

April 6, 1982

LB 753

SENATOR CLARK: Senator Carsten.

SENATOR CARSTEN: Mr. Chairman, members of the Legislature, yesterday or the day before, I am not quite sure when it was, when Senator Chambers' amendment was attached to...no, wait a minute, this isn't the one. Which one is this? 753.

CLERK: 753, Senator.

SENATOR CARSTEN: Okay, I saw the other number up there and it confused me. Anyhow, I at that time was not in the Chamber. There were some words of proposals that Senator Chambers put to the body. Philosophywise I think most of us agree there should be some equity in the taxing of the tobacco products. As I returned to the Chamber yesterday, I discovered that the vote had been taken and there were no "no" votes and it was put on. Had I been here I would have spoken against the amendment for several reasons. As we visited with the Department of Revenue afterwards asking if there was any consideration to putting all of the tobacco products in this bill, they informed us that they started as early as last fall looking at this proposal and after several attempts to try to work it in reached the conclusion that it could not be done. There were several reasons that were given for it and I guess probably to start with it was an economical problem. Their budget has been cut as many others have. To institute this program for the other tobacco products, as we understand their projection on estimates of cost, it would be somewhere in the area of \$100,000 which would provide for stamps and, of course, the biggest item being the computer program that they would have to get in order, the forms, the licensing, and then on top of that, following the installation of this new process would be the processing of those returns which is time consuming as well as the staff being needed, and then on top of that for a continuation, the auditing part for which they have no people to delegate to this responsibility would be a very serious problem. It was for this reason in addition to some other things that they were concerned about, about the legality and the implementing of this regulation without a hearing, as I understand that the requirements of the...

SENATOR CLARK: You have one minute.

SENATOR CARSTEN: ...Administrative Procedures Act there needs to be a hearing, and if this bill went into effect with the emergency clause on it, May 1st would probably be the effective date, and that in that length of time it would be impossible to get everything in order to