

November 15, 1989      LB 7  
                                 LR 6

CLERK: 32 ayes, 0 nays, Mr. President, on adoption of LR 6.

PRESIDENT: The resolution is adopted. Do you have anything for the record at this time, Mr. Clerk?

CLERK: Not at this time, Mr. President.

PRESIDENT: All right, we'll move on then to General File, LB 7.

CLERK: Mr. President, LB 7 was a bill that was introduced by Senator Warner. (Read title.) The bill was introduced on November 8, Mr. President. At that time, it was referred to the Revenue Committee. The bill was advanced to General File. I do have committee amendments pending by the Revenue Committee, Mr. President.

PRESIDENT: Senator Hall, are you going to begin the proceedings on this bill?

SENATOR HALL: Yes, Mr. President.

PRESIDENT: You're all right?

SENATOR HALL: I'll survive.

PRESIDENT: Okay.

SENATOR HALL: I have asked...the Page is handing out to you a brief summary of the committee amendments but probably as good a summary as you can find in your bill book with regard to what the changes that the committee amendments provide for with regard to LB 7. Just a very brief history. The issue behind LB 7 is because of the Trailer Train and other cases that had determined that personal property tax on railroads violated the 4-R Act. Approximately 75 percent of that property that the railroads had, made up their personal property, in their estimation, and approximately 75 percent of the personal property within our personal property system has been exempted from property tax. Thus the argument on their half for the personal property tax exemption based on the 4-R Act which says that you need to treat railroads equitably with regard to taxation. You cannot discriminate in taxing matters from state to state. We dealt with that issue after the courts determined that we could not tax the railroads. We just, basically, went