April 5, 1982

I just would urge you to vote against the Wesely amendment. I think in fairness we need to let these people at least break even in handling a product of this kind for the State of Nebraska.

SENATOR CLARK: Senator Kahle, Senator Kahle.

SENATOR KAHLE: Mr. President and members, everything has been said I think, Senator Hefner said it well, and I also served on the Revenue Committee last year when we heard this issue and the people that came in and gave us their figures on what it actually cost. One of the things that has been mentioned is the wholesalers, we talk about bootlegging and we are going to be high in Nebraska, the only way in the world you are going to stop bootlegging on a big scale is that the wholesalers are going to watch, because if there is a profit in there for them well they are going to see that cigarette's are not bootlegged into Nebraska in large quantities. I think that is a point we should think about. Their costs of course have gone up the same as everybody else's but I would think that. I would be willing to give them a bit more profit because they are like the goose that is laying the golden egg. if they don't collect these taxes for us well we are not going to get them and if they don't get an incentive to watch that they are not bootlegged into Nebraska and that they are sold legitimately we are going to lose a lot more than what we are going to gain by taking this one cent away from them or one percent. Thank you.

SENATOR CLARK: Senator Cope.

SENATOR COPE: Mr. President, and members, Senator Wesely here is where we part company. I'm not in business, I have never been a wholesaler, but I was in business and I can understand the cost of business, wholesaling, any part of it and we say we are talking about a profit for them. It isn't a profit, it is just expense and lets don't charge them for doing collection for the State of Nebraska. Certainly this is going to be an increase but the cost increase we talked inflation for years in this place and their costs do increase. I, Senator Wesely, I would ask the people not to put to much stock in the report that a retired employee said that it could be done for 32¢. You know employees sometimes don't have a very good idea of what it cost to run an operation so I wouldn't think that testimony or shouldn't think it would carry to much weight with this group. I would ask you not to support Senator Wesely's amendment.