

alternative, but if we begin to nibble away at the principles that are embodied in that proposition, then it becomes more and more difficult for me, and I am concerned about this nibbling away at that proposal, that we would tax virtually all personal property by a special valuation method as applicable to all. Now as I understand it, the difficulty that the railroads are raising is that they are somehow discriminated against, or they are not being treated properly under the provisions of the 4-R Act, and, therefore, we would have some litigation risk with them, some millions of dollars. While normally I am not one who will advocate taking litigation risks, when you have an alternative that makes sense, and you can see what your chances are, and you can weigh that carefully, I think in this instance I am willing to take the litigation risk. I am not personally satisfied that the railroads have a hands-down winner. I think the arguments that have been advanced before have validity in that we would tax all depreciable property in the State of Nebraska, whether it is owned by railroads, whether it is owned by people in agriculture, whether it is owned by someone who operates a small business in a town or a city. I fail to see how that is discrimination. As I understand the argument of the railroads, the discrimination is that we are not going to tax inventories, and I guess they must feel that they are one of those businesses that do not have significant levels of inventory, but they want to take advantage of the fact that other people do. Well, I am unwilling to allow one business group to drive tax policy in the State of Nebraska to that extent. I am willing to have that issue litigated in the federal district courts, through the federal circuit courts, and have a final resolution of that issue. When it comes back, maybe I will have to eat my words. Maybe I will have to think differently, but at this point, for the amount of money involved, I am willing to take that risk. I understand the amendment that Senator Moore has brought, and if I thought we should adopt the amendment for the railroads, I'd support his amendment. But at the present time, I am not going to support either one of them because I believe that to support either one of them is an erosion in the principle that we set out in LB 1063, and that is a principle that I have come to accept as offering the State of Nebraska a fair and workable tax system. And I will say, again, at the present time, I do not intend to have any one business interest drive us away from that decision or that principle.

PRESIDENT MOUL: Thank you, Senator Wickersham. Senator