

ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023
COMMITTEE STATEMENT
LB584

Hearing Date: Wednesday February 22, 2023
Committee On: Revenue
Introducer: Hughes
One Liner: Impose a tax on selling or dealing in electronic nicotine delivery systems

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Albrecht, Bostar, Briese, Dungan, Kauth, Linehan, Murman, von Gillern

Nay:

Absent:

Present Not Voting:

Testimony:

Proponents:

Senator Jana Hughes
Seth Ford
Maggie Ballard
Laura McDougall

Representing:

Legislative District 24
Self
Heartland Family Service
Friends of Public Health

Opponents:

Sarah Linden
Nick Staudenmaier

Representing:

Nebraska Vape Vendors Association
Chasing Clouds

Neutral:

Dr. Roger Donovick

Representing:

DHHS

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 584 imposes a sales and use tax of 5 cents per milliliter of consumable material used in electronic nicotine delivery systems.

Explanation of amendments:

AM 509 amends LB 584 to amend NRS 77-4002 to include sections three and four of the bill which provide that consumable material includes any liquid solution or other material containing nicotine that is depleted as an electronic nicotine delivery system and also that an electronic nicotine delivery system has the same meaning as provided in NRS 28-1418.01. It further goes on to amend NRS 77-4007 to include electronic nicotine delivery systems in the definition of tobacco products for purposes of imposition of sales and use tax. Finally, it amends NRS 77-4008 to impose a tax on electronic nicotine delivery

systems containing 3 milliliters or less of material at 5 cents per milliliter and for those products with more than 3 milliliters imposing a tax of 10% of either the purchase price of such nicotine delivery system first paid by the owner or the price at which the first owner who made, manufactured, or fabricated the nicotine delivery system sells the item to others. The aforementioned tax shall be imposed and paid at the earliest time of which a retailer brings such system into the state, makes, manufactures, or fabricates the nicotine delivery system in the state for sale in the state, or sells the electronic nicotine delivery system to consumers within the state.

Lou Ann Linehan, Chairperson