

mainline track. As a result you lost out in the shuffle. Now Senator Haberman noted that, and he noted that we had gone too far, a step too far, so he, the following year, put in the bill which altered that little formula, and you got back some of your value.

SENATOR SCHMIT: Yes, a small portion of it. That's right. I would just like to also bring to the attention of the Legislature, and I have to paraphrase these questions and these answers now, but during a Public Works Committee hearing this year Senator Lynch, I believe it was, raised the question about the valuation of railroad leases and whether or not those leases and the amount of money earned from those leases had any relationship to the real estate values. Senator Lynch, would you want to grab the microphone there and tell us what the answer was to that question.

SENATOR BEUTLER: Fifteen seconds, Senator Schmit.

SENATOR SCHMIT: It was Senator Vickers' bill that raised the...okay, Senator.

SENATOR LYNCH: Mr. President, members, (microphone turned off)...really got an answer, Senator Schmit. The question at our hearing had to do with lease hold improvement involving a lease, obviously, where the lease was tremendously increased. The question was, does the increased value of that lease in turn develop income, and does that income return back to local jurisdictions? We never got an answer to that except to say that the valuation and the taxable income from the railroad goes into a pool, then out of that pool the income again returned to that county. But if it returned to the county in proportion to the value, I can't say and I don't know.

SENATOR SCHMIT: Thank you very much.

SENATOR BEUTLER: Senator Lamb.

SENATOR LAMB: Mr. President and members, I was just given some information which is kind of interesting. It doesn't prove one thing or another, but it indicates a trend, I believe. Recently, in one of the newspapers, there was this article printed which was entitled, "Nebraska Farmers and Ranchers Average Federal Adjusted Income, 1983." Okay. So