

May 3, 1973

(Start Belt #9)

has been written in Nebraska since 1961 or 1965, I forget what year he said.

SENATOR CARPENTER: Well, in the City of Minataire, we have the Colossal Feeding Company, which they had issued many warehouse receipts on cattle they were supposed to have and didn't have. The point I'm trying to make is, Senator, I'm not necessarily, I'm only trying first to put responsibility which is not yours or your committee's as I presume as we ordinarily do in this Senate, we only accepted the bill for what the face value was, relying upon the integrity and the judgment and the ability of those who presented the bill to the Governor of the State of Nebraska, is that correct?

SENATOR BURBACH: Not this bill, Senator Carpenter. Our committee introduced this bill not the Governor. However, we had the full approval of the Governor on this bill and Mr. Peters, yes.

SENATOR CARPENTER: Well, did he enter into for example, the consolidation and the judgment in the writing of the new material in the bill or just the committee do that?

SENATOR BURBACH: He agreed with everything and the, this this committee amendment was offered by Mr. Peters and his staff at the public hearing to clarify somewhat more. I can tell you that I worked with Mr. Green of the Public Utility or Public Service Commission and Mr. Peters and some of his attorneys in drafting the, the LB 534 and then at the public hearing, Mr. Peters or some members of his staff, offered this amendment so it is their thinking, they're in concurrence with the entire bill.

SENATOR CARPENTER: Well, I'm not critical of this, Senator because that's the only way the committee really could operate. These are highly technical matters. These are matters which the average member, even the man who's not the average member, could not be expected to know. These are things that only could be determined by the responsibility of those who recommend and the committee consider, and obviously I'm sure if it's like I am when I was on the committee, we had to accept these things many times for face value based upon the experience of others, not ourselves. Now the question I want to know, under the provisions of this act, this bill is, let's presume that there is a need for warehouse receipts, who's going to issue them? And who's going to supervise it? I know that in this area there is going to be a need for warehouse receipts. I know that there's very few people who have enough money to operate on this basis until they have to borrow money from someone else and the standard thing of liquidity to borrow money on is warehouse receipts which means that somebody has to guarantee that what's on the receipt, they have to guarantee is there.

SENATOR BURBACH: Senator Carpenter, I believe that this is not covered. I'm just asking Mr. Kelb and I just walked--stepped over and asked him, but they will not be able to issue a warehouse receipt under this 534. Warehouse receipts can be issued without any doubt in my mind, by the Railway Commission for those held out for--for public warehouse storage. In the case if an individual wants to keep this here and operate under 534 which would not affect the existing statute, then I think this man would have to operate without a warehouse receipt.