INTERVIEW WITH LORAN SCHMIT BY DAYLE WILLIAMSON

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February 19, 2014

1	MR. WILLIAMSON: This is Dayle Williamson and I
2	have the pleasure of interviewing former state senator Loran
3	Schmit, who came to the Legislature in 1969 just two years
4	after the original NRD law was passed. And this is part of
5	a natural resource district's oral history interview project
6	for the State Historical Society. This interview is being
7	conducted on February 19 $^{ m th}$, 2014, and we're in Mr. Schmit's
8	office.
9	Loran, I first met you when you were working on
10	the Bellwood Watershed, and we think that was in the early
11	'60s after a big storm up there, so give me a little
12	background before that. You were farming and your
13	background education and why you got interested in the
14	Bellwood Watershed. And then after that, we'll skip to your
15	work as a Nebraska State Senator. So, Loran, it's all
16	yours.
17	MR. SCHMIT: Well, thank you, Dayle, I appreciate
18	this opportunity to speak and to talk to you a little bit
19	about the Bellwood Watershed and my small part in it. I was
20	born in the Platte Valley east of Bellwood seven miles, and
21	of course, that is an area of abundant water supply. And
22	there was, at that time, 1929, just the start of the real
23	serious drought. So, I lived through the drought of the
24	'30s and remember it well, and remember the very few
25	irrigation systems that were available. Most of them were

1 surface water systems, so we didn't have much irrigation. 2 We speculated about the possibility of someday having 3 irrigation, but we didn't think it would be feasible in our But I grew up, went to a country school, graduated 4 area. 5 from Columbus High School, and graduated from University of 6 Nebraska in 1950. I was also involved in teaching various 7 agriculture classes in 1950, and so I was exposed to a group 8 of young men who had been overseas and around the world and 9 had seen a lot of different kinds of agriculture and I got a 10 kind of a good education in world economics and world events 11 just by visiting with the people. And I always kind of 12 marveled about how these men and women had been around the 13 world and had come back to those small farms and taken up 14 farming again and farmed with John Deere tractors and that 15 sort of thing after having been --16 MR. WILLIAMSON: The old flywheel hand crank. 17 MR. SCHMIT: Exactly right. Kind of brings to 18 mind the old song, "How Ya Gonna Keep 'Em Down on the Farm?" 19 MR. WILLIAMSON: Yeah. 20 MR. SCHMIT: But they were good guys and they 21 taught me a lot. And I farmed -- began farming for myself 22 in 1950, and I farmed on the tableland, we called it, which 23 is west of David City about seven or eight miles. And the 24 water supply there was abundant, but it was much deeper than 25 the valley. And early '60s, we had a huge rain, and it

virtually inundated the entire village of Bellwood. Prior to that time, we'd had a few downpours, but nothing that was as devastating as that.

4 And there's a gentleman by the name of Bob Bell 5 who lived in Bellwood. His grandfather had founded the town 6 of Bellwood and Bob was a really good, civic-minded person, 7 and he spent a lot of time devoted to local and community 8 activities. And his son, today, continues that tradition 9 very excellently. But anyway, Bob said, "We've got to do 10 something about this. We can't afford to have a loss 11 throughout." Fences were washed out and topsoil was washed 12 away. So, he and Dr. McNally (phonetic) and Pete Beringer 13 (phonetic) and Cheryl Brickell (phonetic) and a number of 14 people came to see me. I guess at that time, I was one of 15 the few individuals around there who had been to the 16 University. And I don't know just who got the idea of 17 contacting the State, but eventually, we did and Dayle 18 Williamson came out along with Warren Fairchild and I know 19 there were other people also. But we discussed the 20 possibility of putting together a Bellwood Watershed and see 21 if we could control those kinds of floods. Of course, no 22 one knew what a Bellwood Watershed was.

Kind of a little side story, one of the high
school teachers was talking about how -- some young girls in
town said there was a shortage of young boys in that

1	community, but when they built the watershed, they hoped
2	there'd be some young boys come to town.
3	(Laughter.)
4	They expected the watershed to be a huge building
5	or something. Anyway, the procedure began to organize it.
6	Bob was in charge, became the leader of that. And as I
7	recall, there wasn't a lot of assistance available except in
8	a technical way. And the old soil and water conservation
9	people helped some and they were cooperative, but they,
10	again, had no money. They gave us technical advice. And I
11	can't really recall how much actual progress we made toward
12	the construction of dams and that sort of thing, but we did
13	maintain an active entity. I was on that board.
14	And then, I'd been active in Republican politics
15	and had run for office a number of times in both '60 and
16	'66. And decided in '68 to run for the Legislature. I did
17	so and was elected. And first couple years, with the first
18	biennial session, 1969, and Senator Maurie Kremer and Gerald
19	Burbach were very actively promoting the creation of the
20	natural resource districts. I've been very well pleased
21	with the assistance we received from the old soil and water
22	conservation districts. I was imbued with the idea that we
23	did not need another organization, which would be another
24	taxing entity. I listened to the old-timers and they said
25	it would just be one more drain on revenue.

1 And so, as a result, we had a lot of -- let's just 2 say, very intensive discussions about whether or not we 3 really needed the NRDs. Senator Kremer was adamant that he had this idea well thought out and he was convinced that he 4 5 had the, I guess you might say, complete lesson plan, you 6 might say, put together, and that it would be a feasible 7 thing that he could do. We had serious discussions at that 8 time, and --9 (Off the record.) MR. SCHMIT: Anyway, the issue was really debated 10 11 extensively. 1969 was the last biennial session. Lasted 12 165 days. So, there was no sense of urgency. We'd drag 13 that legislation out and discuss it, and thrash it around, 14 and then we'd pass over it and come back to it. And if you 15 wanted to describe Senator Kremer in one word, you'd have to 16 call him tenacious. He had his idea and he stuck with it. 17 At that time also, there was getting to be 18 competition between two Democrats, Jules Burbach and Jim 19 Exon to run for governor in '71. And so, Jules Burbach was 20 a co-conspirator, you might say, with Maurie Kremer on the 21 creation of the NRDs. Governor Exon, as I recall, wasn't 22 sold on them. And that became kind of a campaign issue 23 between those two. Might have been the defining issue, 24 because Governor Exon was nominated by about 2,700 votes. 25 And so, I think, to a certain extent, Jules Burbach always

thought that the NRD thing was a factor in his defeat in
 that primary.

3 And it's also kind of interesting that the bill 4 had been passed and the NRDs were a fact. But in 1971, I 5 was elected chairman of the Ag Committee, and the legislation then was debated in the Ag Committee. 6 And 7 Senator Kremer, as an example of the kind of a man he was, 8 came to me and said, "Loran, I'm going to step aside as 9 chair of the Ag Committee. I want you to be the chairman. 10 But," he said, "I want to be on the committee to protect the 11 Is that a deal?" And I said -- you know, I was brand NRDs. 12 Burbach was supportive of me and Rudy Kokes and Elmer new. 13 Wallwey and those guys were all supporting. So, I said, 14 (indiscernible) for you. And so, Maurie Kramer, Bill Waldo, 15 myself, were the main people, then, that had to argue about 16 the NRD legislation. I still wasn't convinced, to be very 17 honest with you. And I actually vigorously opposed the idea 18 for a long time. I told Senator Kremer, I said, "You know, 19 Senator, I'm concerned that if you create this NRD, that it 20 will not be for soil and water conservation. It will become 21 24 miniature Games and Parks groups." And I said, "You 22 build a dam, somebody's going to put a boat on it, and then 23 somebody has to build a dock, and some of the 24 (indiscernible) have a gravel road, paved road." And 25 "Nope," Maurie says, "If we build a dam and there's water by

the dam and some fisherman wants to throw a boat in there, that's fine with me. But we will never condemn a property for recreational purposes." And I believe that was in the original legislation.

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MR. WILLIAMSON: It probably was.

I think that was a very specific 6 MR. SCHMIT: 7 fact, because although there's strong support for the NRD 8 idea, there was concern that the cities would run the show. 9 And there was also considerable concern about the method of 10 electing the natural resource directors, and the method that 11 is in place today was fashioned by Senator Kremer. He said, 12 "Loran, that's been tested in the courts and been approved." 13 I said, "That's true, Senator, but the day will come when 14 the Legislature will no longer be rurally friendly and it 15 will be a one man vote deal." And I was active in drawing 16 the maps. And I thought I was pretty smart when I drew 17 Fremont in the Lower Platte North, because it gave a lot of 18 valuation to that district. Well, if and when they ever 19 elect the director on the one man vote basis --20 (Laughter.) 21 I think about three fourths of the directors will 22 come out of Fremont. But those are things to be considered, 23 I guess, in the future. 24 The idea, I think, that we could make it work,

didn't take a hold right away, but guys like Kokes and

1 Burbach, who were Democrats, they were very convincing, because at first it was looked at as just kind of Senator 2 3 Kremer's wild idea and kind of a bureaucratic exercise. And 4 I was just sort of along for the ride, because I had been a 5 Johnny-come-lately to the Legislature. And it was a -- it 6 became a political deal in my district, because there was 7 some very strong opposition out there by several individuals 8 who had their own political aspirations. 9 And so, the NRDs really became a fact in the '71 10 session. And, of course, Senator Kremer was very 11 instrumental in making it work and getting it in place. 12 And I was always a little bit reluctant because I did not 13 really believe, I quess, that we needed to have that kind 14 of a taxing entity. And I, to this day, I think the NRDs 15 have done a lot of good work and I think mostly because 16 they've been very selective in the people that they put to 17 work. We don't have -- and I've met dozens of people that 18 have been on the boards and managers, and most of them have 19 the fire in their belly for conservation. And the people 20 who have those jobs are there not because they fit a certain 21 profile, but because they have qualifications. And I've had 22 to say that I've been generally pleased. I'm a little 23 concerned that my good friends up in the Papio might be 24 inclined to lean a little bit more toward building dams that 25 might lend opportunities for builders to provide waterfront

1 And I had some discussions with board members up access. 2 there about that, who I don't think I convinced, but I 3 didn't think they were adequately being compensated for waterfront lots. And, of course, if Maurie Kremer were 4 5 alive today and could see the trails and those sort of 6 things -- before he died, he called me and he said, "Loran, 7 come out and see me sometime." So, I just want out to see 8 him. And he's, "Well, Loran," he said, "you know, I still 9 think the NRDs were a good idea." And he said, "I think 10 they've done a lot of good and we ought to be proud of the 11 fact that we've got them. But," he said, "you had some 12 objections because of the concern that they might be 13 developed into Games and Parks competition." And he said, 14 "You're going to have to watch that." And he said, "There's 15 going to be a lot of pressure from the urban areas for 16 recreational opportunities." He said, "I'm not so sure 17 that they're not entitled to that." But it was kind of 18 interesting in view of the discussion we're just having 19 today that he said, "If those urban areas want to do that, 20 then that ought to be the function of the property tax system in that NRD." And he said, "We've given the NRDs 21 22 more authority and responsibility and they'll have more, as 23 things go along." He predicted the water shortage. He 24 said, "There's going to be competition for water one of 25 these days." And he said -- at that time, it was kind of

1 interesting, because there wasn't much conversation at that 2 time about endangered species and minimum flows and that 3 sort of thing, but he predicted that there would be a time. "You know, when I first came to the Legislature," he said, 4 5 "I could have, no doubt, introduced a constitutional amendment that would have given Nebraska landowners the 6 7 same rights that they have in Colorado, the heaven and hell 8 theory. The farmer owns all the water below him to hell, 9 and" --10 MR. WILLIAMSON: And Texas, too. 11 MR. SCHMIT: But he said, "Now," he said, "the 12 water's too valuable. We couldn't get that done." And he 13 said, "The water in Nebraska belongs to all the people. 14 And there's going to be big fights about water." And he 15 said, "You know, you just really have to understand that 16 rural Nebraskans are going to be way outvoted, and you're 17 going to have to elect people to the Legislature who not 18 just want the job, but who can do the job." And I thought 19 about that lots of times when people come to me and say, 20 "Well, I'm going to run for the Legislature." And I tell 21 them today, "Can you stand on your feet and debate and 22 discuss things? Are you willing to become informed? Are 23 you willing to spend the time that's necessary? Now, you 24 can't go down there January 9th and walk in there with your 25 hands in your pockets and think it's going to be beer and

1 pretzels. It doesn't work that way. You better, by God, 2 be briefed, and you better have" -- I said, "You know, 3 people are concerned sometimes about someone having an 4 agenda. I'd have darn sight rather that you had an agenda 5 to come into the Legislature than to come in there with no agenda at all." And the most dangerous person in politics, 6 7 someone once told me, is a well-intentioned dummy. And 8 we've seen that happen in some instances, and not to brag 9 about people I worked with, but we had a lot of good people 10 that I worked with, smart people. And they understood the 11 importance of hiring smart people. And I think if the NRDs 12 have any claim to fame, it's because they did hire qualified 13 people. And if they have problems, it's because here and 14 there they might not have had the kind of people they should 15 have had in the right spot.

16 MR. WILLIAMSON: Well, thank you, Loran, for 17 sharing all that afterwards. And just a little quick story 18 about your good friends that you mentioned, Senator Maurice 19 Kremer, Senator Jules Burbach, and Senator Rudy Kokes. You 20 know, things were tough before you came to the Legislature 21 in '69, in the '67 session to get this passed. And once in 22 a while, Maurice would come to our office. I was with the 23 Natural Resources Conservation Commission -- Soil and Water 24 Conservation Commission, I should correct that. And 25 Maurice would come up and say, "You know, I don't know if

1 we can go forward with this. It's just too many things." 2 Maybe an hour later, Senator Burbach would come up and say, 3 "Hey, we got to go forward," you know, and he'd have some 4 plans. And then, maybe in another hour, why, Senator Kokes 5 would get the word. And Rudy was really kind of concerned about the whole thing. And as you remember, Rudy had a 6 7 very shrill voice and was very emotional. And he'd come 8 into our office, I was with Warren Fairchild, and that's 9 right, Loran, just hit the desk. He'd hit the desk and our 10 coffee cups would fly and he'd be shouting, and our administrative assistant, her name was Marsha, she'd come 11 12 in and think we were having a fight in the office. 13 (Laughter.) 14 I can believe that. MR. SCHMIT: 15 It was funny. But I tell you, MR. WILLIAMSON: 16 later on, after Rudy Kokes got out of the Legislature, he 17 became a Natural Resource Commission member. And he just 18 loved the job and he was so proud of what we did. And so, 19 that was really a good story. 20 I can tell you a little story about MR. SCHMIT: 21 Senator Kremer. And Senator Kremer had the patience of Job. 22 MR. WILLIAMSON: Yeah. 23 MR. SCHMIT: He was the kindest, most genteel 24 Christian person I think that I have ever served with. He 25 was just a top-notch guy. And he would explain and explain

1 and explain. And my good friend Senator Nore was a little bit like myself. He was apprehensive about this. 2 3 MR. WILLIAMSON: Right. 4 MR. SCHMIT: You know, he owned a lot of land and 5 he and Tom Kennedy used to say, "Well, you know, this is 6 going to raise our taxes quite a little." And so, Senator 7 Kremer had to walk Senator Nore through the procedure a 8 number of times. And Senator Nore kept asking more 9 questions and more questions, and then he got up and made a little speech about how he wasn't convinced. And finally, 10 Senator Kremer was at the limit of his endurance and he 11 12 said, "Senator Nore, if you'd get your head out of the sand 13 and listen when I speak, you'd know that I answered that 14 question." 15 (Laughter.) 16 Senator Nore popped up from his desk and he 17 turned around and started back towards -- he said, "If you 18 were a Christian gentleman, you wouldn't say that." 19 Senator Kremer started toward him. I was telling you, I 20 had seen five or six confrontations on the floor, others I 21 wouldn't tell you about, but I said, the two most mild 22 gentlemen probably I ever served with, were so intense at 23 that time to actually take a couple steps toward each other 24 and then realize how ridiculous it seemed and they kind of 25 laughed. It broke up. But that will tell you a little bit

1 about --2 MR. WILLIAMSON: Yeah, it was emotional. Senator 3 Herb Nore. 4 MR. SCHMIT: Yeah. 5 MR. WILLIAMSON: Nice guy as well. 6 MR. SCHMIT: He just pushed Kremer to the absolute 7 limits that day. 8 MR. WILLIAMSON: Boy, that's good. Now, and 9 maybe you don't want to comment on this, but you mentioned 10 about really good people working with the NRDs and so on. 11 And your NRD, you kind of hired a different type of manager 12 up there. So, a lot of the NRD managers actually came from 13 the conservation business and so on. But you hired a local 14 landowner and got things underway. 15 MR. SCHMIT: Well, Al Smith was a (indiscernible) 16 He and I had many differences a lot of times, but we man. always remained good friends. 17 18 MR. WILLIAMSON: Good. 19 MR. SCHMIT: We are to this day. And it doesn't 20 mean we didn't have a lot of knock-down, drag-out 21 conversations. And he had no educational background in 22 this area, and he really -- he actually asked for the job, 23 as did one of my good friends who I went to the University 24 with, Glen Forey (phonetic). Glen had an ag background. 25 He had ag education at the University of Nebraska. And he'd

1 worked in financial areas up there. And they both 2 interviewed for the job. And if I would have been on the 3 board, I probably would have voted for Glen Forey. But Al 4 kind of appealed to these people. They're rugged, tough 5 individuals and good backgrounds, and they liked Al's 6 approach. And Al was the kind of a quy that was, I quess, 7 might say, unorthodox. And he didn't believe in paperwork 8 and he didn't believe in a lot of that stuff. But one of 9 the kind of things of measure, he was able to talk. You 10 know, he could sell the ice box to an Eskimo, if he had 11 enough time. But some of those guys he couldn't even get 12 next to. Well, there had been a railroad derailment in 13 David City, and a boxcar load of barbed wire was derailed 14 and scattered all over the city block. And Al, being the 15 entrepreneur that he was, and knowing they were building 16 some dams and some structures and that sort of thing, bought 17 the whole darn carload for a few bucks. And the NRD guys 18 was loading up that barbed wire. And Al never went out to 19 talk to a farmer that he didn't take a pickup load of barbed 20 wire along. And he'd tell them, now we're going to build 21 that dam there. And it's not going to cost you nothing. He 22 was always thinking (indiscernible) money. He says, 23 "(indiscernible) will give you this (indiscernible) barbed 24 wire, and you'd have some left to get that dam fenced off 25 with this here wire." He got guys to sign up for a pickup

1 load of barbed wire today you'd pay tens of thousands of 2 dollars for. And I don't think Al ever paid a dollar to a 3 farmer for anything. He convinced them, as we were all in 4 those days, anxious to have a dam. 5 MR. WILLIAMSON: Sure. MR. SCHMIT: And he convinced them that he was 6 7 doing them a favor by locating that dam on their property. 8 Now, sometimes when they actually came out there and started 9 to bulldoze around, "Wait a minute, now." Al said, "You 10 signed an easement." 11 (Laughter.) 12 But, Al is still alive today and hasn't changed a 13 I kind of marveled that he might have come in bit. 14 yesterday for that hearing if he'd known about it. I should 15 have invited him, but I didn't know if that would do any 16 good or not. 17 (Laughter.) 18 But he did a lot of things. And he had some 19 tough going in those early days. But he got a lot of the 20 work done for the money. And I think if you go back in 21 those early days, you'd probably find a lot of guys like 22 that. But not many like Al. But he built those dams and 23 he built waterways. And he bought a farm up there and it 24 was called the NRD farm. And the guy that owned it was a 25 nice guy, but he didn't want to build a dam, so Al bought

the farm and used it for dam construction and all kinds of terrace construction, sold the farm and made money on it, a lot of money. And so, he had -- and he had the ability to get his board to go along with him.

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5 So, you know, I've met a lot of the NRD managers over the years, and I think that with very few exceptions, 6 it was John Turnbull out there and those guys, and John 7 8 Miyoshi now, they do good work. I get a little bit 9 perturbed once in a while, when I see John out there wanting 10 to build water -- rural water lines and that sort of thing. 11 I'm not sure that's the best idea, to build a water line 12 from David City to Bruno and couldn't get any water out of 13 Well, that was (indiscernible) problem. it.

14 And I don't know -- now we're talking about a 15 water treatment plant for Bellwood. It'd only cost 16 \$1,600,000. And I spoke to Mike Mosteck, he's an 17 environmental lawyer, and a smart guy, good guy. And he 18 said, now they have a problem because they've discovered 19 that as they take the uranium out of the -- from 20 (indiscernible), they can't use it and dump it into the Bellwood Lagoon, so they don't know what they're going to 21 22 do with the uranium. And I said, "Well, maybe we should 23 find somebody to market it to the atomic energy people, I 24 don't know." But, you know, one problem leads to another. 25 And depends upon who you believe. The local people in

1 Bellwood would insist that the State insisted 20 years ago 2 that we drill the Bellwood well through the rock layer into 3 a lower strata. After that, we drilled through that rock 4 and they claim, and I believe the State admits, that that 5 rock layer bears uranium. And so that contaminates the 6 And during the Clinton administration, some fine water. 7 person back in D.C. decided that it was no longer 8 permissible to allow 50 parts per billion of uranium in 9 drinking water, that 10 parts would be the maximum allowable. Well, Bellwood ranges from six to 12. 10 So, in 11 order to save our lives, and my grandpa only lived to be 92, 12 my great-grandpa was 96, we decided we have to treat our 13 Unfortunately, there's almost as many people live water. 14 in the Bellwood Lakes and Brandenburgh Lakes in Bellwood, 15 but they're not regulated. So, they're all condemned to 16 death. You know, all the farmers are going to die. I will 17 be the only survivor of the deal. 18 MR. WILLIAMSON: Living in Bellwood. 19 MR. SCHMIT: Lucky me, right? 20 MR. WILLIAMSON: Well, thank you very much, 21 Senator Loran Schmit. I tell you, a great interview. Loran has done so much for the State of Nebraska, and here 22 23 he was in 1969 when the NRDs were started. Well, they 24 didn't start until July 1st, 1972, so he had a lot of work 25 to do with his fellow senators doing that, making sure that

1 they got underway. It's been a tremendous interview. And 2 as we sit here in his office today, he's still a very busy 3 man. We call him the Father of Ethanol in the State of 4 He's done so much for that. He's a helicopter Nebraska. 5 pilot and all kinds of things. Outstanding farmer, 6 outstanding legislator. And it's really been a pleasure to 7 have you take your time today to have this interview. And 8 if you have any closing thoughts, we'll wrap it up. 9 MR. SCHMIT: Well, Dayle, you're very generous. 10 I should have had you as a campaign manager. I might still 11 be in the Legislature. 12 (Laughter.) 13 MR. WILLIAMSON: Those term limits. 14 The term limits would take care of MR. SCHMIT: 15 that, I guess. It was a pleasure to be there. And as I 16 look back, I can remember, after much debate about the NRDs, and I finally one day got up on the floor and I said, 17 18 "Well, gentlemen, I've explained all my reasons why I think 19 we might not need this legislation, but it's obvious to me 20 that there's support for the legislation. And I am not 21 going to try any more way to block some legislation. And 22 Senator Kremer has the votes and he can pass the bill." 23 And when we broke for lunch that day, Bob Crosby, former 24 Governor Bob Crosby, who was my friend and a strong 25 supporter of the NRDs, came to me. And, of course, always

1 being the diplomat, he said, "Loran, you're a real 2 statesman." He said, "You surrendered, but" he said, "you 3 surrendered with grace." And I said, "Well, I knew I was whipped. And so, I'm going to try to help make it work." 4 5 So we worked with Senator Kremer and any other relationships after that to make it work. And as that is said, we are 6 7 unique in Nebraska to have the NRDs, and we're entering a 8 new stage today with Senator Carlson's bills, Senator 9 Schilz's bills, and we're giving the NRDs a lot more 10 responsibility. And the Legislature is responsible for 11 maintaining the controls they need. I think they'll 12 probably do a good job of it. I have a lot of confidence 13 in the legislative system, and a lot of confidence in the 14 Nebraska State employees. It's always good sport to 15 complain about public employees, but I drove to Lincoln for 16 24 years every morning from Bellwood, and not one morning 17 was I unable to get there, because of bad roads or anything 18 else. I was always able to get there. I always got there 19 at 6:00 in the morning. There were always people working 20 when I got there. And there were people working when I 21 left. And so, there are always going to be some people 22 that are less ambitious or less capable, but there's a lot 23 of good people working day and night to make the system 24 work, and I'm pretty proud of the State of Nebraska and 25 their employees.

MR. WILLIAMSON: Well, that's an excellent statement to wrap this interview up. And thank you again for an excellent interview for scholars that may be listening to this 100 years from now. Thank you very much, Senator Loran Schmit. MR. SCHMIT: Thank you, Dayle. _ _ _