

March 20, 1979

LB 508

SENATOR KREMER: Mr. Chairman, members of the Legislature, I can understand Senator Schmit's concern about what is happening. He has expressed it very well. I won't need to. I have attempted to say about the same thing on the floor. We are greatly concerned with what is happening especially to some of the spur lines that furnish transportation for our farm products, manufacturing products and so on. We don't know how many of these spurs we are going to lose in the State of Nebraska. It is not as serious as in Iowa but it is serious and we said before that every time that we lose a railroad in some of our smaller towns especially, the farm products, grain for example will bring ten, fifteen cents a bushel less because it costs that much more to move the grain on any other method of transportation. The reason the committee killed LB 508, the committee felt that 507 would come closer to providing legislation that would invite federal funds that are available under a federal act. Under 507 there could be participation by the state by this body in the way of funding it. There could be funding from the local level. It could be from the city, from a town or from private enterprise such as a grain elevator. 507 would provide for the setting up of a counsel appointed by the Governor and without amendments it would be made up like this. There would be a member from the branch line shippers; two, from the railroad management people; number three, someone from the Public Service Commission; number four, there would be neutral attorneys and then number five from the general public. This committee would be authorized to immediately study the railroad situation in Nebraska. That would be the first part of their responsibility. The bill also provides for the setting up of a regional council made up of people that represent this local area that is concerned. I really believe that LB 507 will come out of committee. We are working on some amendments at the present time and I think it would be a better bill. Now the only reason we killed 508 was we felt that LB 507 would be closer to what we think could be used in the State of Nebraska like Iowa is using it to rebuild some of these railroads that are of grave concern to us today. So, Senator Schmit, I am not advising you what to do. I can't speak for the committee but at this point I have reason to believe that LB 507 will come out and when we get together in the executive session, as chairman of the committee, I would invite you to sit in with us and we would appreciate your help. So having said this, I tried to explain