

February 2, 1982

LB 571

SENATOR BURROWS: Now if a foreign corporation that might not be too friendly to the United States would come in and drill this oil, have we not given up Nebraska oil to that foreign corporation?

SENATOR CLARK: Not that I would know of.

SENATOR BURROWS: What prevents that foreign corporation from shipping it out of the United States after they own the lease and own the oil?

SENATOR CLARK: I really wouldn't know the answer to that question.

SENATOR BURROWS: I would ask the body to look at this and maybe amend this bill so that if we allow foreign capital through other nations that we restrict what corporations and what nations that would be compatible to what U.S. policy is. Thank you.

SPEAKER MARVEL: Senator Chambers.

SENATOR CHAMBERS: Senator Clark, very briefly could you explain how a lease occurs? For example, I couldn't just come in and tell you, give me a lease and you have to give it to me, can I?

SENATOR CLARK: No one is going to give you a lease in the first place. You have to buy the lease. You have to lease the ground from an individual that owns the minerals under the ground. This is usually done by leasing people and they put together a corporation that leases the ground because many times one person cannot lease it. It is too expensive to lease. So they get foreign corporations or any other corporations to come in and help in the production of that particular well.

SENATOR CHAMBERS: And I will support the bill by the way if that wasn't clear the last time.

SPEAKER MARVEL: Senator Vickers.

SENATOR VICKERS: Mr. President, members, I'm a little bit concerned about this bill. It seems to me that perhaps we are talking out of both sides of our mouth. This Legislature and many people in this state have gone on record in the past as being concerned about foreign ownership of land and yet we're opening the door wide open here it seems to me to foreign ownership of leases for our natural resources in this state. It also, if you will read the entire bill, it allows them to acquire and own real estate as may be necessary for such activities, tank farms and so forth along with their