

May 18, 1989

LB 289

huge clean-up costs. So the current problem is very severe, as has been pointed out in the handout that Senator Schmit and Warner have passed out to us, and I think it is worthwhile that we take a serious look at that problem that exists. Mr. President, I would give the remaining part of my time to Senator Coordsen.

PRESIDENT: Thank you. Senator Schmit, please. Oh, okay, Senator Coordsen, you have three minutes about.

SENATOR COORDSEN: Thank you, Senator Johnson. I would have a question of Senator Schmit if he slows down just a little bit. It has to do with the intent of LB 289. Now, as I understood this bill, Senator Schmit, when I signed onto a committee bill, and I understand the problems that exist in outstate Nebraska I think as well as anyone, but my understanding of 289 was that it was introduced in response to the federal government's proposed million dollar liability for any bulk tank owner. Now is there a time line when this liability has to be shown to the federal government by an owner?

SENATOR SCHMIT: There is and I am not exactly sure when that time is, Senator. As I understand, we probably could get by without passing this bill yet today or this session and still make the time line, but it wouldn't be very good business from what I understand, and the industry would be very, very nervous.

SENATOR COORDSEN: Well, my understanding of the conversation both before lunch and most recently after lunch is that essentially then we are talking about two separate issues. One is compensation for those people who have incurred expenses under currently existing state law, and then the other issue is providing a system to enable basically retail petroleum marketers a way to comply with federal law and stay open in the future, is that your reasonable assumption?

SENATOR SCHMIT: Yes, you are exactly correct, Senator. Two separate divisions but you have pinpointed both issues.

SENATOR COORDSEN: Okay, so from that in mind then, the pending amendment to the amendment would be addressing the first issue which would be compensation for those who have incurred expenses in complying with state law. The bill itself or the Schmit amendment, which is the bill, should it be adopted, is to enable owners of underground storage tanks to comply with future