

May 3, 1973

SENATOR CARPENTER: Well that's the point I'm trying to correct this bill, Senator, is the fact that I think that it has to be a combination of supervision--insofar only of the collateralization of the things on the receipt if and when issued and I think we ought to leave that in the Public Service Commission where it now is and let the Tax Commissioner and those work out the details to the point that we can issue warehouse receipts and under each one they assume their separate responsibility and name the Tax Commissioner for the proper reporting of the contents of the warehouse and the Public Service company being responsible for the things that are on the warehouse receipt are there in their custody and supervision.

SENATOR BURBACH: I think Senator Carpenter, I was correct in my statement. I do know as I indicated before, that the Revenue Department has no authority to issue a warehouse receipt. My question to Mr. Kelb now was, would the Public Service Commission have the authority to issue warehouse receipts, make them available for those who are operating under 534 and his answer was no so either we amend that the Public Warehouse, Public Service Commission be granted the authority, which complicates it some, to issue a warehouse receipt where the supervision is in someone else's hands and I think this would be highly impractical. I think that the one with the warehouse, if he wishes to go as a private store of his own commodity, his own commodity only, we'll have to forego the advantages or privi--or advantages of a warehouse receipt and if he wants a warehouse receipt, then he must take the other route and go to the Public Service Commission and then also hold himself out for others for the storage of other people's commodities and then issue a warehouse receipt to himself or the other man could have one issued to him. I think we'd have to keep them separated because of the division of the authority.

SENATOR CARPENTER: We don't have to keep them se--I'm only saying this bill is not proper prepared by the Tax Commissioner or the Governor of the State of Nebraska. Let's get a concrete example of a man who wants under aida bonds, as an illustration and he's a processing port. He has raw material, semi-finished material and finish material. He want to, might want a warehouse receipt on all of it and this bill doesn't provide for the flexibility of an industrial concern because they haven't thought the problem out in my judgment and they're not in a position to go to any other private ware--public warehouse. This is an integrated operation and the man that puts up a, a warehouse or a building of this kind to process and to manufacture, he wants a continuous operation. Now all I'm trying to say, I think that the Governor and the Tax Commissioner ought to bring in an amendment in order to allow a man not only on finished products but those who are in raw materials and in process of being finished, they want to borrow money on that also and they don't want to pay taxes on it either and under the law they shouldn't pay it so I think that we ought to--and I want to again say, Senator Burbach, I have no criticism of this bill insofar as you or your committee is concerned, I only think those who have the prime responsibility of its contents didn't think it through. This State is looking for industry to supplement agriculture and this is the one vehicle that can do it because it creates an open port. It's a competitive thing that was put in in the first place. Now we have to have this thing so it serves all people and all purposes so I think we're in agreement, at least they ought to bring in an amendment which they can work with and together so that this bill here gives the Tax Commissioner the sole responsibility as I read it. Now I think it's the joint responsibility in which the Public Service Commission would