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LB 190

125 the tax is the same.

SENATOR DeCAMP: Same. That is correct, sir.

SENATOR SCHMIT: Okay, how many of those trains are going to be ten car trains and how many are going to be 100 and 125 in the coming years?

SENATOR DeCAMP: From the information I have been able to get, Senator, the bulk of the trains are going to be the 80 to 110 length or car lengths, the bulk of them are going to be coal trains and this taxes them going or coming. In other words, empty or loaded, when they come back through they cause just as much inconvenience, we are taxing them too.

SENATOR SCHMIT: And how does this compare with ton mile tax which the Legislature enacted last year which was supposed to take effect July 1st of this year.

SENATOR DeCAMP: Senator Schmit, we dealt with that a little bit yesterday, but I will give you a real quick summary...(interruption).

SENATOR SCHMIT: (inaudible).....I want to ask the question again.

SENATOR DeCAMP: I know. I know. It will raise more money this first year, the second year and probably the third year than the ton mile tax would have based upon our projections of the quantity of coal and traffic and so on that is going through the state. About the third or fourth year the ton mile would begin to raise more per year than this train mile tax. By about the tenth year, assuming there are no changes whatsoever, everything being equal between the two taxes, by about the tenth year the ton mile would substantially raise more. The reasons the railroads finally accepted this alternate tax is that for another state to duplicate it, they would have to tailor it, design it, make it fit their particular state, whereas, the ton mile, and we were the first state to pass this in the United States, the ton mile is very easy to draw, draft and implement and they were fearful of it spreading to other states. This particular tax is, so to speak, peculiar to Nebraska. They have voluntarily stated in the committee hearings that they will not challenge it in the court and they will accept it, and we get additional money at the front.

SENATOR SCHMIT: Okay, thank you. Thank you. Just want to say right now that I am opposed to the bill. I don't