



Testifying in Opposition to SB 504 for discounted utility rates for school districts before the Senate Business & Commerce Committee
State Capitol, Austin, Texas March 22, 2011

Young Conservatives of Texas (YCT) opposes a mandate for discounted utility rates for school districts.

YCT opposes any and all price controls by government. These controls are unjust and create an added burden on businesses that employ people in the state of Texas and other ratepayers who will be forced to absorb utility companies' lost revenue.

Texas leads the nation in job creation because we have a predictable regulatory environment. Continuing to cater to school districts for discounts is simply not good public policy. We need less government involvement in the marketplace, not more.

These are tough economic times, to be certain, and we could all use help in saving money and reining in expenses, but YCT is concerned that SB 504's directive for electric companies to provide a discount on services sets a dangerous precedent. Where does it end? Should we also place discounts on desks, or any other type of goods and services schools purchase?

It may seem appealing to place price controls on the products that our state and local governments purchase. Everyone wants a lower price. However, it is no more just to mandate that electricity be offered to public schools than it would be to mandate that each of us get a cheaper price at the dry cleaners, or at our favorite restaurant.

Price controls like those proposed by SB 504 use the power of government to unfairly take advantage of private entities. These unsound public policies distort the market and work to defeat the sound regulatory climate in Texas that has attracted so many businesses to come here.

For more information:

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