

News from Senator

BOB DOLE



(R - Kansas)

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DOLE PRAISES DECISION TO ADD ADDITIONAL FUNDS FOR ROCK ISLAND TO BUDGET

WASHINGTON -- Senator Bob Dole (R-Kan.) today commended the Senate Appropriations Committee for adding \$36 million in funding for temporary directed rail service to enable the continuation of Rock Island Railroad operations over the next few months. Dole has been an advocate of funding to keep the bankrupt railroad in operation.

The \$36 million, added to the \$14 million the Interstate Commerce Commission had available in existing funds for the directed service, brings to \$50 million the amount at hand for the next few weeks.

"Additional money for operation of the Rock Island and the Milwaukee Railroad was essential to ensure that grain stored throughout the Midwest can be moved to market during this fall harvest," Dole said. "It will also give Congress and the Administration time to search for long-range solutions to the problems facing the Rock Island Railroad."

On Sept. 26, the ICC directed the Kansas City Terminal Railway Company to take over the operation of the bankrupt and strike-bound Rock Island for the next 60 days. This temporary service is expensive, and, in addition, the government must pay the Kansas City terminal for any losses, and ensure a 6-percent profit. The Office of Management and Budget, with the concurrence of the ICC, estimates that this service will cost \$100 million, a figure which Dole initially advocated.

"This is an expensive operation," Dole said, "but it is desperately needed. I want to make it clear that we are not talking here about another Conrail. I do not want another federally subsidized railroad any more than any other senator. This is strictly temporary assistance as provided for under the law. It has been supported by dozens of Midwestern representatives. Clearly, the difficult solutions to these current problems must come through our private economy. But in the meantime, this will ensure the continuation of directed service that is already underway."

The Department of Transportation Appropriations Bill, H.R. 4440, will be coming before the Senate for consideration in the next few weeks. At that time, the Senate will take a closer look at the needs of the Rock Island and the ICC under directed service.

"Should the need be apparent," Dole said, "I will offer an amendment to increase funding to the \$100-million level suggested by the OMB. I will also seek to ensure that the service is continued on a non-preferential basis to all states served by the railroad, so that all of those states in need of service receive equal benefits from the money we appropriate."