

people would then go along with their business as normal. The question arose on 643, on lines 17 through 19, particularly on line 18 where it says, "and for the estimated tax loss due to anticipated or pending litigation." Senator Schmit asked a very valid question and Senator Wehrbein asked some questions as well. Does this mean that any litigation that is expected or pending could be budgeted for? And if that would be the case, there could be some tremendous abuse at the county level.

SPEAKER BARRETT: One minute.

SENATOR BERNARD-STEVENS: My response to that was not as adequate as it should have been last week. My response to the body is on line 18, it says for the estimated tax loss, tax loss. If you anticipate or there is a lawsuit pending that is dealing with tax loss only, that can be put into a budgetary process. If I have to...if I am under some type, I have a road grader and I had an accident and I have another type of expenditure because of that accident, that is not a tax loss, that is an expenditure and would not apply with 643. What we are trying to do in 643 is anticipate some problems with the railroad lawsuit, but also pipelines and other corporations, and entities that may get in on the 4-R Act, which I do not again, with this body, anticipate that happening, but it can. The case is now in front of the Supreme Court. Senator Schmit's amendment on lines 9 through 11...

SPEAKER BARRETT: Time has expired.

SENATOR BERNARD-STEVENS: ...makes it just for the railroads only, and to that degree, I think it narrows it too much. It would be something that would not be in the best interest, though certainly not that bad either. Thank you, Mr. President.

SPEAKER BARRETT: Senator Warner, discussion, followed by Senator Schmit.

SENATOR WARNER: Well, Mr. President, members of the Legislature, I have some concern as we provide another authorization for the collection of taxes at the local level in anticipation of what a governing board might think will happen, and it seems me it puts a very difficult burden on them at least to make that kind of speculation. I was concerned about and opposed the striking of the language that only allowed it above 5 percent for the reason that existing statute, as you read it