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two-week credit does not compensate them for the increase in that cost. It is merely an amount allotted to the wholesalers for counting their inventory and getting ready for that. In a time when we are cutting valuable programs such as the correctional facility in Hastings, do we really need to pay cigarette wholesalers \$1.4 million to count their inventory? I think that our priorities direct us to vote for this amendment. The collection fee then, on a current collection fee is 3.4 percent. That's what we pay them to do that. However, with the increase in cost, this change in this amendment would change that to 1.8 percent. In other words, 3.8...4 percent at 34 cents equals 1.8 percent at 64 cents, or the vice-versa, if you can understand what I'm saying there. Due to the increase in a tax, the 1.8 percent will equal the current 3.4 percent earned by the wholesalers. The wholesalers serve as a collection agency for the state, therefore we pay them a certain percentage to do this. The state pays all retailers who collect the tax for the state, however, the normal rate is 2.5 percent on the first 3,000, and 0.5 percent on everything after that. The cigarette wholesalers get a much larger amount than all of the other groups. So what we're doing is we're adjusting that, the...so they will be able to...or they will...the dollars will be the same for doing what they're doing, and that is collecting those dollars for the state. Senator Wickersham signed onto this amendment, and has concurred that this is a proper way to do this. I'd be glad to answer any questions that I may...or that you may have.

SENATOR CUDABACK: Thank you, Senator Jensen. You've heard the opening on AM3721 to LB 989. Open for discussion on that amendment. Senator Hartnett.

SENATOR HARTNETT: Mr. President, Senator Jensen, could I ask you some questions?

SENATOR CUDABACK: Would you respond, Senator Jensen?

SENATOR HARTNETT: You said there was a credit, Jim. I don't have your amendment anypl...I've got it back there. Where that states that in the...the amendment? Whereabouts is the...talking to the cigarette wholesalers that...the way I