

PRESIDENT: Thank you. We have with us a large group in the north balcony this morning, guests of Senator Rupp, and they are from Platte County which, of course, is the Columbus area. They are with the Platte County Extension Club, with their leader. Would you folks all stand and be welcomed by your Legislature. Thank you for visiting us this morning. You picked a good time. We will be talking in a few moments about a difficult bill, number 730, which has to do with revenue collected from cigarettes, cigars, chewing tobacco, snuff, and things of that nature. So it should be interesting for you, and we appreciate your coming this morning. Thank you. Mr. Clerk, are we ready to start on Select File?

CLERK: Yes, sir.

PRESIDENT: We will begin with LB 730. Would you remind us where we were.

CLERK: Mr. President, 730 is on Select File, has been considered. It was considered late on the last day, Mr. President, on February 25. Enrollment and Review amendments were adopted. There was an amendment from Senators Wesely and Miller to the bill that was adopted. Senator Vard Johnson had an amendment adopted, Mr. President. The bill then failed to advance on that day. I have nothing further pending at this time to the bill, Mr. President.

PRESIDENT: Senator Vard Johnson, would you like to review where we were, and we are on advancement of the bill.

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, LB 730 has had a very checkered life. This bill is the notorious tobacco products tax bill that does three different things, and the first thing that it does do is it imposes for the first time a tobacco products tax on noncigarettes. So it would be a tax on cigars, and a tax on pipe tobacco, and a tax on snuff, and a tax on chewing tobacco, and a tax on other noncigarette tobacco products, and that tax would be a tax imposed on wholesale values, 15 percent of the wholesale values, and that tax becomes effective on January 1 of 1989. I have got to watch my years here...1988, I am sorry, January 1, 1988. And the second thing this bill does is it increases the current cigarette tax from 23 cents a package to 27 cents a package. That increase would put Nebraska at number one in this immediate region. Iowa currently has a 26 cent a package tax. I think