polish seconded. Motion carried.

BDR 23-523 Exempts certain public officers from limitations  
(A.B. 37) on employer's payment of employees' contributions to retirement fund.

Mr. Mello moved for introduction of BDR 23-523 by the Government Affairs Committee. Seconded by Mr. Nicholas. Motion carried.

Mr. Dini announced that there would be a committee meeting at 8:00 A.M. on Wednesday, January 28 to cover an in-depth analysis of the Initiative Petition and the sub-committee bill that was supposed to be introduced and also the Governor's Bill will be introduced.

Meeting was adjourned at 10:08 A.M.

Respectfully submitted

*Lucille Hill*  
Lucille Hill  
Assembly Attache