

March 6, 1979

LB 105

and then I would also put the question to you of the fiscal impact. If we change from assessing all of the nonoperating properties which I gather is the intent of this bill that only the operating properties will be assessed, what becomes of all of the nonoperating abandoned facilities and lines?

SENATOR CULLAN: That is not the intent of this particular piece of legislation. LB 103 which deals with railroad taxations straightens up some definitional problems as far as operating property are concerned. It is my understanding that this bill does not change the definition of operating property. Operating property is to be...operating property is taxed under the unit system and the terminal system. Nonoperating property, property owned by the railroads not involved in their business is to be assessed locally and not involved with either LB 103 or LB 105. This would not effect...that is not the intent of the bill and this would not effect locally assessed property which is not part of the...which does not relate to the operation of the railroad. For instance if they own a house or an apartment or a piece of farmland, that is locally assessed and not part of this system.

SENATOR MURPHY: Do you concur with the fiscal staff that this will have no impact at the county level?

SENATOR CULLAN: Yes, it will have no impact in the county level.

SENATOR MURPHY: Fine, Sam, I will visit with you later. Thank you.

SPEAKER MARVEL: Senator Maresh.

SENATOR MARESH: A question of Senator Cullan, Mr. Speaker. I guess my question has been answered but I thought probably this would tend to lower the valuation of the branch lines and increase the value on the main lines, that is not so?

SENATOR CULLAN: Not with this particular bill. That very well may be an effect of updating the traffic density information because at one time a number of the branch lines had considerably more traffic than they have now, and if you use current information, less value would be distributed along those lines. So that is not specifically a part of this bill but that very well may be an effect of using information which is current as compared to information which is twenty years old.