

SENATOR HANNIBAL: Okay.

SENATOR HALL: Yeah, I stated that in my opening.

SENATOR HANNIBAL: Right. And now the railroads are suggesting that they could live without that. Is that correct?

SENATOR HALL: That's what I understand Senator Warner to have said.

SENATOR HANNIBAL: Okay, thank you.

SENATOR HALL: You bet.

SENATOR HANNIBAL: One of the questions that I have had on this issue was why the railroads wanted that particular part in the bill and I did talk with some representatives of the railroads as well, as did Senator Warner, and they were concerned about what's going to happen the next two years or the next however many years we have this bill set up. Presently, it's under a sunset after two years but they were wondering about what was going to happen. So they suggested that we put that in there. There is nothing though whether or not that net book value formula is in statute. There is nothing about that that will stop litigation if the railroads choose to litigate. If you have the net book value in that statute, yes, there is a formula in there that says we're going to...coincidentally, coincidentally, by the way, it does come down to about 25 percent of their tax bill under the Department of Revenue's most recent assessment. But what it really does is it's a means of getting to a value that coincidentally comes down to the settlement. But, remember, regardless of what we have in our statute, we are dealing under the Supreme Court orders of the federal 4-R Act and any time the railroads decide that they want to litigate with us, regardless of whether this amendment is in or out, they can do so. They can go back to the courts and say, no, we're not going to go on with this settlement idea of 25/75 that we did agree to, we want 100 percent. We want a 100 percent exemption, which is what the Supreme Court says they could have. Now whether you have 40 percent of your operating property as a part of your total value of your railroad or 30 percent, depending upon which study you want to work with, whether the study came out and said maybe a railroad operating property, the personal property, is only 30 percent of the railroad's total property, or whether it's 40 percent really