

or a ton-mile tax, nor do the airlines. The railroads were singled out in the early 1980s for this tax, this ton-mile tax which is a part of the current law. Because the existing ton-mile tax only generates \$1.4 million annually, the railroads have never seen fit to challenge it. In other words, they are prepared to pay the state a little bit of tribute even though their law may be illegal. But the railroads have made no bones about it with us that, in the event we hike this ton-mile tax to a point that the railroads conclude makes the challenge worthwhile, they'll challenge it. Now the Revenue Committee believes they will win it. Why? Because we don't have a similar tax on trucks. Now I ran a bill last year to put a similar tax on trucks and there were 2,000 truckers in Nebraska that came out of every nook, cranny, corner of our state and told the Revenue Committee in no uncertain terms that that tax, even if it was constitutional, was not proper and just because it taxed trucks. And, of course, my committee saw fit to kill that particular item. But it truly is not fair to single out one industry in the interstate hauling business for a tax when the other industry in the interstate hauling business is not so singled out. Senator Schmit began his peroration this morning by noting that the railroad industry pays no sales tax on its acquisition of rolling stock, by noting that the railroad industry pays no sales tax on repair parts for rolling stock. Well, that's true for the trucking industry. The trucking industry pays no sales tax on its acquisition of rolling stock and the trucking industry pays no sales tax on its acquisition of repair parts. Interestingly enough, when I go down to buy my new car, I pay a sales tax on it. When I get my new car repaired I pay a sales tax on repair parts, but the trucking industry in our state has occupied such a favored position for 45 years that it has avoided weight distance taxes, it has avoided taxes on the trucks, it has avoided taxes on repair parts and if you really want to know the truth, it has essentially avoided personal property taxes on interstate trucks. The taxation of trucks in interstate commerce is a scandal, it is an absolute scandal for our state, but we have tolerated it because it is a powerful industry.

PRESIDENT: One minute.

SENATOR V. JOHNSON: Now if we're going to tolerate the trucking business, then federal law says, you can't mess with the railroads. If you decided to single out one interstate hauler for your most favorable, special, loving treatment, then you