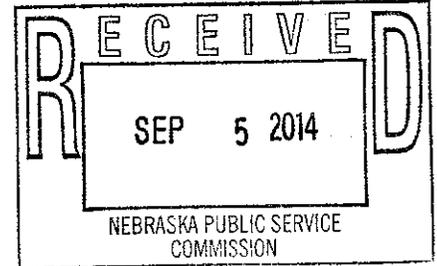




Transportation Division

September 4, 2014

Nebraska Public Service Commission
Suite 300
1200 'N' St.
Lincoln, NE 68508



Dear Sir,

The SMART-Transportation Division Nebraska Legislative Board is writing in response to the PSC's request for comments on a 3rd hearing for proposing to rewrite the entire chapter of Title 291, Chapter 3, Motor Carrier Rules and Regulations. We appeared before the Commission on Wednesday, February 19, 2014 commenting on the 2nd proposed rewrite of the same section. We had several SMART-TD representatives appear before the Commission including counsel. We felt that SMART-TD presented a compelling argument in support of the Commission's proposed rule requiring contract vans hauling railroad crews to maintain new higher amounts of uninsured/underinsured insurance. SMART-TD also was in favor of several other proposed changes in the 2nd rewrite of Chapter 3, Motor Carriers.

For those reasons we were shocked by the huge step backwards the Commission is now proposing in the 3rd rewrite of this Chapter. The Commission now proposes to set the required amount of uninsured/underinsured motorist coverage at \$50,000 per person and \$100,000 in the aggregate. SMART-TD presented a comprehensive case demonstrating the need to have higher uninsured/underinsured requirements for contract carriers hauling railroad crews in order to protect our members. As we stated at the February hearing, those members are not covered by Workmen's Compensation insurance. Our attorney clearly explained the jeopardy our members are in under certain circumstances while being transported in these vans.

To this day we do not know what coverage the employing railroads require for uninsured/underinsured insurance for these contract carriers hauling their employees. Both BNSF and UPRR have refused to disclose if they require any higher level of uninsured/underinsured insurance coverage by their contract van carriers over State minimums.

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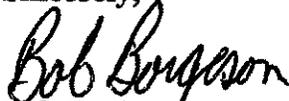
PSC comments #3

The uninsured/underinsured coverage levels are the most important of the proposed changes, however SMART-TD also encourages the PSC to require random testing of contract van drivers, post-accident testing of contract van drivers with the results of both tests being sent to the PSC in a reasonable amount of time (30 days). We support requiring van drivers hauling rail crews to get a physical every two years, and that the paperwork pertaining to all physicals will affirmatively be sent to the NPSC. SMART-TD supports a contract van driver being subject to hours of service requirements. We suggest prohibiting a driver from driving 60 hours in 7 consecutive days, or 70 hours in a period of 8 consecutive days. After 24 hours off duty, a driver begins a new seven consecutive period and on-duty time is reset to zero. We urge the Commission to require the PSC sticker in 10.1G to be prominently displayed in all contract van carriers.

SMART-TD would urge the Commission to require the railroads who are employing contract van carriers, to provide copies of their contracts with said contract carriers to the Commission. We also urge caution in eliminating mandated mechanical specifics and see the elimination of this verbiage as a potential problem down the road.

In closing we urge the Commission to increase the uninsured/underinsured insurance coverage on contract vans carrying railroad crews to \$1,000,000.00 per person/ \$5,000,000.00 in the aggregate. Most times rail crews have multiple people in these vans. If 4 people were injured in a van accident the \$100,000.00 aggregate now being proposed would be further reduced to a ridiculous \$25,000.00 apiece. This is a real problem for our members and we urge the PSC to enact the coverage as proposed earlier. Both BNSF and UPRR are making record profits and neither have claimed this increased insurance is cost prohibited.

Sincerely,



Bob Borgeson

State Director

SMART-TD Nebraska