

functions of properly I think would be of property tax. But if you look back, we are assessing now presently 27 cents on a pack of cigarettes. If you look at how that is earmarked now, 16 cents of it is going to General Fund, and the other 11 cents are earmarked. But of the 11 cents that are earmarked, I want you to understand how they all are going. They all are going now for the purpose of the general public; Nebraska Outdoor Recreation Fund gets 1 cent; Cancer Research Fund gets 1 cent; the universities and colleges get, I don't have the cents, but they get...some of the LB 410 projects, the Animal Science gets 4 cents, Cushing Coliseum, Morrill Hall gets 2 cents, and the remaining goes to other projects as determined by the Legislature. My point is that these are all going now for the good of the general public, the population at large, and I think it would be an error to change our policy now and start earmarking this specifically for, as it were in this case, small towns. In other words, it really does not benefit the entire population of the state but starts narrowing the focus of who would benefit from this, in this case, small towns and villages. It would then make a major policy shift away from use by the General Funds or from earmarking for the general population and go to the specific purpose of small towns across the State of Nebraska. They already have the ability to levy a sales tax. We have already granted every village, city, Class I, Class II, already have the ability to levy a sales tax, so we have already given away some of our ability to control the tax raising function by giving them ability to raise up to 1 1/2 cents sales tax. So we have given away some of our ability already. If we give away this ability, this earmarking, this is another 4.5 million out of the General Fund of the State of Nebraska, and so we not only are limiting, we then are taking away some of the tax base that we, in the State of Nebraska, have. I think it is a poor time to be taking away from our tax base when, obviously, we should be looking for increasing our tax base, probably down the road, as we look down the road. We are taking this ability of the State of Nebraska to levy away for 20 years. We are losing this ability to have this money for 20 years, whether it goes up, or if it may well go down. The point is that this is to come out first. We are probably going to lose more of our tax base as the cigarette money declines. So I think for two reasons, one is that it is a poor public policy to start earmarking this when up until now we have not done this that specifically. We have done it for the public good, for the use of state funds. This earmarks it now back to 537 villages, cities, towns across the state. The other thing is that I would