

trying to cope with their budgets with these lawsuits. Last year, if you remember last session, Senator Scofield and I and others had LB 1091 which we were able to get through the Legislature and the Governor's signature which provided for a \$7.7 million aid package to the subdivisions. The reasons we did that was because at the time of the railroad lawsuit the municipalities and school districts were not able to budget for that so, consequently, the money that would have been paid to those areas that would have gone into the budgeting process was not going...it went into escrow and they were faced with a serious shortfall. So we went ahead and agreed to bail out, if you wish, \$7.7 million worth which was not a 100 percent but certainly close to 100 percent in most of the areas. We also followed with a companion bill and that companion bill was 1165. And, at the time, there was no opposition from anyone. It seemed to be a reasonable bill and what LB 1165 did was took the uncontested part of the railroad lawsuit land and took it off of the assessed value. So, examples then, the county assessors would take the lower assessed value with that land taken off, they would then increase the mill levy in order to get the budgets that they needed for the school districts, the counties and municipalities. And that bill was working fine and the bill would have worked fine except we came up with a hitch within the summer, and for reasons I do not need to get into but they were basically political, the railroads decided to delay the filing of this year's lawsuit. If the railroads would have filed their lawsuit in due course of the time that they knew they were going to have the lawsuit, they knew they were going to file again as they need to for each year, if they would have filed by a particular date, we would have been fine. As it turned out, the railroads decided, for political reasons, not to file until a later time period. What then happened, when the railroads did not file at a particular time period, the counties then had already accepted the lower value, the counties have already been budgeting for the loss and we had been taking land out from the assessed value for a lawsuit that did not exist at that time period. So, consequently we had railroad land being taken off discriminatory because it was removed but nothing else was. So Lancaster County went to court and filed a suit against 1165, and Judge Blue ruled that, in fact, it was or appeared to be unconstitutional. I'd like to point out that, if the railroads would have filed at the reasonable time, then there would have been an injunction and 1165 would have been just fine. But because of the delay, there was a constitutionality question on 1165. Consequently, we come to LB 643. The counties and