

News from Senator

BOB DOLE



(R - Kansas)

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DOLE EXPRESSES CONCERN OVER ROCK ISLAND PURCHASE REJECTION

WASHINGTON -- Senator Bob Dole (R-Kan.) wrote today to the presiding judge in the Rock Island Railroad bankruptcy proceedings, expressing his disappointment over the recent rejection of a purchase offer of some Rock Island track, and asked that the judge (Illinois Federal District Court Judge Frank McGarr) review the trustee's conduct in this matter and the entire Rock Island case.

In the letter, Dole said the trustee in bankruptcy had rejected a "very reasonable" offer made by the Oklahoma, Kansas and Texas Rail Users Association to purchase segments of the old Rock Island track (portions of which run south from Salina, Kansas).

"I ask at this time that you directly review the trustee's conduct, both in rejecting this offer and throughout the history of the bankruptcy proceedings," Dole wrote to McGarr. "We in the Congress specifically provided for your intervention in cases of this type to insure that the public interest is not overlooked.

"Continued and uninterrupted rail service over the Rock Island lines is a must."

The senator invited both Judge McGarr and the trustee to travel to Kansas to aid in their understanding of agricultural community dependence on continued rail service.

Dole also pointed to specific language in the bankruptcy statute which provides that the judge and the trustee are obligated to consider the public interest. "In spite of this language," Dole said, "the trustee, by refusing this offer and by his other actions, gives every indication that he prefers there be no further rail service throughout Kansas. The effects of this would be devastating to the nation at large, which continues to be dependent on Kansas agricultural products."

The trustee is currently disposing all assets, under the judge's liquidation order. Dole indicated that until recently he had hoped that contracts could be negotiated between the trustee and parties interested in providing both temporary and long-term service.

"This recent rejection heightens my belief that meaningful contracts cannot be negotiated with Mr. Gibbons (the trustee) without your intervention. You may be assured that I will continue to aid both the OKT Rail Users and the Mid-States Port Authority, who will have a proposal before the trustee very shortly, in their efforts to provide continued rail service."