

smoking related research in addition to the \$500,000 that would go to Eppley. I will support an amendment which Senator Warner will offer to you shortly which will insure that the proceeds of these funds can be used only for research, not for advertising and so forth, and that those funds can be expended only at educational institutions within the State of Nebraska. So we are narrowing it down with the Warner amendment so that not for profit groups and so forth will not be applying for these funds. We are also insuring that these funds will not be diluted so that they will have more effect. Irrespective of the need for this program, I think that we should raise the taxes on cigarettes. The last cigarette tax increase that the State of Nebraska passed was in 1971, ten years ago. Just ask yourself what has happened to property taxes or income taxes or sales taxes in that ten year period. They haven't stayed the same and neither should the taxes on cigarettes. Seventeen states currently have higher cigarette taxes than we do, and if we pass LB 506 with the one cent increase in cigarette taxes, sixteen states will still have higher cigarette taxes than does the State of Nebraska. So we are not being exorbitant in increasing the cigarette tax by a cent. Incidentally, a one cent increase in the cigarette tax is an eight percent increase in the cigarette taxes. The effect of a one cent increase in cigarette taxes on the consumers of these cigarettes is approximately a 1.4 percent increase in the price of a pack of cigarettes. The average effect on the average smoker in the State of Nebraska will be \$5.30 a year.

SPEAKER MARVEL: You have one minute.

SENATOR CULLAN: I think that \$5.30 a year to be invested in research in the State of Nebraska that may someday help us solve medical problems that that smoker is creating for himself or herself is a wise investment. I think we should ask Nebraskans who smoke to invest that \$5.30 in research, hopefully research that will someday save their lives, hopefully the research that will someday allow them to breathe easier, hopefully research that will someday benefit all of us by reduced health care costs. I urge you to advance LB 506, to adopt the Warner amendment that will be proposed shortly. Thank you.

SPEAKER MARVEL: Senator Warner.

CLERK: Mr. President, Senator Warner moves to amend the bill. Do you want me to read it Senator? Okay. (Amendment found on page 1510, Legislative Journal.)