

SENATOR BAACK: Thank you, Mr. Speaker and members. This bill...we just talked about this, I think, on Monday. I had a lot to say about it on Monday and I think this was kind of a little plot on Senator Hefner and Senator Johnson's part to try and hurry this thing through the Legislature real fast this time so we would get it through before anybody had a real chance to look at it and a real chance to think about this bill. I think that the main thing that I want to emphasize about this bill is that it actually does nothing. The bill accomplishes nothing. We're going to put something into statute that is going to do absolutely nothing. It is going to cost, I think the A bill will be coming up in a couple of days. The A bill is going to say \$8,000. It is going to cost us \$8,000 for absolutely nothing. We're going to get no tax from it. The people are not going to remit this tax on a voluntary basis. There is no provisions in it to implement this bill. All it is, is going to do, is we're going to send a little letter to each of the catalog companies in the nation and ask them to voluntarily remit the tax to Nebraska, and they are simply not going to do it because there is no enforcement provisions. I think that in the press and some of the publicity that has been out, it says that we lose 7 to 14 million or something dollars in sales tax each year because we don't tax catalog sales. Well, what they forget to add to that is, is that this bill isn't going to collect that 7 to 14 million. We're still not going to collect any money with this bill. Another thing that I would like to mention is the fact that there is a real good chance that this bill is unconstitutional. Two years ago we considered LB 552. It was passed through the Legislature and then it was vetoed by the Governor because he said it was unenforceable and we had an opinion at that time that said it was constitutionally suspect. Then last year we considered LB 1028. It passed on the first round in a just a massive bunch of bills that went through one afternoon on consent calendar and then it was indefinitely postponed on Select File. So I think we have to consider that it probably is constitutionally suspect. Even in the testimony this year in front of the Revenue Committee it was admitted that it probably is constitutionally suspect. I right now have a letter into the Attorney General asking for an opinion on the constitutionality of this bill. I think another thing that needs to be brought up is the fact that we talked...I talked a little bit the other day about it being an antibusiness tax and I think that it still is. I still think that it is an antibusiness statute in there and we have...yesterday the Nebraska Association of Commerce and Industry went on record in