

that, but it would raise approximately \$3 million, and it was placed into the bill by the committee to offset some of the revenue loss that we would feel, not because of changes that had anything to do with benefits, but changes specifically in the federal issue with regard to the U.S. government's securities and mutual funds. There will be some revenue loss there. The sales tax repeal in the form of newspapers would more than compensate for that loss of revenue. With that, Mr. President, the committee amendments are before the body and I would urge the adoption of those committee amendments.

SPEAKER BAACK: Thank you, Senator Hall. Before we proceed, I would like to announce some guests of Senator Coordsen. There are 10 seventh and eighth graders from St. James Elementary in Crete, Nebraska with their teacher. Would you folks please stand and be welcomed by the Legislature. Thanks for being with us. You have amendments to the committee amendments, Mr. Clerk?

CLERK: Mr. President, I do. The first amendment to the committee amendments is offered by Senator Hartnett. Senator, I have AM0989 in front of me. (See pages 1369-70 of the Legislative Journal.)

SPEAKER BAACK: Senator Hartnett.

SENATOR HARTNETT: Mr. Speaker, members of the body, my amendment does just the opposite of what Senator Hall's amendment did to the committee amendments. It simply strikes the portion that deals with taxing of newspapers. I think Senator Hall explained it that this came about because we do, at the present time, have tax on magazines and so forth, and there have been Supreme Court decisions that simply said they have to be treated the same. And so I have come with this amendment from the Revenue Department to do...just simply to strike the...to repeal the tax on the newspapers, and my amendment does some as far as clarifications is concerned. I think that, you know, I think Senator Hall raises a point that, you know, where we are maybe going to lose \$3 million by or this will add \$3 million. I think if there is a lot of small newspapers across the state, and I think that it is a possibility that they will not be in business if we do put this tax onto them. The readership has declined over the last seven years and this increased cost is kind of like it would hurt the elderly and the poor subscribers, and that they do have a large number of employees within the state, approximately 2,900 full-time