

SPEAKER BARRETT: Senator Schmit.

SENATOR SCHMIT: Mr. President and members, Senator Smith raised a number of important questions and I'll to address some of them if I can and hopefully others will touch on them because I'm sure others have information also. But we have a lot of uncertainties in this area, but we heard some people indicate that the insurance on the first \$50,000 of coverage today might be as much as 80 percent of the 50,000. Obviously \$40,000 for an insurance policy for that kind of coverage would be prohibitive. There is some indication that there would be 50 to 70 percent reduction and maybe substantially more in that fee if we were to pass this bill. If, for example, the operator is stuck for only the first 25,000 and you could get a 70 percent reduction in that premium, you would be stuck for the first 7,500 and...I mean the premium would be \$7,500 on a \$25,000 loss. Now I don't know if that's acceptable to some individuals. When you look upon it as an annual cost that's a tremendous cost for some of these small communities and Senator Lamb and Senator Owen Elmer and Senator Hefner and many of the rest of us have discussed this many times and we are deeply concerned because we all know that many of the large distributors abandoned the rural areas a number of years ago and then some of the others came in in some of those areas and picked up the business but there is still a deep concern that the passage of this bill will not address those problems sufficiently and that we may be hauling our fuel 25 and 50 and even a greater miles, and even greater distances. I just want to point out as Senator Morrissey pointed out, this is one more instance where the feds said okay, you've got a problem out there, get it solved by 1990 and we don't care how you do it, but these are some of the parameters. And in the meantime chaos reigns and unfortunately as happens many times on this floor, we try to respond quickly, hopefully not in knee-jerk fashion, but sometimes with not the full extent of information we should have. And as a result of that we find ourselves not doing as good a job as we should. And you know really we're not, as a committee or as individuals, apprised of the serious aspects of the federal act until late summer when we finally decided that this was something which was going to have to be addressed. And even when the bill was being drafted originally we were not as aware as we should have been of all of the ramifications of the federal act. We certainly were not apprised of the responsibilities of the individual station owner, the lack of ability to buy insurance, the lack of interest on the part of