

letters from constituents who think that we're singling them out and being a little bit unfair to them by looking at cigarette tax increases. But I think it's been a number of years since Nebraska has raised their cigarette tax. We've asked the citizens in general to do that. And I think it makes good sense now for us, as we look to find the revenue that we need to do the business of the state, that we look at these sources of revenue, and I think LB 22 addresses some of the shortfall that we're going to experience. I think we've done a good job of trying to balance the budget, and try and cut costs, and try and contain costs. But if we're going to be able to fund the university system, if we're going to be able to do some of the things in Medicaid that we need to do, this is the type of legislation that we're going to have to enact. So I would encourage the body to support LB 22. And if you can't support it, you need to figure out...

SPEAKER BAACK: One minute.

SENATOR HORGAN: ...where you're going to get this type of revenue from somewhere else, and I don't think anybody has a good idea of how we're going to do that, unless you do a general sales tax increase, or a general income tax increase, and I don't think this body or the Governor has much interest in doing that. So I would encourage you to advance LB 22. Thank you.

SPEAKER BAACK: Thank you, Senator Horgan. Senator Schellpeper.

SENATOR SCHELLPEPER: Thank you, Mr. Speaker and members. This is an issue that has really been, I guess, kind of a hard decision for me to make. It's not that I'm so opposed to raising the cigarette tax as it is that I think we need to wait until we get the budget. As I stated yesterday, I'm not going to support any increase at this time because we have nothing before us at this time to really make us increase any...any taxes. All we're doing is we're putting some funds out there and say, here is another \$6 million, just spend it. And I think that's the wrong way to go. Once we have the budget approved and we know where the money is going to go, and this body decides where it will be spent, then I would be willing to vote for a cigarette tax increase, a small increase. But as of this day I just can't vote for a cigarette tax increase because I don't have any idea where the money is going. I think this body needs to get the budget bills, P1, or P2, or whatever programs we want to fund up on the body and discuss them, and then decide