

## LEGISLATIVE BILL 192

Approved by the Governor May 10, 1983

of 14

Introduced by Revenue Committee, Carsten, 2, Chairperson;  
Landis, 46; Hefner, 19; Hannibal, 4;  
Pappas, 42

AN ACT relating to revenue and taxation; to amend section 81-638, Reissue Revised Statutes of Nebraska, 1943, and sections 77-2602 and 81-641, Revised Statutes Supplement, 1982; to modify cigarette tax rates; to create a fund; to modify provisions relating to appropriations for cancer research; to rename a fund; to harmonize provisions; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 77-2602, Revised Statutes Supplement, 1982, be amended to read as follows:

77-2602. Every person, engaged in distributing or selling cigarettes at wholesale in this state, shall pay to the Tax Commissioner of this state a special privilege tax. This shall be in addition to all other taxes. It shall be paid prior to or at the time of the sale, gift, or delivery to the retail dealer in the several amounts as follows: On all cigarettes, ~~{1}~~ for two years, commencing on May 17, 1982, eighteen cents per package containing not more than twenty cigarettes, and on packages containing more than twenty cigarettes a tax of eighteen cents for the first twenty cigarettes and eighteen cents for each twenty cigarettes or fractional part thereof in excess of twenty cigarettes, and ~~{2}~~ commencing two years after May 17, 1982, fifteen cents per package containing not more than twenty cigarettes, and on packages containing more than twenty cigarettes a tax of fifteen cents for the first twenty cigarettes and fifteen cents for each twenty cigarettes or fractional part thereof in excess of twenty cigarettes. For two years commencing on May 17, 1982, the proceeds of thirteen ~~Thirteen~~ cents of such tax shall be placed in the General Fund, and commencing two

years after May 1, 1982, the proceeds of ten cents of such tax shall be placed in the General Fund. The proceeds of the remaining five cents of such tax shall be distributed in the following order:

First, in each fiscal year beginning with the fiscal year commencing July 1, 1972, there shall be first transferred to the University of Nebraska at Lincoln Field House Fund, which is hereby created, the sum of two million four hundred thousand dollars, and the money in such fund shall be used to make the annual payments on the lease of the field house building constructed pursuant to the provisions of section 85-1,100. There is hereby appropriated two million four hundred thousand dollars from the Nebraska Capital Construction Fund for the fiscal year ending June 30, 1977, for the purposes stated in this subdivision;

Second, there shall be placed in the State Office Building Fund the sum of one million two hundred thousand dollars each year for fiscal years 1974-75, 1975-76, 1976-77, and 1977-78 and three million six hundred thousand dollars for each fiscal year beginning with 1978-79 through 1983-84. Such amounts are hereby appropriated and the unexpended balances existing in such fund at the end of each fiscal year through June 30, 1984, are hereby reappropriated;

Third, there shall be placed in the Downtown Education Center and Office Rental Fund the sum of nine hundred sixty thousand dollars each year for fiscal years 1976-77 through 1983-84 and two million two hundred eighty thousand dollars each year for fiscal years 1984-85 and 1985-86. Such amounts are hereby appropriated and the unexpended balances existing in such fund at the end of each fiscal year through June 30, 1986, are hereby reappropriated;

Fourth, beginning July 1, 1980, the equivalent of one cent of such tax shall be placed in the Nebraska Outdoor Recreation Development Cash Fund. There shall be placed in such fund one million thirty thousand one hundred dollars for fiscal year 1979-80;

Fifth, beginning July 1, 1983, the equivalent of one cent of such tax shall be used to fund and placed in the Nebraska Cancer Research Fund to carry out the provisions of sections 81-637 to 81-640; and

Sixth, the balance of such proceeds shall be placed in a special fund to be known as the Nebraska Capital Construction Fund and disbursements from such fund shall be as the Legislature shall from time to time provide.

Sec. 2. That section 81-638, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-638. The Nebraska Cancer Research Fund is hereby created. The Legislature shall appropriate each

year from the General Fund Nebraska Cancer Research Fund to the Department of Health an amount of not more than the estimated revenue derived from one cent of the cigarette tax imposed by section 77-2646, Chapter 77, article 26, less any amount appropriated from the Nebraska Cancer Research Fund General Fund specifically to the University of Nebraska Eppley Institute for Research in Cancer and Allied Diseases. Any money in the Nebraska Cancer Research Fund available for investment shall be invested by the state investment officer pursuant to sections 72-1237 to 72-1269. The director shall, after deducting expenses incurred in the administration of such funds, distribute such funds exclusively for grants and contracts for research of cancer and smoking diseases. The University of Nebraska may receive such grants and contracts and other postsecondary institutions having colleges of medicine located in the State of Nebraska may receive such contracts.

Sec. 3. That section 81-641, Revised Statutes Supplement, 1982, be amended to read as follows:

81-641. Beginning July 1, 1983, the revenue derived from one cent of the cigarette tax imposed by sections 77-2602 and 77-2646 shall be placed in the Cancer Research and Registry Fund, which fund is hereby created. Such fund shall be used for funding ~~(1)~~ sections 81-637 to 81-640; ~~(2)~~ the University of Nebraska Eppley Institute for Research in Cancer and Allied Diseases; ~~(3)~~ sections 81-642 to 81-650; and ~~(4)~~ for associated administrative expenses of the Department of Health. Any money in such fund available for investment shall be invested by the state investment officer pursuant to sections 72-1237 to 72-1269.

Sec. 4. That original section 81-638, Reissue Revised Statutes of Nebraska, 1943, and sections 77-2602 and 81-641, Revised Statutes Supplement, 1982, are repealed.

Sec. 5. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.