

further amended and strikes the last part of line 11 to remove the part that says, "unless a pattern of deliberate discrimination against a particular industry exists which would justify federal action." The committee's belief was that would strengthen the language but I'm not really sure it did a whole lot and I'm not sure that we can expect Congress to change very much their position right now. Behind that, is a second policy statement of states in the 4-R Act which was original language that I took in that you can see was much harder hitting and that got significantly amended even though three committees were all interested in this. But I think that will give you some idea of what you might do and what you are able to get passed, politically. There is a history of state taxation of railroad property in here again from the Multistate Tax Commission which is a pretty good summary of this whole issue, that as we proceed through this I think will be helpful. And, finally, the back two pages were handouts provided by the Railroad Association last winter in Washington about why the railroads opposed striking particularly Section 306 of the 4-R Act and I offer that to you as just as kind of a little background material as we proceed through this. But, for right now, I would once again reiterate that I do support the Warner amendment. I think that given the uncertainties of where we are and the fact that the committee has put the sunset clause on this bill so that we know that we're going to continue to revisit this issue, there are other groups out there that want similar treatment and the Congress, we just got our little NCSL briefing paper here, the federal update, the October 27th portion which talks about the House Judiciary Subcommittee is completing hearings on HR2378, which would preempt state tax authority on natural gas pipelines. And so, again, just as the 4-R Act has preempted state tax authority on railroads, there is other legislation moving through the Congress on gas lines. In fact, we're encouraged to contact our congressional delegation and urge opposition to that. Senator Exon gets a plug in this from NCSL for his opposition to 2378. But we have not seen the end of this. We have not seen the end of attempts at the federal level to preempt state taxing authority. The hearings that I was in last fall, we saw not only pipelines but trucking, telephone companies, all kinds of people that want similar 4-R treatment and I would like to tell you that I think some day somebody is going to go in and say it wasn't our intent, as Congress, to make as broad a language as we did in the 4-R and the courts have expanded it beyond our intent. I don't think that's going to happen given the current political climate and the nose