

credit cards issued by the banks located in our state; also the courts located in our state. Also, if a soliciting company has authorized installations such as servicing repair facilities located in our state. Number three, if the company is being owned or controlled by the same interest which own or control any retailer engaged in business in Nebraska. This would be such as the Penney's, Sears and other department stores. Number four, or having or maintaining a franchisee or a licensee operating under the retailer's trade name in this state. Mail order sales are growing by leaps and bounds not only in this state, but in all the other states in our nation. It is said that they feel that the states are losing over \$1 billion in sales tax collections by not doing this. And I believe the reason for this growing this much is that the people, people in our state are busier. More women are working and so they do not have time to shop. Mail order retailers are making it easier to buy by mail. They have toll-free numbers that you can use. You can also use your credit card. They also have self-addressed postage paid envelopes to use and then, of course, they have your name on the mailing list and they use computers extensively. I feel that it is unfair to our local merchants. Our local merchants collect the state and local sales tax now and remit it to the state. It is really a 4 percent advantage to those mail-order companies that ship merchandise into our state, and, like if you live in Omaha and Lincoln and some other cities in Nebraska, it is a 5.5 percent advantage to those cities that have the 1.5 percent sales tax. And what we really need, colleagues, we really need federal legislation on this. But I am told that if enough states pass this law, well, then it should be...then we can put enough pressure on the federal Congress to pass this. A bill has been introduced in both the Senate and the House and I am hopeful that it would pass. In talking to our congressional delegation, they support some legislation of this type. What could we figure on collecting in the State of Nebraska? The Revenue Department tells me that they figure that it could be between 7 and \$14 million. Some of the states have passed a bill such as this. Recently, Oklahoma passed a bill; Illinois, California, New York, Ohio and also Louisiana. And so I would strongly urge to you to support this proposal. If you have any questions, I would be real happy to answer them for you.

PRESIDENT: Senator Haberman, please. and then Senator Baack.

SENATOR HABERMAN: Senator Hefner, would you please yield to a couple of questions? Senator Hefner. I agree with what you are