

Conway: This letter is in reference to LB 260 which would impose a tax on marijuana and controlled substances. Nebraska Department of Revenue is very uncertain about the amount of revenue which this program will generate and the cost of administering it. The uncertainty regarding the amount of revenue generated by this tax program involves the requirement that dealers in marijuana and controlled substances purchase tax stamps. It is anticipated that the revenue collected will usually be performed by us in connection with the arrest made by law enforcement agencies and not through voluntary compliance. Another area of uncertainty is the cost of administering the program. It will be difficult for Nebraska to attach its tax lien against an alleged violator. The federal tax lien will have priority over Nebraska's tax lien, also other law enforcement agencies may have liens filed prior to the Department of Revenue, leaving the department with little power to collect a tax lien on unstamped drugs. I think, basically, the Revenue Department gives the best arguments against their amendment, because I don't even purport to think that this is Senator Conway's idea. His idea is in pretty good shape and it's in the form of LB 260 that we amended with the committee amendments. I would urge you to first reject Senator Chambers' amendment and then Senator Conway's amendment. I think Senator Chambers, as he always does, takes the very macro approach to things and cuts right to the quick in terms of dealing with the issue and a possible solution to it. Clearly, the idea of legalizing these types of drugs would then have with it its own set of requirements, taxes and other types of things that have been dealt with in the past. We see it in the form of alcohol, we see it in the area of cigarettes. It could be done, but that's a policy question I think that...although I appreciate the fact that it's discussed here today, has to be dealt with on the federal level first. Thank you, Mr. President.

SPEAKER BARRETT: Thank you. Senator Schmit. Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, some things are more difficult to deal with than others, and I know that is a truism, but I have to state it. The reason I feel so much bitterness about the way things are being done in Omaha is because when we have committee hearings and the police show up and others show up, as they've done before the Judiciary Committee, they'll admit that there is probably more drug use in west Omaha, but they say, since drugs are not being sold on the streets, then you don't have the heavy police presence. Yet, if