

businesses so far as I can see, our mail order houses such as in Sidney and other places, I would suggest we kill the bill.

SENATOR LANDIS: There is one other light on. Senator Johnson.

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, the offer of Senator DeCamp to kill the bill is based on constitutional reasoning. There was a United States Supreme Court case known as the National Bellas Hess case that dealt with the ability of a state to, in effect, tax interstate sales. This measure does move into a constitutional thicket, but it doesn't mean the measure per se is unconstitutional. This problem is a billion dollar problem and the billion dollar problem is that sales and use taxes are not collected or remitted by mail order sellers. You will find on your desk an article that appeared last week in the American Commission on Intergovernmental Relations publication entitled Perspectives, a special report, taxing the catalogue buyer, playing fair in interstate commerce. I call your attention to the table which says, estimated state revenue loss from mail order and direct marketing sales, 1985. Estimated revenue loss for the State of Nebraska because of our inadequate laws for taxing mail order sales, based on sales by Sears Roebuck, Montgomery Ward and J.C. Penney's, is \$12,130,000. Estimated revenue losses, if allocated by personal income alone, is \$6,210,000. This is one of those issues where I feel so strongly that the state ought to be putting its own merchants in an appropriate competitive position with mail order merchants through this kind of legislation that I say this state has got to take the forward leap, pass this bill. If it is challenged, let's see where the results lie. I would vote against the kill motion.

SENATOR LANDIS: Thank you, Senator Johnson. There are two more lights on. First, Senator Hefner, followed by Senator Baack.

SENATOR HEFNER: Mr. President and members of the body, Senator DeCamp says this is the same bill that we had last year. Senator DeCamp, it is not the same bill that we had last year. The end result is probably the same but what this bill does, this bill now puts a burden or says that a mail order company that advertises in our state is subject