

Mayor Asks for 5-Cent Rise in Bus Fare

By David Thompson

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Mayor Leahy Monday urged the Nebraska Railway Commission to grant a five-cent fare increase to the Omaha Transit Co. to give the city enough time to prepare to take over the bus company. Leahy said the increase to 45 cents would be "temporary" and their fare would be rolled back to 40 cents as soon as the city takes over bus service.

OTC President James Donaghy testified before the commission last week in Omaha that the company could continue to operate to July 31 if it were to receive the fare increase. An official of OTC's parent company, American Transportation Enterprises, said earlier this month that the company could operate until May 1 without the increase.

"The only conclusion I can draw from their absence is that they agree," Rasmussen said. He asked Leahy how the city would finance bus operations. The mayor said he thinks the city will have to underwrite part of the cost with taxes. "I see no other way, but I prefer that if there is a tax subsidy, it be made to ourselves (city government) than to a private company," Leahy said. The commission probably will decide on the fare increase within two weeks, Commissioner James Munnely said after the hearing.

The hearing was the second on the fare rate increase. The commission last month turned down OTC's request for the raise. The bulk of the hearing was conducted Friday at Omaha City Hall. The session was continued to Monday at Leahy's request so he could speak to all five commissioners. Only two, Munnely and Duane Gay, were present for the session in Omaha.

A parade of witnesses testified Friday against the increase. Donaghy was the only witness testifying for the increase.

"I initially had different feelings on this increase," Leahy told the commission Monday. He said he was aware an increase would mean that some persons, especially some aged on limited, fixed incomes, would not be able to afford to ride the bus. But he said his primary interest is continuing the bus service by OTC until the city can obtain a federal grant to help pay for the takeover of the company.

"Upon city takeover, my first recommendation will be to ask that the fare be rolled back to 40 cents," Leahy said. "I would like to believe that we can reduce the fares considerably below 40 cents."

Commissioner Eric Rasmussen asked Leahy how the City Council feels about the proposed increase.

Told Councilmen

Leahy replied that he could not speak for the council, but said he told four councilmen what his testimony before the commission would be.