

people, if you believe the statistics, and the statistics are accurate, Wyoming people smoke 20 to 30 percent more per person than Nebraska people. Colorado people smoke way more than Nebraska people. Now you know that is not true, is it? They don't smoke more than Nebraska people. What does occur is a significant percentage of the sales of cigarettes in Nebraska are actually cigarettes bought in Wyoming and brought across. Why? Because you have made your taxes here so high, along with your sales taxes, that somewhere between 20 and 30 percent or thereabouts of the sales of cigarettes in this state are bootleg cigarettes. Now it's a fact that any time, whether it is cigarettes or anything else, any time you make your tax in comparison to somebody else marketing the same product, when you make the price so much higher that there is a big incentive to bootleg, they will be bootlegged. Let's be honest. I think we know that the main corridor of the railroads for the coal traffic goes through this state, comes right out of Wyoming and into Nebraska. So unless you maintain a relatively competitive price, all you are doing is driving a significant percentage out. I rather suspect, if you lowered the cigarette tax by three or four cents, you would probably raise just as much money as you are now because you would destroy pretty well the incentive for going over to Colorado and particularly Wyoming and bringing in large quantities of cigarettes. As I say, I realize the bill probably has enough votes. I've done my counting. However, I would hope that one or two of you would consider the fact that in the Panhandle particularly, the Panhandle of Nebraska, it is common knowledge among the wholesalers of cigarettes that people do not buy cartons of cigarettes in the Panhandle. They buy a package and when they buy their cartons they get them from other sources, they are brought in otherwise. So your little sales, yes, they occur, but somewhere between 15, 20, 25 percent, and maybe in the Panhandle it is a lot more, are taxes paid directly to Wyoming that would be here. And now when you move this additional cigarette tax on you are going to be way above them. I'm not sure you are gaining. You may ultimately be losing. So I suggest to you that from a purely practical taxing standpoint you are pushing it too high. You are already very high. You've got a sales tax on top of the regular cigarette tax. I think you should vote against the bill. Mr. President, with that said, I'd withdraw that or any other amendments or motions I have on the bill.