

as to what could be placed in the statute to minimize the chances of litigation?

PRESIDENT: Thank you. Senator Hall, you're next but may I introduce some...

SENATOR SCHMIT: Pardon me. If you don't mind, Mr. President, I asked...

PRESIDENT: Did I shut you off? I'm sorry.

SENATOR SCHMIT: I asked my good friend, Senator Warner, who is the introducer of the bill, principal sponsor, to give us an answer to a question that he may not have heard.

PRESIDENT: Okay. Did he hear you? Senator Warner, Senator Schmit has a question of you.

SENATOR SCHMIT: I feel a little bit like the Maytag repair man and General Ortega, no one ever calls me and when I insist on being at the party no one wants to speak to me.

PRESIDENT: Well, that's the way it goes sometimes.

SENATOR SCHMIT: Including President Bush. Senator Warner, the question I raised was this. Don't you believe that if we do not find some area of agreement that we can place in the statute that spells out how the railroads are going to be taxed on this property, what percentages, what value you're going to use, actual or book, that there will be annual litigation? And is there any method that you can propose to us that would minimize the chances of that litigation?

SENATOR WARNER: Yeah, in my opinion, Senator Schmit, the amendment, as I am offering it, is what does minimize it, as a matter of fact. You run...there is...you can make a very good argument, I suspect, based on what the Supreme Court has ruled time and time again that under the formula that is included in the committee amendment it, as I understand it, it would take the personal property which essentially is the...the rolling stock, that is, which is essentially on average about 10 years old. Book value goes to the real property, some of which is a 100 years old. I suspect you could make a real good case with the Supreme Court of challenging if that's actual value. The Supreme Court...our Supreme Court has repeatedly argued that