

February 11, 1980

LB 507

SENATOR LEWIS: Well, I suppose we could build our own railroad and call it the Nebraska Line. Mr. Chairman, I think that this is a highly important bill in setting some precedents and I would like to know about what lines we're talking about and what their utilizations are and we have some passenger transportation service, some from the east. If that is what we are talking about is provide passenger transportations on lines, then that is a form of transportation we may be interested in. I understand, and I am going to be up front about it, that the primary supporters of this bill and the number one supporters of this bill are the elevators for the purpose of their own mechanics in terms of transportation and I think it ought to be laid out that way. That is the purpose and we ought to know what the parameters are. We ought to know within some reasonable limits about what we are talking about in terms of cost, and based on reading the bill, none of those answers are there.

SPEAKER MARVEL: Senator Schmit, do you wish to speak to the second Kremer amendments?

SENATOR SCHMIT: Mr. President and members of the Legislature, I just want to say this that I will support LB 507. I understand the concerns expressed by Senator Lewis but I want to point out that revitalization of railroad lines are in the interest of all of us, not just the grain elevator operators. Many of those branch lines are over the hill and down the road anyway. Now the reason as to why I have reservations about LB 507 is because in this instance I do not think it goes far enough. I am concerned and deeply concerned that it will not result in the kind of revitalization that we all know that we need because the cost of transportation continues to increase. We are going to have to rely more upon railroad transportation. In answer to Senator Lewis' question as to what the cost is going to be, it is difficult at this time to outline what the cost will be but I can tell you one thing that I know will occur. Unless there are a significant amount of funds placed into this kind of an effort, the State of Nebraska will spend not millions, not tens of millions, but hundreds of millions of dollars on highways in an effort to try to relieve some of the problems that will result from the lack of adequate rail transportation. LB 508, which I introduced, provided for equal participation between railroads, shippers and the state in a fund which would have been available for revitalization of railroad lines, the funds to be reimbursed by the railroad from the increased revenue to be derived from the shipping

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