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Transcriber's Office
FLOOR DEBATE

May 22, 2003

LB 572

SENATOR CONNEALY: Thank you, Mr. President, members. The committee amendment does really seven things. Number one, it...the state legislative intent to safeguard the Master Settlement Agreement. Two, it requires every manufacturer to make certification to the Tax Commissioner and the Attorney General that it's making deposits in the agreement or to the escrow account, and that the escrow account agreement has been filed with the Attorney General. Number three, it requires quarterly payments to escrow accounts only if it's the first year of a manufacturer selling in the state, if it had failed to make payment in the past, or if it failed to pay a civil judgment. Number four, no cigarettes may be stamped for sale in the state unless the manufacturer or brand family, as Senator Jensen said, is listed on a web site developed and maintained by the Department of Revenue for those brand families for which the settlement or escrow payments are made. Violation renders the cigarettes contraband and subject to seizure. Persons wrongfully affixing stamps may have to have their license revoked, and may be subject to civil penalty of \$5,000 or 500 percent of the retail value of the cigarettes. The Attorney General may also seek injunctive relief. The fifth element is that the failure to make the required payments will result in delisting cigarettes. And a following amendment will spell out the delisting procedures more specifically. Manufacturers must accept any cigarettes that are delisted, take them back when they're returned by distributors. And the distributors must accept those back from retailers. The number six part is that the nonparticipating manufacturers are to maintain an agent for service process in the United States. And number seven, the committee amendment gave the manufacturer five days' notice if they're delisted, and a chance to come into compliance. A fast hearing decision time line is required. The following amendment that I mentioned allows the manufacturer 30 days to either come into compliance or obtain an injunction from the Lancaster District Court. Refusal to include a manufacturer or brand family in the directory in the first place would result in an...it could be appealed under the Administrative Procedures Act. In other words, you could be appealed to the Tax Commissioner. There would be a notice of the hearing. The appeal would be in the Lancaster District Court. And I ask that