

April 27, 1979

LB 42

them again good and responsible citizens. I would like to discuss with Senator DeCamp Exhibit C which he circulated in respect to the agreement between the Union Pacific and the Chicago Northwestern on their plan to create a joint route for the movement of coal from Wyoming to the points east. It seems to me that this is a very important decision reached by these railroads. It is going to have disastrous results for the northern part of Nebraska because there will be no coal hauled over the Chicago Northwestern in that area. That train is going to be abandoned. I predict and I would like to have Senator DeCamp comment on this, but I would predict that that train will be abandoned in a few years because it is not going to be upgraded as a result of the agreement reached with UP which will allow them to ship the coal over an alternate route. Would you agree with that, Senator DeCamp?

SENATOR DeCAMP: Yes, I would agree and I think that this was one of the points I was trying to make when I said there were more effects of 103 and 105 than we maybe understood and if Sam would stand up I would like, because he does understand this. He understands the doggone thing better than anybody. Sam, it is my understanding that with Exhibit C which says that they are going to run Chicago and Northwestern trains that we thought were going through our territory and have, therefore, the effect of additional taxes in our territory, and maybe I am not phrasing this right but you help me along. It is my understanding with Exhibit C, if it occurs, and the taxation system in 103 and 105 combined, it would have the effect because of the density factor of thereby moving, well it would have two effects. First of all, moving taxation money to a degree that we thought we were getting up there, down into other territories and increasing the rail traffic down in those other territories instead of having it up in the north. Am I telling the truth?

SENATOR CULLAN: Under existing state law, well, whether you have 103 or whether you have 105, what you say is true. What we did in LB 105 is mandate that they use current information.

SENATOR DeCAMP: Right.

SENATOR CULLAN: And update that information at least every three years as far as distribution information is concerned and that means that they are going to...those changes will occur more often than they have in the past because the fact is that there was about a twenty-five year period where