

House Bill 1374

Presented by: John M. Schuh
Public Service Commission

Before: House Industry, Business and Labor Committee
The Honorable Scott Louser, Chairman

Date: January 23, 2023

TESTIMONY

Mister Chairman and committee members, I am John Schuh. The Commission asked me to provide some agency comments regarding HB 1374.

HB 1374 creates a new section under chapter 49-02 which allows an individual directly affected by competition with a state agency or institution to present a case to the Public Service Commission. Then, if determined to be in competition with private enterprise, the Commission will direct the state institution to terminate the activity. The Commission has some conflict of laws concerns.

In its application, the Commission requests that a written decision not be limited to twenty days. Depending on the complexity of the issues and financials, the valuation of services and products may be limited by what is provided by the parties on record. This may result in a need, and resources for the Commission, to conduct an external investigation into cost of services to aid in its evaluation.

Another concern is that the legislature appears to delegate authority to the Commission to effectively overturn or negate legislated programs and appropriations from other departments or agencies. The Commission would also recommend that the committee consider having the Commission instead provide

a written report or findings to legislative management to provide a basis for future legislative action to correct the improper competition.

Mister Chairman, this concludes our testimony. I will be happy to answer any questions.