

SENATOR SCHMIT: You have some interesting figures here on the price of sugar. Do you have any knowledge, Senator Reutzel, as to what percentage of the actual cost of the soda pop is reflected in the price of that sweetener.

SENATOR REUTZEL: Well, Senator, I can't give you an exact percentage, but if you'll go back to '73 when the pop prices skyrocketed and we had testimony before the committee showing newspaper ads from '73, groceries brought in, showing the impact that sugar prices had on the rise in pop prices. If you go back to '73, the manufacturer said we have to charge more for our pop because of the sugar. Sugar went up to 72¢, 76¢ a pound. It's 15¢ a pound now and that hasn't been passed on to the consumer. The increase was passed on to the consumer but not the decrease.

SENATOR SCHMIT: I think that you have made a very good point there, Senator Reutzel, and of course we have found that out to be history. The fact that when the price of the raw product to the raw materials increase is quickly reflected in the price to the consumer as it was in the case of the pop. However, when the price was cut down to $\frac{1}{4}$ of what it was earlier, that decrease was never reflected. So, you've made a very valid point. I really don't know what impact the increase might have upon the price of a can of pop. I'm sure there would be serious objections on the part of many people, but I do believe that when you look at this fact and you recognize also that our own sugar industry here in Nebraska has completely been wiped out by virtue of the lack of demand for sugar. We have perhaps lost about 100,000 acres of sugar production because there is no demand, while at the same time the price of the pop has not been decreased. I think it's something that we should consider and I'm sure that as the debate on the bill progresses, perhaps we might even be able to find out our staff could no doubt determine exactly how much of the cost of a can of pop was attributable to sugar. If you don't mind, if you don't have those figures, I'll try to get them for us. Thank you.

PRESIDENT: Senator Lamb.

SENATOR LAMB: Mr. President, members of the body. I'd like to ask Senator Reutzel please. My question is why are we singling out pop? What is the relationship between pop and parks? What is the rationale involved here that would tax pop for the support of the parks?

SENATOR REUTZEL: Senator Lamb, I would answer your question with another question. What is the rationale of cigarette smokers to the coliseum?

SENATOR LAMB: Thank you, I thought I was asking the question, Mr. Reutzel. If there is no rationale between the taxing of pop to support the parks, I would ask another question. Would you support an increase in the sales and income tax in order to support the parks system?

SENATOR REUTZEL: No, Senator, I wouldn't.

SENATOR LAMB: My point is that, thank you Senator Reutzel. My point is that I see this as a tax and if we levy it on a product such as pop, which is not directly related to the parks system, it seems that this is the wrong place to go for