

SENATOR CLARK: We have 36 seniors from Dodge Public Schools from Dodge, Nebraska, Senator Chronister's district, Mr. Rex Anderson and Mr. Bill Koll are the teachers. Will you stand and be recognized please. Welcome to the Legislature. Have you all voted? Record the vote.

CLERK: 27 ayes, 8 nays, on adoption of Senator Cullan's amendment, Mr. President.

SENATOR CLARK: Amendment is adopted. Next amendment please.

CLERK: The next amendment Mr. President is offered by Senator Wesely. It is found on page, the first Senator? The Wesely amendment Mr. President is on page 1550 of the Journal.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, the amendment is a simple one. You probably don't need to refer to it in your Journal but...all it will do is reduce the discount now provided to cigarette wholesalers from 5% to 4% as to how much they can hold back to cover the cost of handling the tax stamping operation for cigarettes. We are reducing the discount from 5% to 4% for a number of reasons and I would ask you to please consider these carefully. I have a handout that I provided to you, each of you should have on your desk, which would show, I think, the impact of the change that would be a very positive one for the State of Nebraska. At the present time when we are talking about a 4¢ increase in the cigarette tax it seems that it would be appropriate to consider as well the question of the discount that is provided to the wholesalers with such an increase in the cigarette tax. This increase from 14¢ to 18¢ will provide about 370 some thousand dollars to the wholesalers for the work that they are doing. They won't do any more work and they won't do anything more differently but they will make another third of a million dollars additional tax revenues that they will keep rather than sending to the State of Nebraska. It would seem to me that the situation is one that needs to have some attention paid, so I did some research and if you will look at the handout you will see quite clearly that the situation with the increase from 13¢ to 18¢ has provided quite a bit of money, additional money going to our wholesalers that I think would probably be better sent to the State of Nebraska as tax revenues which have resulted from the tax increases that we provided. We are looking for every dollar that we can to help meet our budgetary needs and it seems to