

# SANTA FE NEW MEXICAN

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## OUR VIEW

# A new day for the PRC?

**T**he departure of the ethically challenged Jerome Block Jr. from the Public Regulation Commission is welcome, to be sure. But it's hardly a long-term fix for what ails the powerful body.

With authority to regulate such disparate interests as utilities, insurance, commercial transportation, telecommunications — and that's just a partial list — the PRC as it exists is too massive to do the work both consumers and industry need. Born from the union of the constitutionally established State Corporation Commission and the Public Utility Commission, the PRC has not lived up to the hopes of the citizens who amended the state Constitution to create it. Almost since it began in 1996, the PRC has been riddled with scandal, Block's being the latest.

It is time to reboot.

Starting the conversation about the future of the PRC with uncanny timing is Think New Mexico, the group that led successful campaigns for full-day kindergarten, reforms to title insurance and a repeal of the food tax. Think New Mexico's latest publication, *Rethinking the PRC*, lays out problems with the current set-up and offers a way forward. Not the only way, of course, but a launching pad for discussion. We would like to see that discussion evolve into an effort by the state Legislature and Gov. Susana Martinez to create better, stronger and more efficient regulatory agencies. It's an issue beyond politics and partisanship, one that would give both Democrats and Republicans a rare issue on which to agree.

Key to understanding why the current situation is untenable is seeing just how bulky the PRC has become. Like old adobe houses, built one room at a time with no thought to design or planning, the PRC sprawls with too many responsibilities. Take for example, the State Fire Marshal's Office, housed within the PRC by this reasoning: If the Insurance Division regulates insurance and fire prevention reduces premiums, then fire belongs with insurance. And what about trains? Some authority over railroads remains with the PRC as well, a legacy of the original State Corporation Commission's power to regulate corporations. The PRC helps monitor rail crossings and is responsible for the safety of train tracks where they intersect with roads. The Department of Transportation ensures the safety of the roads where they meet the tracks. Whew! Regulating both the fire marshal and train tracks would be best handled in more compatible agencies. More possible streamlining — create a Department of Insurance, breaking out the current division and move corporation oversight entirely to the Secretary of State's Office. One proposed change that should warm the hearts of free-market lovers everywhere is deregulating commercial carriers such as shuttle services and taxi companies.

The recommendations are designed to help re-focus the PRC on a primary goal of efficient, responsive regulation of public utilities — setting rates and services for the state's electric, natural gas, water and telecommunications utilities, as well as overseeing cable and pipelines that deliver these services.

Toward that end, it is necessary to ensure that PRC commissioners have the knowledge and education to do their jobs. Some have argued that the PRC should become an appointed board, with staggered terms, stricter qualifications, even a committee to sift through candidates' qualifications, similar to the process for judicial appointments. Elected or appointed is beside the point if candidates lack stellar qualifications. Current requirements for PRC candidates are minimal: they must be 18 or older, have lived in New Mexico a year and not have a felony record. That sets the bar too low for running such a complex agency — not to mention for gaining a \$90,000-a-year salary, state car and the other generous perks of office. Whether it's requiring a college degree or related experience as a prerequisite to seeking office, demanding more of the candidates is essential.

The conclusion after reading this powerful report (not to mention the headlines since the agency's creation in 1996) is inescapable. The Public Regulation Commission — one of the most powerful regulatory bodies in the country — is not doing the job New Mexico needs. What remains to be determined is what we do and how fast we act. After all, restructuring will require legislation and changes to the Constitution. Think New Mexico has done the heavy lifting, outlining the problem and pointing to possible solutions. Now it's up to the rest of us — citizens, lawmakers and our governor — to act.