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Floor Debate
January 13, 2016

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PRESIDENT FOLEY PRESIDING

PRESIDENT FOLEY: GOOD MORNING, LADIES AND GENTLEMEN. WELCOME TO THE GEORGE W. NORRIS LEGISLATIVE CHAMBER FOR THE SIXTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, SECOND SESSION. OUR CHAPLAIN FOR TODAY IS SENATOR BLOOMFIELD. PLEASE RISE.

SENATOR BLOOMFIELD: (PRAYER OFFERED.)

PRESIDENT FOLEY: THANK YOU, SENATOR BLOOMFIELD. I CALL TO ORDER THE SIXTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, SECOND SESSION. SENATORS, PLEASE RECORD YOUR PRESENCE. ROLL CALL. MR. CLERK, PLEASE RECORD.

ASSISTANT CLERK: THERE'S A QUORUM PRESENT, MR. PRESIDENT.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY CORRECTIONS FOR THE JOURNAL?

ASSISTANT CLERK: MR. PRESIDENT, THERE ARE. ON PAGE 232, LINE 9, AFTER "SEC. 1" INSERT "AND RULE 3, SEC. 8".

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY MESSAGES, REPORTS, OR ANNOUNCEMENTS?

ASSISTANT CLERK: NOT AT THIS TIME, MR. PRESIDENT.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. WE'LL NOW PROCEED TO THE FIRST ITEM ON THE AGENDA WHICH IS GENERAL FILE: 2015 CARRYOVER COMMITTEE PRIORITY BILL, LB619. MR. CLERK. [LB619]

ASSISTANT CLERK: MR. PRESIDENT, LB619. (READ TITLE.) THE BILL WAS READ FOR THE FIRST TIME ON JANUARY 21 OF LAST YEAR. IT WAS REFERRED TO THE

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GENERAL AFFAIRS COMMITTEE. THAT COMMITTEE PLACED THE BILL ON GENERAL FILE WITH COMMITTEE AMENDMENTS. (AM115, LEGISLATIVE JOURNAL PAGE 897, FIRST SESSION, 2015.) [LB619]

PRESIDENT FOLEY: MEMBERS, PLEASE COME TO ORDER. SENATOR LARSON, YOU'RE WELCOME TO OPEN ON LB619. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. LB619 WOULD CLARIFY THAT DRAW AND COMMUNITY CARD POKERS ARE LEGAL GAMES OF SKILL IN NEBRASKA AND PROVIDE A MEANS TO LICENSE AND REGULATE THE GAME. THE TWO ISSUES I WILL FOCUS ON DURING THIS DEBATE ARE HOW POKER WOULD BE REGULATED UNDER LB619 AND WHY POKER IS A GAME OF SKILL, THEREFORE, CONSTITUTIONAL. LB619 INCLUDES FINDINGS WHICH CLARIFY THAT POKER IS A GAME OF SKILL BECAUSE THERE IS MORE SKILL THAN LUCK IN DETERMINING THE OUTCOME. THE LEGISLATIVE INTENT IS TO SPECIFICALLY RECOGNIZE DRAW AND COMMUNITY CARD GAMES AS SKILL AND GOES ON TO DESCRIBE HOW DRAW AND COMMUNITY CARD GAMES ARE PLAYED. UNDER LB619, A LIQUOR LICENSEE WOULD ABLE TO APPLY FOR A POKER ENDORSEMENT TO ALLOW THEM TO HOST POKER GAMES AND TOURNAMENTS. LB619 ALSO CREATES A SPECIAL DESIGNATED POKER LICENSE THAT WOULD BE ISSUED TO A SPECIAL DESIGNATED LIQUOR LICENSE. THIS WOULD ALLOW LIQUOR LICENSEES AND NONPROFITS THAT WOULD OTHERWISE QUALIFY FOR AN SDL TO APPLY FOR AN SPL. LB619 REQUIRES PLAYERS TO BE AT LEAST 21 YEARS OF AGE AND PROHIBITS PLAYERS ALSO BEING EMPLOYEES OF THE LICENSE. IT SHOULD ALSO BE NOTED THAT PLAYERS CANNOT BE EXTENDED CREDIT TO PLAY AND MUST PLAY WITH CASH. THE APPLICATION PROCESS FOR AN SPL MIRRORS EXISTING LAW REGARDING THE APPLICATION PROCESS FOR AN SDL. THIS WAS DONE TO STREAMLINE THE PROCESS AS MUCH AS POSSIBLE AND KEEPING IT AS FAMILIAR AS POSSIBLE FOR THE LICENSEES AND THE LIQUOR CONTROL COMMISSION. FOR EXAMPLE, AN APPLICATION FEE FOR AN SPL AND AN SDL ARE BOTH \$40, WHICH IS THE SAME COST AS JUST GETTING A REGULAR SDL. JUST LIKE WITH AN SDL APPLICATION, AN SPL APPLICATION MUST HAVE THE APPROVAL OF THE LOCAL GOVERNING BODY. AS FOR TAX REVENUE, 10 PERCENT OF THE GROSS PROCEEDS OF A POKER TOURNAMENT AND 5 PERCENT OF THE FINAL AMOUNT OF EACH POT OF A CASH GAME WILL BE REMITTED TO THE COMMISSION. HOWEVER, RATHER THAN SIMPLY REMITTING THE REVENUE TO THE GENERAL FUND, I FELT THAT IT WAS IMPORTANT THAT THE REVENUE BE PUT TOWARDS PROPERTY TAX RELIEF AS WELL AS PROVIDING FINANCIAL ASSISTANCE TO LOCAL COMMUNITIES. THEREFORE, HALF THE TAXES COLLECTED FROM THESE GAMES AND TOURNAMENTS WOULD GO DIRECTLY TO

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THE PROPERTY TAX CREDIT RELIEF FUND WITH THE REMAINDER GOING BACK INTO THE COMMUNITIES AND COUNTIES IN WHICH THE GAMES AND TOURNAMENTS WERE HELD. FOR EXAMPLE, IF THE TOURNAMENT OR CASH GAME WERE TO BE HELD IN A CITY, VILLAGE, THEN THE CITY AND VILLAGE WOULD RECEIVE 24.5 PERCENT, THE COUNTY WOULD RECEIVE 24.5 PERCENT. IF THE TOURNAMENT OR CASH GAME WERE HELD OUTSIDE A CITY OR VILLAGE, THEN THE COUNTY WOULD RECEIVE 49 PERCENT IN BOTH INSTANCES. THE FINAL 1 PERCENT WOULD GO TOWARDS THE COMPULSIVE GAMBLING ASSISTANCE FUND. THE COMMITTEE AMENDMENT INCLUDES THE FOLLOWING CHANGES. I'LL GO THROUGH THAT NOW. THE CHARITABLE GAMING DIVISION SHALL AUDIT LICENSEES AND THE LIQUOR CONTROL COMMISSION MAY TAKE INTO ACCOUNT THE RESULTS OF SUCH AUDITS WHEN REVIEWING THE LIQUOR LICENSEE; HARMONIZES PROVISIONS WITH THE SPECIAL DESIGNATED POKER LICENSES AND LIQUOR LICENSES WITH THE POKER ENDORSEMENT. FOR CASH GAMES, THE STATE IS TO RECEIVE 5 PERCENT OF EACH POT UP TO \$2.50. THE LICENSEE MAY TAKE UP TO 5 PERCENT OF EACH POT, NOT TO EXCEED \$2.50. THE LIMIT OF PARTICIPATING IN TOURNAMENTS AND CASH GAMES IS \$500. THE LIMIT FOR PARTICIPATING IN SPECIAL SDPL TOURNAMENTS IS \$5,000, AND THE NUMBER OF THESE LARGE EVENT LICENSES ARE CAPPED AT FIVE. THE LICENSEE IS REQUIRED TO HAVE CAMERAS POSITIONED AT EACH CASH GAME TABLE IN ORDER TO PROTECT PLAYERS BY ENSURING THE INTEGRITY OF THE GAME. TWO AND ONE-HALF PERCENT OF ALL THE REVENUE SHALL BE CREDITED TO THE LIQUOR CONTROL COMMISSION RULE AND REGULATION CASH FUND AND TWO AND ONE-HALF PERCENT SHALL BE CREDITED TO THE CHARITABLE GAMING OPERATIONS FUND TO COVER EXPENSES INCURRED BY THE AGENCY TO ENSURE THAT THIS DOES NOT COST THE STATE ANY MONEY. AS A RESULT, THE REVENUES FOR COUNTIES AND CITIES WERE REDUCED BY 2.5 PERCENT EACH TO 22 PERCENT FOR THE COUNTY IN WHICH THE POKER EVENT OCCURS AND 22 PERCENT FOR THE CITY IN WHICH THE POKER EVENT OCCURS. IF THE POKER EVENT OCCURS OUTSIDE THE CITY, THE COUNTY'S ALLOCATION IS REDUCED BY 5 PERCENT TO 44 PERCENT. IT ALSO REQUIRES DEALERS TO BE LICENSED AND OUTLINES THE QUALIFICATIONS TO BE A LICENSED DEALER. AND WITH THAT I HAVE PLENTY MORE, BUT I SUPPOSE NOT TO JUST DRONE ON RIGHT NOW I'LL WAIT AS WE START GOING THROUGH THE DEBATE TO DISCUSS MORE OF THE CONSTITUTIONALITY AND WHATNOT. I THINK, COLLEAGUES, AS WE GO THROUGH LB619 WE HAVE TO REMEMBER THAT WE ARE LOOKING AT THE PREDOMINANCE OF SKILL. THE SUPREME COURT...THE NEBRASKA SUPREME COURT HAS SAID THAT ANY GAME THAT HAS A PREDOMINANCE OF SKILL IS CONSTITUTIONAL. AND IF IT HAS THAT PREDOMINANCE, AND I WILL WORK THROUGH THAT TO SHOW HOW OTHER COURTS ACROSS THIS COUNTRY HAVE

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SAID IT HAS A PREDOMINANCE OF SKILL AND IT IS CONSTITUTIONAL AND, THEREFORE, ALREADY LEGAL, LB619 AND THE FOLLOWING AMENDMENTS ONLY WORK TO REGULATE AND TAX IT. I'LL BE HAPPY TO ANSWER ANY QUESTIONS AS WE MOVE FORWARD, BUT THAT IS THE QUESTION THAT WE HAVE TO ASK OURSELVES. AND WE ALSO HAVE TO LOOK AT THIS AS WE HEAR A LOT ABOUT PROPERTY TAX RELIEF, LIMITED GOVERNMENT, THE STATE NOT GETTING INVOLVED. IF WE CARE ABOUT THOSE ISSUES, HERE'S AN OPPORTUNITY, AN OUTSIDE-THE-BOX OPPORTUNITY, TO SHOW, ONE, THAT WE TAKE THESE THINGS SERIOUSLY; HELP OUR LOCAL COMMUNITIES IN THEIR FUND-RAISING EFFORTS; GIVE MONEY BACK TO THE LOCAL COUNTIES AND CITIES INTO THE PROPERTY TAX CREDIT RELIEF FUND; AND NOT BELIEVE THAT WE KNOW BETTER THAN THE AVERAGE NEBRASKAN ON HOW THEY SHOULD BE ABLE TO ENJOY SPECIFIC FORMS OF ENTERTAINMENT. SO WITH THAT I WILL CLOSE ON LB...OR I WON'T CLOSE. I'LL STOP ON LB619 FOR NOW. I WILL GET INTO THE CONSTITUTIONALITY. AND I LOOK FORWARD TO A HEALTHY DEBATE ON LB619. THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. (DOCTOR OF THE DAY INTRODUCED.) AS THE CLERK STATED, THERE ARE AMENDMENTS FROM THE GENERAL AFFAIRS COMMITTEE. SENATOR LARSON, AS CHAIR OF THE COMMITTEE, YOU'RE RECOGNIZED TO OPEN ON THE COMMITTEE AMENDMENT. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. I DISCUSSED A LITTLE BIT OF THE COMMITTEE AMENDMENT AND THE CHANGES THAT WE HAD IN IT MOVING FORWARD. AGAIN, IT WORKS TO TIGHTEN THE BILL UP SIGNIFICANTLY. WHEN WE DECIDED THAT THIS WAS GOING TO COME TO THE FLOOR WE KNEW THAT FOR IT TO BE READY FOR THE FLOOR IT NEEDED A NUMBER OF CHANGES, WHETHER THAT'S CONSUMER PROTECTION OF THE \$500-A-DAY LIMIT OR WHETHER THAT WAS ADDITIONAL OVERSIGHT BY THE LIQUOR CONTROL COMMISSION TO CONTROL THE LICENSE, WHETHER THAT...WORKING TO ENSURE THAT THE LIQUOR CONTROL COMMISSION HAD ENOUGH MONEY TO KEEP THIS FUND MOVING AND IT WASN'T GOING TO COST THE STATE ANY MONEY, WORKING TO CREATE LARGE POKER TOURNAMENTS. WE CAPPED IT AT FIVE WITH THE ARENA, WHETHER THAT'S THE ONE IN OMAHA OR LINCOLN OR RALSTON. I'M SURE MANY OF YOU HAVE SEEN, YOU KNOW, THE WORLD SERIES OF POKER TEXAS HOLD'EM TOURNAMENTS. THAT WAS THE CONCEPT OF THIS, THAT ANY OF THOSE VENUES WOULD BE GOOD VENUES FOR ONE OF THOSE TOURNAMENTS AND THAT WE NEEDED THESE LARGER TOURNAMENTS OR WE WANTED THE ABILITY TO HAVE THESE LARGER TOURNAMENTS SO THAT THEY

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COULD COME AND BRING ECONOMIC DEVELOPMENT TO OUR STATE, BRING PROPERTY TAX RELIEF TO OUR STATE SINCE I KNOW WE ALL WANT TO WORK TO FIND WAYS TO SOLVE OUR PROPERTY TAX PROBLEM AND WORK TO ENSURE THAT WE HAVE MONEY TO...AND OUR CITIES AND COUNTIES HAVE MONEY TO OPERATE AS WELL, SINCE I THINK WE CUT ALL THEIR FUNDING IN 2011 DURING THOSE BUDGET CUTS. SO I ALREADY WENT THROUGH THOSE. AGAIN, I LOOK FORWARD TO THE DEBATE ON LB619 AND AM115. AND THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. MR. CLERK. [LB619]

ASSISTANT CLERK: MR. PRESIDENT, THE FIRST ITEM I HAVE IS A PRIORITY MOTION FROM SENATOR McCOY, BUT I HAVE A NOTE HE WISHES TO WITHDRAW THAT. [LB619]

PRESIDENT FOLEY: THE MOTION IS WITHDRAWN. [LB619]

ASSISTANT CLERK: SENATOR LARSON WOULD MOVE TO AMEND THE COMMITTEE AMENDMENTS WITH AM1654. (LEGISLATIVE JOURNAL PAGE 1735, FIRST SESSION, 2015.) [LB619]

PRESIDENT FOLEY: SENATOR LARSON, YOU'RE WELCOME TO OPEN ON YOUR AMENDMENT. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. AS AN ATTORNEY GENERAL'S OPINION THAT SENATOR RIEPE REQUESTED CONCLUDED THAT DRAW POKER WAS A GAME OF CHANCE, YET THE OPINION COULD NOT CONCLUSIVELY FIND THAT COMMUNITY CARD GAMES LIKE TEXAS HOLD'EM WERE ALSO A GAME OF CHANCE, THOUGH I DISAGREE WITH THE ATTORNEY GENERAL'S OPINION ON DRAW POKER BEING A GAME OF CHANCE, I DIDN'T WANT TO CLOUD THIS DISCUSSION WITH A DISTRACTION. SO I HAVE FILED AM1654 WHICH SIMPLY STRIKES DRAW POKER FROM THE BILL LEAVING ONLY COMMUNITY CARD GAMES APPLICABLE. IN THE ATTORNEY GENERAL'S OPINION HE DISCUSSED AT LENGTH A COURT CASE ON DRAW POKER THAT THE NEBRASKA SUPREME COURT HAS ALREADY DECIDED ON. BUT IN HIS CONCLUSION OF THAT ATTORNEY GENERAL'S OPINION HE SAID HE COULD NOT CONCLUDE ON WHETHER OR NOT COMMUNITY CARD GAMES WERE A GAME OF CHANCE OR A GAME OF SKILL. AND WITH THAT I'LL KIND OF GET INTO THE CONSTITUTIONALLY PORTION OF THE COMMUNITY CARD GAMES. SINCE SENATOR RIEPE AND THE ATTORNEY

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GENERAL HAVE RAISED THE CONSTITUTIONALITY ISSUE, I WILL TAKE SOME TIME WALKING THE BODY THROUGH SOME ANALYSIS, REASONING, AND LOGIC, NOT TO MENTION BASIC COMMON SENSE FOR WHY POKER IS A GAME OF SKILL. ARTICLE III, SECTION 24(1) OF THE NEBRASKA CONSTITUTION STATES: EXCEPT AS PROVIDED IN THIS SECTION, THE LEGISLATURE SHALL NOT AUTHORIZE ANY GAME OF CHANCE OR ANY LOTTERY OR GIFT ENTERPRISE WHEN THE CONSIDERATION FOR A CHANCE TO PARTICIPATE INVOLVES THE PAYMENT OF MONEY FOR PURCHASE OF PROPERTY, SERVICES, OR A CHANCE OF ADMISSION TICKET OR REQUIRES EXPENDITURE OF SUBSTANTIAL EFFORT OR TIME. IN AMERICAN AMUSEMENTS COMPANY v. NEBRASKA DEPARTMENT OF REVENUE, THE NEBRASKA SUPREME COURT APPLIED THE DOMINANCE (SIC--PREDOMINANCE) TEST IN DETERMINING WHETHER A VIDEO GAMING DEVICE CALLED BANKSHOT WAS A GAME OF SKILL. THE COURT CITED A PREVIOUS HOLDING IN ITS DECISION. IN BAEDARO v. CALDWELL, WE HELD THAT THE TEST FOR DETERMINING WHETHER A GAME VIOLATED THE CONSTITUTIONAL AND STATUTORY PROHIBITION AGAINST ANY GAME OF CHANCE WAS NOT WHETHER THE GAME CONTAINS AN ELEMENT OF CHANCE OR AN ELEMENT OF SKILL, BUT WHICH OF THESE DOMINATING ELEMENTS DETERMINES THE RESULT OF THE GAME. THE DOMINANCE (SIC--PREDOMINANCE) TEST WAS PREVIOUSLY APPLIED TO CARD GAMES IN INDOOR RECREATION ENTERPRISES. IN THAT CASE THE COURT HELD THAT GAMES OF CHANCE...GAMES ARE GAMES OF CHANCE BECAUSE THE ELEMENT OF CHANCE PREDOMINATES EVEN THOUGH THE ELEMENT OF SKILL IS MORE OR LESS INVOLVED. THE CONCLUSION WAS BASED ON THE FACT THAT PLAYERS DID NOT HAVE ANY CONTROL OVER THE CARDS THEY WERE DEALT. THE ASSERTION THAT POKER IS MORE A GAME OF CHANCE THAN SKILL IS OVERLY SIMPLISTIC AND AN ANTIQUATED VIEW OF THE GAME AND FAILS TO FULLY UNDERSTAND AND APPRECIATE THE GAME'S NUANCES AND DIVERSE SKILLS REQUIRED TO BE A SKILLED POKER PLAYER. IN EXAMINING THE DOMINANCE (SIC--PREDOMINANCE) TEST AND HOW IT SHOULD BE APPLIED TO POKER, IT IS HELPFUL TO LOOK AT THE SECONDARY MATERIALS IN CASES FROM OTHER JURISDICTIONS WHICH HAVE FOUND POKER TO BE PREDOMINATELY A GAME OF SKILL. IN A SERIES OF ARTICLES FOR THE GLOBAL POKER STRATEGIC THINKING SOCIETY, PROFESSIONAL POKER PLAYER HOWARD LEDERER EXPLAINED WHY POKER IS PREDOMINATELY A GAME OF SKILL. LEDERER IDENTIFIED AN IMPORTANT QUALITY OF SKILLED POKER PLAYERS: THEY TEND TO BE VERY SELECTIVE OF THE HANDS THEY PLAY, BUT WHEN THEY DO PLAY THEY TEND TO WIN MORE BECAUSE THEY ARE MORE SKILLED AT BETTING. TO ANALYZE A POKER GAME AS A SINGLE HAND IGNORES THE REALITY AND DOES NOT FULLY APPRECIATE HOW TIME ITSELF IS A FACTOR. PATIENCE AND SKILL AND HOW FOLDING A HAND IS A STRATEGY IN WAR IS A

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STRATEGY. IN WAR THIS STRATEGY IS REFERRED TO AS A STRATEGIC RETREAT WITH THE GOAL OF MINIMIZING LOSSES WHILE PRESERVING THE ABILITY TO FIGHT AGAIN. WHILE EVEN A SINGLE HAND INVOLVES MORE SKILL THAN CHANCE, A SKILLED PLAYER'S ADVANTAGE BECOMES MORE APPARENT OVER A LONGER PERIOD OF TIME. LEDERER ARGUES THAT OTHER GAMES SUCH AS BASEBALL AND GOLF WOULD LOOK MORE LIKE GAMES OF CHANCE IF YOU ONLY EXAMINED A SINGLE "AT BAT" OR A GOLF SWING, RESPECTIVELY. POKER IS TYPICALLY PLAYED OVER A PERIOD OF HOURS FOR A CASH GAME, AND EVEN DAYS FOR A LARGE TOURNAMENT. A PLAYER'S PERFORMANCE IN LONG POKER GAMES IN MULTIDAY TOURNAMENTS IS ALSO INFLUENCED BY FATIGUE, WHICH A SKILLED PLAYER IS BETTER EQUIPPED TO HANDLE. LEDERER WRITES: THE SKILL ELEMENTS IN POKER ARE ACTIONS THAT ARE COMPLETELY IN THE CONTROL OF THE PLAYERS: THE BETS, THE CALLS, AND THE FOLDS. EVERY TIME A PLAYER ACTS IN A HAND THEY MUST EITHER CHECK, BET, CALL, OR FOLD. THERE IS NO CHANCE ELEMENT THAT FORCES A PLAYER TO TAKE ANY OF THESE ACTIONS. A PLAYER READS THE ACTIONS OF HIS OPPONENTS--THE SKILL ELEMENTS--AND THE CARDS--THE CHANCE ELEMENTS--AND THEN TRIES TO APPLY SKILL TO MAKING HIS OWN ACTION--ANOTHER SKILL ELEMENT. IN REVIEWING POKER DATA, LEDERER FOUND THAT LESS THAN 15 PERCENT OF THE TIME DOES A HAND FINISH WITH TWO OR MORE PLAYERS LEFT, TWO OR MORE PLAYERS LEFT IN THE POT, AND THEN THE POT GOES TO THE PLAYER WHO WOULD HAVE WON THE HAND HAD EVERYONE STAYED IN THAT POT. IN FACT, LEDERER WRITES, APPROXIMATELY 60 PERCENT OF ON-LINE POKER HANDS PLAYED FOR REAL MONEY END BECAUSE ALL PLAYERS, EXCEPT THE WINNER, FOLDED THEIR CARDS. THE POT IS THEN AWARDED TO THE PLAYER FOR ONE REASON AND ONE REASON ONLY: THE ELEMENT OF SKILL WAS APPLIED BY THE PLAYERS IN THE HAND AND LED TO AN OUTCOME WHERE ONLY ONE PLAYER STAYED IN, THUS PRODUCING THE WINNER. EACH PLAYER WHO LOST THE HAND DECIDED TO APPLY THE SKILL ELEMENT OF FOLDING TO ELIMINATE THEMSELVES FROM THE HAND. AND THE WINNER DECIDED TO APPLY THE SKILL ELEMENTS OF CALLING AND BETTING TO INFLUENCE HIS OPPONENTS TO FOLD THEIR CARDS, WHICH RESULTED IN A POT BEING AWARDED TO HIM. AT NO TIME WERE THE CARDS COMPARED TO DETERMINE A WINNER. OTHER ARTICLES EXAMINED WHETHER POKER WAS MORE SKILL OR CHANCE. JAMES McMANUS REVIEWED RECENTLY...REVIEWED RELEVANT COURT CASES THAT DETERMINED WHETHER POKER WAS A GAME OF SKILL OR CHANCE. A STATISTICAL STUDY BY ROBERT HANNUM, A PROFESSOR OF RISK ANALYSIS AT THE UNIVERSITY OF DENVER, LOOKED SPECIFICALLY AT TEXAS HOLD'EM. HIS STUDY FOUND THAT 85.2 PERCENT OF MORE THAN A BILLION HANDS WERE DECIDED WITHOUT A SHOW OF CARDS. IN OTHER WORDS, PLAYERS' BETTING DECISIONS WERE

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OVERWHELMINGLY...THE PLAYERS' BETTING DECISIONS OF OVERWHELMING IMPORTANCE IN DETERMINING THE OUTCOME. OF THE REMAINING 14.8 PERCENT OF HANDS, ALMOST HALF WERE WON BY THE PLAYER WHO DIDN'T HOLD THE BEST HAND BUT INSTEAD HAD INDUCED THE PLAYER WITH THE BEST HAND TO FOLD BEFORE THE SHOWDOWN. HANNUM CONCLUDED THAT THE DRIVING FORCE BEHIND THE OUTCOME OF TEXAS HOLD'EM WAS SKILL. THIS IS WHAT POKER PLAYERS MEAN WHEN THEY SAY THEY ARE PLAYING THE PLAYERS, NOT THE CARDS. AND A RECENT LAW REVIEW ARTICLE CONCLUDED THAT POKER CONTAINS A GREATER SKILL ELEMENT THAN ANY OTHER CARD GAME. IN FACT, POKER IS THE ONLY GAME WHERE A SKILLED PLAYER MAY HOLD BAD CARDS FOR HOURS AND STILL WIN MONEY DUE TO DIVERSE SKILL SET REQUIRED TO PLAY WELL. A SKILLFUL POKER PLAYER CAN CHANGE THE ODDS OF A GAME IN HIS OR HER FAVOR BY UTILIZING SEVERAL METHODS TO INCREASE HIS OR HER CHANCES TO WIN THE POT AND TO INCREASE THE SIZE OF THE POTS HE OR SHE WINS. EXPERTS AGREE THAT THERE ARE SEVERAL COMPONENTS OF SKILL NECESSARY TO PLAY POKER WELL. THESE INCLUDE MATHEMATICS, PSYCHOLOGY, ASSESSING COMPETITION, READING HANDS, RECOGNIZING TELLS, EXPLOITING POSITION, AND MONEY MANAGEMENT. ANOTHER ARTICLE EXAMINED THE ROLE OF LOSING IN DETERMINING THE ROLE OF SKILL IN POKER. IN PURE GAMES OF CHANCE, INTENTIONAL BAD PLAY CANNOT CAUSE A PLAYER TO LOSE OR LOSE FASTER. [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: IN A GAME OF SKILL, ON THE OTHER HAND, IT IS POSSIBLE FOR A PLAYER TO PLAY BADLY, WHETHER INTENTIONALLY OR NOT, AND LOSE MONEY. IN PARTICULAR, A SKILLED PLAYER IN A PLAYER-VERSUS-PLAYER GAME OF SKILL COULD USE HIS SKILL TO INTENTIONALLY LOSE FASTER THAN AN UNSKILLED PLAYER. THIS IS THE CASE FOR POKER BUT NOT FOR GAMES OF CHANCE SUCH AS ROULETTE, KENO, OR SLOTS WHERE IT IS IMPOSSIBLE FOR A PLAYER TO PURPOSELY LOSE OR LOSE FASTER. THE ABILITY TO INTENTIONALLY LOSE IS A FEATURE INVOLVING GAMES OF SKILL. IN ANALYZING STATISTICS FROM THE 2010 WORLD SERIES OF POKER, THE RETURN ON INVESTMENT WAS EVALUATED FOR HIGH SKILLED AND OTHER PLAYERS. THE 720 PLAYERS IDENTIFIED AS BEING HIGH SKILLED HAD AN AVERAGE RETURN ON INVESTMENT OF 30.5 PERCENT IN THE 2010 WORLD SERIES OF POKER, REAPING AN AVERAGE PROFIT OF \$1,200 PER EVENT. [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

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SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. SENATORS, YOU'VE HEARD THE OPENING ON LB619, THE COMMITTEE AMENDMENT, AND THE AMENDMENT TO THE COMMITTEE AMENDMENT. DEBATE IS NOW OPEN. SENATOR RIEPE, YOU'RE RECOGNIZED. [LB619]

SENATOR RIEPE: THANK YOU, MR. PRESIDENT AND MEMBERS OF THE SENATE AND ALSO NEBRASKA FOLKS OUT THERE. BECAUSE I DID REQUEST THE AG'S OPINION--AND I'M NOT GOING TO READ YOU THE 16 PAGES OF THE FULL REPORT; I'D LIKE TO THINK I CAN READ FAST, BUT NOT THAT FAST TO GET THAT IN, IN MY TIME LIMIT--I DID WANT TO GIVE YOU THE CLIFF'S NOTES THOUGH AS I SEE THEM FROM THAT. AND I QUOTE FROM THE AG'S REPORT. IT SAID: THE LEGISLATURE CANNOT AVOID CONSTITUTIONAL PROVISIONS BY STRUCTURING...BY STATUTORILY REDEFINING CONSTITUTIONALLY ACCEPTED ACTIVITY. THEY GO ON TO SAY THE TEST OF WHETHER A GAME IS ONE OF SKILL OR OF CHANCE IS ONE IN WHICH SKILL GREATLY PREDOMINATES OVER CHANCE IS NOT MEASURED BY THE STANDARDS OF EXPERTS OR ANY LIMITED CLASS OF PLAYER, BUT THAT OF THE AVERAGE SKILL OF A MAJORITY OF PLAYERS LIKELY TO PLAY THE GAME. THEY ALSO SAID, AND THAT'S THE END OF THAT QUOTE, BUT THEY ALSO GO ON TO SAY THE COURT...INDOOR RECREATION ONLY FOCUSED ON THE RELATIONSHIP BETWEEN CHANCE AND THE SKILL AND THE OUTCOME OF A SINGLE POKER HAND AS OPPOSED TO JUDGING THE PREDOMINANCE OF CHANCE OR SKILL OVER MULTIPLE HANDS. I ALSO HAVE A STUDY THAT WAS...AND THERE, AS WE ALL KNOW, THERE ARE OFTENTIMES STUDIES ON BOTH SIDES OF THE DISCUSSION. AND THIS WAS ENTITLED, "IS POKER A GAME OF SKILL OR CHANCE? A QUASI-EXPERIMENTAL STUDY." AND IN THAT IT SAYS IN THERE THAT THE OUTCOME OF A POKER GAME ARE PREDOMINANTLY DETERMINED BY CHANCE. SO FOR EVERY ONE THAT SAYS IT'S A GAME OF SKILL, THERE'S ONE THAT SAYS IT'S A GAME OF CHANCE. I WOULD ALSO CONTEND THAT THE HARVARD STUDY THAT SAID THAT POKER IS THE MOST SOPHISTICATED GAME OF SKILL THAT'S OUT THERE, I WOULD CONTEND THAT IN PLAYING OLD MAIDS WITH MY EIGHT-YEAR-OLD GRANDDAUGHTER, THAT THERE'S A GREAT AMOUNT OF SKILL IN TRYING NOT TO GET THE OLD MAID AS WELL. I SIMPLY STAND IN OPPOSITION TO EXPANDED GAMBLING IN THE FORM OF POKER. AND I THINK THAT THE INDIVIDUAL COMES DOWN TO IS WHETHER IT'S, AS WE KNOW, CHANCE OR CHOICE AND CHANCE OR SKILL. AND I HAPPEN TO THINK THAT IT'S A MATTER OF CHANCE. THANK YOU, MR. PRESIDENT. [LB619]

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PRESIDENT FOLEY: THANK YOU, SENATOR RIEPE. SENATOR SMITH, YOU'RE RECOGNIZED. [LB619]

SENATOR SMITH: THANK YOU, MR. PRESIDENT, AND GOOD MORNING, COLLEAGUES. THERE'S GOING TO BE A LOT OF DISCUSSION I GUESS THIS MORNING ON THIS BILL AND THE AMENDMENTS AND DISCUSSION AS TO WHETHER IT'S SKILL OR CHANCE. BOTTOM LINE FOR ME, THIS IS EXPANDED GAMING, EXPANDED GAMBLING IN NEBRASKA. AND I HAVE SEEN FIRSHTHAND THE NEGATIVE, HARMFUL EFFECTS OF GAMING AND GAMBLING ON FAMILIES ON OUR BORDERS THAT GO INTO THE BORDER STATES AND ALSO BUSINESSES THAT HAVE THE INDIRECT AND UNINTENTIONAL, THEY'RE THE INDIRECT AND UNINTENTIONAL CASUALTIES OF SOME OF THIS THAT TAKES PLACE BECAUSE OF EMPLOYEES THAT OVERUSE, I SUPPOSE YOU COULD SAY, OR HAVE THE ADDICTION OF GAMING OR GAMBLING. SO I HAVE CONSISTENTLY BEEN OPPOSED TO EXPANDED GAMING AND GAMBLING IN OUR STATE, AND I WILL CONTINUE TO BE. AND THAT'S THE WAY I SEE THIS BILL. IT'S EXPANDED REGARDLESS OF WHETHER IT'S A GAME OF CHANCE OR SKILL. I ALSO SEE THAT WE'RE CREATING A BIT OF A MORAL CONFLICT, AND IN SENATOR LARSON'S INTRODUCTION OF HIS BILL, BY TEMPTING OR PERSUADING THOSE THAT KNOW EXPANDED GAMING IS NOT IN THE BEST INTEREST OF NEBRASKA, IN NEBRASKA'S FAMILIES OR BUSINESSES, BUT TEMPTING OR PERSUADING THOSE TO COMPROMISE THEIR VALUES IN THE NAME OF PROPERTY TAX RELIEF. AND I THINK THERE'S OTHER WAYS TO ADDRESS PROPERTY TAX RELIEF THAN FOR THAT TO BE ON THE BACK OF THOSE FAMILIES AND BUSINESSES IN THIS STATE THROUGH THE USE OF EXPANDED GAMBLING OR GAMING. SO, COLLEAGUES, I AM OPPOSED TO THIS BILL. I'M OPPOSED TO THE AMENDMENTS. AND LET'S SEE WHERE THE DISCUSSIONS GO THIS MORNING, BUT I AM COMMITTED TO MY OPPOSITION. THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR SMITH. SENATOR SCHILZ. [LB619]

SENATOR SCHILZ: THANK YOU, MR. PRESIDENT. MEMBERS OF THE BODY, GOOD MORNING AND WELCOME BACK TO SESSION. SEEMS LIKE WE NEVER LEFT. I'D LIKE TO STAND UP THIS MORNING AND TALK A LITTLE BIT ABOUT MY THOUGHTS ON THIS BILL, EXPANDED GAMBLING, AND THE OTHER ISSUES THAT GO ON. FIRST I'D LIKE TO THANK SENATOR LARSON FOR BRINGING THE BILL. I THINK IT'S AN IMPORTANT DISCUSSION BECAUSE IF YOU LOOK AT IT, AS WE KNOW, IF IT'S A GAME OF SKILL THEN IT SHOULD BE LEGAL IN THE STATE OF NEBRASKA. WHEN WE TALK ABOUT GAMBLING IN THE STATE OF NEBRASKA AND WE LOOK AT THE CONSTITUTION, IT TALKS ABOUT GAMES OF CHANCE.

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LET'S ASK OURSELVES. HORSE RACING IS IN THE CONSTITUTION. TELL ME, IS IT A GAME OF SKILL WHEN YOU WAGER ON A HORSE RACE OR CHANCE? NOW BE CAREFUL, BECAUSE IF YOU BELIEVE IT'S A GAME OF CHANCE--AND SOME PEOPLE WORK IT THAT WAY AND THAT'S FINE--THEN DOES THAT OPEN IT UP THAT ANY GAME OF CHANCE COULD BE USED BECAUSE WE'VE SET THE PREMISE OF THE CONSTITUTION TO MAKE THAT ARGUMENT? I DON'T KNOW. I JUST LOOK AT SOME OF THE WAYS THAT PEOPLE WANT IT BOTH WAYS. WE HAVE A LOTTERY THAT EVERYBODY IS BUYING TICKETS FOR, EVERYBODY. THERE'S NO BIGGER GAME OF CHANCE OUT THERE. THAT'S LEGAL IN THE STATE OF NEBRASKA. KENO, NO SKILL IN THAT, THAT'S LEGAL IN THE STATE OF NEBRASKA. THE STATE IS HAPPY AND THE COMMUNITIES ARE HAPPY TO TAKE THAT MONEY BECAUSE IT DOES GOOD THINGS FOR THE COMMUNITY, AND WE SHOULDN'T FORGET THAT. SO WHEN SOMEBODY...AND, SENATOR SMITH, I HEARD WHAT YOU SAID ABOUT THE PROPERTY TAX ISSUE. AND THERE SHOULD BE A LOT OF WAYS THAT WE DEAL WITH THE PROPERTY TAX ISSUE. IN THE STATE OF NEBRASKA, IN RURAL NEBRASKA WHERE WE ARE LOSING POPULATION YEAR AFTER YEAR, DECADE AFTER DECADE, WHAT ARE WE GOING TO DO TO SHORE UP THOSE COFFERS, BECAUSE THE PEOPLE ARE DISAPPEARING FROM THE LAND BECAUSE WE'RE SO DARN GOOD AT AGRICULTURE AND PRODUCING WHAT WE DO? WHAT ARE SOME OF THE WAYS WE CAN MAKE UP FOR THAT? I'D ALSO LIKE TO REMIND FOLKS THAT BACK IN THE DAY, AND WHEN I SAY IN THE DAY I'M TALKING BETWEEN 1850s TO 1900s...I COME FROM OGALLALA. IN THOSE DAYS BETWEEN THE 1850 AND 1865 THERE WERE HUNDREDS OF THOUSANDS OF CATTLE THAT CAME UP THE TEXAS TRAIL TO BE PUT ON THE UNION PACIFIC RAILROAD AND SHIPPED BACK EAST TO CHICAGO. THOSE TRAIL HANDS THAT CAME UP, AND THERE WERE HUNDREDS OF THEM THERE AT A TIME, MAYBE THOUSANDS, OGALLALA GOT ITS NAME AS A POKER TOWN. WE HAVE TRADITIONS OF RICH HISTORY IN THIS STATE THAT SURROUND THAT. IN MY COMMUNITY, IF YOU WOULD OPEN UP A POKER HALL, AS SENATOR LARSON SAYS, THE TOURIST TRAFFIC WOULD BE HUGE. WITH 1.5 MILLION PEOPLE VISITING LAKE McCONAUGHY EVERY SINGLE YEAR, PROVIDING AN OPPORTUNITY TO GO IN AND WAGER ON A GAME OF SKILL WOULD BRING VALUABLE DOLLARS TO OUR ECONOMY AND TO OUR COMMUNITIES. AND I CAN TELL YOU OUR COMMUNITIES NEED IT AND EVERYBODY HAS TOLD YOU THAT. THE PEOPLE OF THE STATE OF NEBRASKA... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR SCHILZ: ...HAVE SPOKEN AND THOSE PEOPLE HAVE SAID, LOOK, OUR TAXES ARE TOO HIGH. I'VE BEEN IN THIS LEGISLATURE NOW FOR SEVEN AND SO

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MANY YEARS. THIS ISSUE HASN'T CHANGED. THE PEOPLE WANT SOMETHING DONE. AND AFTER A CERTAIN AMOUNT OF TIME, IF YOU CAN'T GROW YOURSELF INTO HELPING RELIEVE THE PROPERTY TAX SITUATION, THEN OVER TIME YOU WILL CONTINUE TO HAVE TO DEAL WITH THE SAME ISSUES. THIS IS A REAL PROPOSAL, FOLKS. IT SHOULD BE TAKEN SERIOUSLY AND NOT BRUSHED UNDER THE RUG. AND YOU NEED TO THINK REALLY HARD ABOUT WHAT YOU'RE GOING TO DO IF THINGS LIKE THIS DON'T HAVE AN OPPORTUNITY IN THE STATE. I WILL BE SUPPORTING LB619, OBVIOUSLY, AND I LOOK FORWARD TO THE DEBATE. THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR SCHILZ. SENATOR LARSON. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. I'LL CONTINUE ON WHERE I WAS ON MY OPENING ON SKILLED PLAYERS VERSUS NONSKILLED PLAYERS. AND I WAS DISCUSSING ON HOW A SKILLED PLAYER HAS A RETURN ON INVESTMENT OF OVER 30 PERCENT WHERE AN UNSKILLED PLAYER'S AVERAGE RETURN ON INVESTMENT IS MINUS 15.6 PERCENT, IMPLYING A PER-EVENT LOSS OF \$400. THE OBSERVED DIFFERENCES ON RETURN ON INVEST...ON ROIs ARE HIGHLY STATISTICALLY SIGNIFICANT AND FAR LARGER IN MAGNITUDE THAN THOSE OBSERVED IN FINANCIAL MARKETS WHERE FEES CHARGED BY MONEY MANAGERS VIEWED AS BEING THE MOST TALENTED CAN RUN AS HIGH AS 3 PERCENT OF ASSETS UNDER MANAGEMENT AND 30 PERCENT OF ANNUAL RETURNS. AS THESE ARTICLES DEMONSTRATE, POKER PLAYERS WHO DO WELL AND PRODUCE BETTER RESULTS HAVE HONED A VARIETY OF SKILLS NECESSARY AND DO NOT SIMPLY RELY ON LUCK. IN ADDITION TO SCHOLARLY RESEARCH, THE LEGAL ISSUE OF WHETHER POKER IS PREDOMINATELY A GAME OF SKILL OR A GAME OF CHANCE HAS BEEN MAKING ITS WAY THROUGH VARIOUS JUDICIAL JURISDICTIONS AROUND THE COUNTRY, INCLUDING CASES IN CALIFORNIA, NEW YORK, SOUTH CAROLINA, AND PENNSYLVANIA. THE CALIFORNIA COURT OF APPEALS HAS PREVIOUSLY STATED THAT POKER WAS PREDOMINATELY A GAME OF SKILL IN A CASE EVALUATING JACKPOT POKER. THE COURT HELD A RANDOM ELEMENT...HELD THAT THE RANDOM ELEMENT CALLED JACKPOT POKER WAS ILLEGAL BECAUSE IT PIGGYBACKED ONTO A LEGAL POKER GAME AS A CHANCE BONUS THAT, UNLIKE POKER, DOES NOT PREDOMINATELY IMPLICATE THE PLAYER'S SKILL, BELL GARDENS BICYCLE CLUB v. THE DEPARTMENT OF JUSTICE. SO THE COURT RULED THAT THE INITIAL GAME OF POKER WAS THE GAME OF SKILL. IN U.S. v. DiCRISTINA, A FEDERAL DISTRICT COURT IN NEW YORK HELD THAT POKER WAS A GAME OF SKILL: THE INFLUENCE OF SKILL ON THE OUTCOME OF POKER GAMES IS FAR GREATER THAN THAT ON OUTCOMES OF GAMES ENUMERATED IN THE ILLEGAL BUSINESS GAMING ACT ILLUSTRATES

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(SIC--ILLUSTRATIONS) OF GAMING. IN POKER, BY CONTRAST, INCREASED PROFICIENCY BOOSTS A PLAYER'S CHANCES OF WINNING AND AFFECTS THE OUTCOME OF INDIVIDUAL HANDS AS WELL AS A SERIES OF HANDS. EXPERT POKER PLAYERS DRAW ON AN ARRAY OF TALENTS, INCLUDING FACULTY WITH NUMBERS, KNOWLEDGE OF HUMAN PSYCHOLOGY, AND POWERS OF OBSERVATION AND DECEPTION. PLAYERS CAN USE THESE SKILLS TO WIN EVEN IF THE CHANCE HAS NOT DEALT THEM WITH A BETTER HAND. AND AS THE DEFENDANT'S EVIDENCE DEMONSTRATES, THESE ABILITIES PERMIT THE BEST POKER PLAYERS TO PREVAIL OVER THE LESS SKILLED PLAYERS OVER A SERIES OF HANDS. THE COURT RELIED ON THE TESTIMONY OF THE DEFENSE'S EXPERT WITNESS, DR. RANDALL HEEB, AN ECONOMIST, STATISTICIAN, AND POKER PLAYER. DR. HEEB HIGHLIGHTED THAT THE SKILL ELEMENT OF POKER AND STRATEGIC CHOICES SUCH AS HOW MUCH TO WAGER, BLUFFING, RAISING AND FOLDING, AS WELL AS POSITION AT THE TABLE AND HABITS OF THE PLAYERS. DR. HEEB OPINED THAT POKER DEFERS FROM OTHER FORMS OF GAMBLING, SUCH AS SPORTS BETTING, BECAUSE PLAYERS CAN RELY ON SOPHISTICATED SKILLS TO CHANGE THE OUTCOME OF THE GAME. ACCORDING TO DR. HEEB, MANY PEOPLE MAKE A LIVING PLAYING POKER AND WIN CONSISTENTLY OVER TIME WHERE IT IS IMPOSSIBLE TO MAKE A LIVING AND WIN CONSISTENTLY PLAYING CASINO GAMES SUCH AS ROULETTE WHERE CHANCE PREDOMINATES. THIS FACT ALONE WAS AN INDEPENDENT FOUNDATION... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...FOR HIS OPINION THAT SKILL PREDOMINATES OVER CHANCE IN POKER. ALTHOUGH THE COURT'S RULING WAS REVERSED ON APPEAL, THE LOWER COURT'S DETERMINATION THAT POKER WAS A GAME OF SKILL REMAINS UNTOUCHED. THE SOUTH CAROLINA SUPREME COURT HAS CONCLUDED THAT ALTHOUGH THE DOMINANCE (SIC--PREDOMINANCE) TEST WAS NOT CLEARLY THE STANDARD, THE EVIDENCE WAS OVERWHELMING THAT TEXAS HOLD'EM, WHICH IS THE TYPE OF COMMUNITY CARD GAME WE ARE LEGALIZING...OR THAT WE ARE SAYING IS A GAME OF SKILL IN LB619, WAS A GAME OF SKILL. IN COMMONWEALTH v. DENT, A CRIMINAL COURT JUDGE DISMISSED CHARGES AGAINST TWO PEOPLE WHO HOSTED A POKER GAME ON WEEKENDS. THE JUDGE ARTICULATED AN ARGUMENT OF HOWARD LEDERER AND CONCLUDED SUCCESSFUL PLAYERS MUST POSSESS INTELLECTUAL AND PSYCHOLOGICAL SKILLS; THEY MUST KNOW THE RULES AND MATHEMATICAL ODDS; THEY MUST KNOW HOW TO READ OPPONENTS' TELLS AND STYLES; THEY MUST KNOW WHEN TO HOLD, FOLD, AND RAISE; THEY MUST KNOW HOW TO MANAGE MONEY. [LB619]

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PRESIDENT FOLEY: TIME, SENATOR. THANK YOU, SENATOR LARSON. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB619]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. COLLEAGUES, I HAVE NO INTENTION OF GETTING AS INVOLVED IN THIS DEBATE AS I GOT TANGLED UP IN YESTERDAY'S. I DON'T INTEND TO SPEAK A GREAT DEAL ON THIS. IF GAMBLING OR POKER OR WHATEVER WE CHOOSE TO CALL IT IS ALREADY CONSTITUTIONAL, WHY DO WE NEED TO LICENSE IT AND REGULATE IT AND GET THE GOVERNMENT INVOLVED IN IT? IF IT'S NOT, IT WON'T WITHSTAND THE COURTS. SO I THINK WE'RE FLAILING AT WINDMILLS HERE. I ALSO THINK SENATOR SCHILZ IS ENTIRELY CORRECT. THE PEOPLE OF NEBRASKA HAVE SPOKEN. THEY HAVE SAID REPEATEDLY THEY DON'T CHOOSE TO HAVE EXPANDED GAMBLING, AND THAT'S WHAT THIS IS; UNDER ANY OTHER GUISE THAT'S WHAT IT IS. AS WE GO FORWARD WITH THIS DEBATE I GUESS I WOULD ASK THAT YOU KEEP THAT IN MIND THAT WE ARE LOOKING AT EXPANDED GAMBLING AGAIN. AND EVERY TIME AN EXPANDED GAMBLING BILL COMES TO THE FLOOR IT HELPS A CERTAIN GROUP OF PEOPLE. IF EVER WE HAD A BILL THAT CAME OUT CLEAN AND SAID, SHOULD WE HAVE EXPANDED GAMBLING IN THE STATE OF NEBRASKA, I COULD SUPPORT THAT. BUT WHEN WE COME WITH SLOT MACHINES ONLY TO BE HAD BY PEOPLE WHO HAVE HORSE-RACING LICENSES, NOW WE HAVE POKER ONLY TO BE PERMITTED BY PEOPLE WHO HAVE LIQUOR LICENSES, LET'S STOP PICKING AND CHOOSING WHO CAN DO WHAT IN NEBRASKA. THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR BLOOMFIELD. SENATOR KINTNER, YOU'RE RECOGNIZED. [LB619]

SENATOR KINTNER: THANK YOU, MR. PRESIDENT. YOU KNOW, I OPPOSE THIS BILL, I'M GOING TO TELL YOU RIGHT UP-FRONT. BUT, YOU KNOW, I HAD TO TAKE A GOOD LOOK AT THIS AND I HAD TO LISTEN TO IT. AND I, YOU KNOW, I APPRECIATE SENATOR LARSON A LOT. HE'S INNOVATIVE. HE'S BOLD. I HAD TO LOOK AT THIS. I SAID, IS THIS GAMBLING? I HAD TO TAKE A LOOK AT IT. DOES THIS EXPAND GAMBLING? IS IT REALLY GAMBLING? IS IT A GAME OF CHANCE? AND I'VE COME DOWN ON THE SIDE THAT THIS IS EXPANDED GAMBLING UNTIL THE PEOPLE SAY OTHERWISE IN OUR STATE, AND THEY MAY AT SOME POINT, THAT WE ARE NOT GOING TO EXPAND GAMBLING. I ALSO WANT TO SAY THAT SENATOR SCHILZ WAS ABSOLUTELY ELOQUENT IN HIS WALK-THROUGH OF WHY HE SUPPORTED THIS. HE MADE VERY, VERY GOOD POINTS. AND, YES, IT WOULD BE A NEW REVENUE STREAM. AT LEAST ON THE STATE LEVEL, I DON'T THINK WE HAVE A REVENUE PROBLEM IN THIS BODY, IN OUR STATE. WE HAVE A SPENDING

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PROBLEM. WE DON'T HAVE TO EXPAND GAMBLING. WE DON'T NEED NEW REVENUE. WE JUST NEED TO CURB OUR APPETITE FOR SPENDING OTHER PEOPLE'S MONEY. AND IF WE DID THAT, I THINK THAT WOULD GO A LONG WAY TOWARD BRINGING OUR TAXES DOWN. IN MY FIRST THREE YEARS HERE THAT HAS NOT BEEN THE CASE, AND I HAVE NOT SEEN ANY DISCIPLINE OR ABILITY TO NOT SPEND MONEY WHEN IT'S THERE AND AVAILABLE. I THINK THAT'S HOW TO SOLVE THAT PROBLEM. THE SECOND THING I WOULD POINT OUT, THIS IS PROBABLY NOT AN UNHEALTHY DEBATE. THIS IS PROBABLY SOMETHING WE OUGHT TO TALK ABOUT. BUT AS I WEIGH IT I JUST AM NOT CONVINCED THAT THIS ISN'T EXPANDING GAMBLING. I DO THINK IT IS MORE A GAME OF CHANCE, AND I JUST CAN'T BUY THAT. SO RELUCTANTLY, I DON'T WANT TO OPPOSE SENATOR LARSON, BUT ON THIS ONE RELUCTANTLY I WILL. AND I WILL, SINCE I MENTIONED SENATOR LARSON, I WILL YIELD THE REMAINDER OF MY TIME TO SENATOR LARSON. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, 2:30. [LB619]

SENATOR LARSON: THANK YOU, SENATOR KINTNER. AND I'M ALMOST FINISHED ON MY SKILL AND THEN I'LL COME AND DIRECTLY TALK ABOUT SOME OF THE ISSUES THAT THE OPPONENTS HAVE RAISED. I WAS GOING THROUGH ALL THE COURT CASES ACROSS THIS COUNTRY THAT HAVE RULED COMMUNITY CARD POKER GAMES A GAME OF SKILL. AND I THINK THAT'S IMPORTANT. SEVERAL COURTS HAVE CONCLUDED THAT POKER IS A GAME OF SKILL AND RELIED ON THE TESTIMONY OF POKER EXPERTS, LAW REVIEW ARTICLES, AND ACADEMIC RESEARCH IN ANSWERING THIS LEGAL QUESTION. THEREFORE, I BELIEVE THAT THE NEBRASKA SUPREME COURT WOULD ALSO CONCLUDE THAT POKER, ESPECIALLY TEXAS HOLD'EM, IS A GAME OF SKILL AND THAT THE VIEW OF THIS GAME OF CHANCE IS AN OVERLY SIMPLISTIC AND ANTIQUATED VIEW OF POKER THAT FAILS TO FULLY UNDERSTAND AND APPRECIATE THE NUANCES OF THE GAME AND THE SKILLS REQUIRED TO BE A SUCCESSFUL POKER PLAYER. AFTER ALL, COLLEAGUES, A PLAYER CAN PRACTICE TO BECOME A BETTER POKER PLAYER, BUT YOU CANNOT PRACTICE TO BECOME A BETTER COIN FLIPPER BECAUSE THE FORMER INCORPORATES A PREDOMINANCE OF SKILL AND THE LATTER, WELL, FLIPPING A COIN IS JUST LUCK. THE FACT THAT THERE ARE PROFESSIONAL POKER PLAYERS IN THE WORLD IS ITSELF EVIDENCE THAT THERE IS MORE SKILL THAN CHANCE IN POKER. BY THE WAY, IF YOU STILL INSIST THAT POKER IS A GAME OF CHANCE, THEN YOU SHOULD KNOW THAT THE PROFESSIONAL POKER PLAYER, HOWARD LEDERER, THAT I MENTIONED EARLIER... [LB619]

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PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...HAS A SISTER NAMED ANNIE DUKE WHO IS ALSO A WORLD-CLASS POKER PLAYER. SO I GUESS LUCK MUST RUN IN THE FAMILY. THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. SENATOR SCHILZ. [LB619]

SENATOR SCHILZ: THANK YOU, MR. PRESIDENT. SORRY FOR THE DELAY. AND I WOULD GIVE THE REMAINDER OF MY TIME TO SENATOR LARSON. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, 5:00. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. WE'VE HEARD FROM SENATOR RIEPE, SENATOR SMITH, AND SENATOR KINTNER ON A NUMBER OF ISSUES AND I CAN APPRECIATE--AND SENATOR BLOOMFIELD--AND I CAN APPRECIATE SOME OF THEIR COMMENTS. SENATOR KINTNER WAS THE LAST ONE ON THE MIKE. AND IF HE'S COME DOWN ON THE CONCEPT THAT THIS IS EXPANDED GAMBLING, THAT'S HIS RIGHT TO DO SO. I COME BACK TO THE NEBRASKA CONSTITUTION AND ITS DEFINITION OF GAMES OF CHANCE VERSUS GAMES OF SKILL. AND THIS KIND OF GOES TO WHAT SENATOR BLOOMFIELD WAS DISCUSSING AS WELL. IF POKER, SPECIFICALLY COMMUNITY CARD GAMES, ARE PREDOMINATELY A GAME OF SKILL--WHICH I THINK COURTS ACROSS THIS COUNTRY HAVE SAID THEY ARE; MATHEMATICIANS, STATISTICIANS HAVE CONTINUALLY SAID THEY ARE--IF IT MEETS THAT PREDOMINANCE TEST THEN IT IS ALREADY CONSTITUTIONAL AND, AS SENATOR BLOOMFIELD SAID, LEGAL UNDER OUR CURRENT CONSTITUTION. THAT IS THE CRUX OF MY ARGUMENT. YES, PEOPLE COULD ALREADY DO THIS. NOW, THEY ASK, WELL WHY AREN'T PEOPLE DOING IT RIGHT NOW? FRANKLY, COLLEAGUES, WE ALL KNOW PEOPLE ARE DOING IT RIGHT NOW. I WON'T NAME NAMES OF THE SMALL-TOWN NONPROFIT ORGANIZATIONS IN MY DISTRICT THAT DO THIS OR THE FRIENDS OF MINE THAT HAVE THE GAMES. AND THOSE ARE THE ONES THAT WE PROBABLY WON'T EVER BE ABLE TO TAX OR COLLECT OR REGULATE, THOSE GAMES IN THE HOUSE. BUT IF IT'S ALREADY LEGAL AND YOU CAN USE RATIONALLY, LOOK AT THE RAW MATH AND SCIENCE, WHICH I KNOW GOES ABOVE MY HEAD SOMETIMES WHEN YOU GET INTO COMPLEX THINGS, SO IF YOU CAN UNDERSTAND THAT YOU CAN GET TO THE CONCEPT THAT THERE IS A PREDOMINANCE OF SKILL HERE, THEREFORE, IT IS NOT EXPANDED GAMBLING. ANYTHING THAT HAS A PREDOMINANCE OF SKILL IS NOT EXPANDED GAMBLING. IT IS CURRENTLY

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LEGAL. LB619 DOES NOT LEGALIZE POKER. IT DOES NOT EXPAND POKER INTO THE ACCEPTABLE FORMS OF GAMBLING IN NEBRASKA. IT TAXES AND REGULATES POKER BECAUSE IT ALREADY IS LEGAL BECAUSE IT MEETS THE PREDOMINANCE OF SKILL. COURTS ACROSS THIS NATION HAVE SAID SO, LAW REVIEW, SCIENTIFIC ARTICLES; INDIVIDUALS THAT ARE MUCH SMARTER THAN ANY OF US IN HERE CONTINUALLY SAY THAT THIS IS A GAME OF SKILL. I APPRECIATE SENATOR KINTNER'S ARGUMENT, TOO, THAT THE STATE DOESN'T NEED ANY MORE MONEY, WE SPEND FRIVOLOUSLY. SENATOR KINTNER, I SERVED ON APPROPRIATIONS WITH YOU. I FELT THE SAME FRUSTRATION. I APPRECIATE SENATOR MELLO. I THINK HE'S DONE A GREAT JOB AS APPROPRIATIONS CHAIR. [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: BUT WE MAKE COMPROMISES ON A LOT OF THINGS IN THAT COMMITTEE, AND I HAD THAT SAME CONCERN, HENCE, 50 PERCENT OF ALL THESE REVENUES GO DIRECTLY TO THE PROPERTY TAX CREDIT RELIEF FUND AND THE REST GOES TO COMPULSIVE GAMING AND THE CITIES AND COUNTIES IN WHICH THE GAME WAS HELD. NONE OF THIS MONEY COMES BACK TO THE STATE FOR US TO FRIVOLOUSLY SPEND, AS SO MANY OF US ARE WORRIED ABOUT. THIS GOES DIRECTLY BACK TO TAXPAYERS. I CAN TALK ABOUT AND WILL CONTINUE TO TALK ABOUT, AS SENATOR BLOOMFIELD COMMENTED, AGAIN, IF YOU WANT TO CALL IT EXPANDED GAMBLING YOU CAN, BUT THAT'S NOT WHAT IT IS. [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT. AND GOOD MORNING, COLLEAGUES. WE'VE HAD AN INTERESTING COUPLE OF DAYS HERE. AND AS I'M READING THROUGH THIS BILL ONCE MORE, AS I'M LOOKING AT INFORMATION, I NEED TO LEARN MORE APPARENTLY BECAUSE, READING THE BILL, IT USES THE WORD BETS, B-E-T-S. SO I PULL IT UP ON THE ON-LINE DICTIONARY AND IT MEANS THAT IT IS WAGERING, THAT IT INVOLVES RISK, IT INVOLVES EXCHANGING MONEY. AND PEOPLE IN GAMBLING KNOW THAT THE HOUSE

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TYPICALLY WINS AND IN WAGERING YOU LOSE MORE THAN YOU GAIN. IT WAS...THE LOTTERY WAS MENTIONED. WHEN YOU SEE INTERVIEWS, MOST PEOPLE GO IN IT KNOWING THEY'RE GOING TO MOST LIKELY LOSE MONEY. WE DO HAVE THE LOTTERY HERE, BUT EXPANDING GAMBLING DOESN'T MAKE THINGS BETTER. WHEN WE KEEP USING THE WORD "SKILL," GOSH, SKILL HAS CHANGED A LOT OVER THE YEARS. SKILL USED TO BE SOMETHING THAT WAS PART OF CURRICULUM IN OUR SCHOOLS. THERE WERE CLASSES TAUGHT IN IT. YOU COULD PUT IT ON YOUR RESUME. THERE WAS A DEFINITIVE PATH OF WHAT SKILL IS. APPARENTLY SKILL NOW HAS EXPANDED ITS KNOWLEDGE OR ITS MEANING INTO KNOWLEDGE. IS IT SOMETHING THAT THE UNIVERSITY WILL GIVE CREDITS TO? ALSO, IN LOOKING AT THE CONCLUSION FROM THE ATTORNEY GENERAL'S OFFICE, AND PARDON ME FOR READING TO YOU, BUT THERE'S PARTS IN THERE THAT DO BRING OUT THAT, BASED ON THE NEBRASKA SUPREME COURT'S INDOOR RECREATION DECISION AND THE NATURE IN WHICH IT IS PLAYED, DRAW POKER APPEARS TO BE A GAME WHOSE OUTCOME IS PRIMARILY BY CHANCE, NOT BY PLAYER'S SKILL, AT LEAST WHEN THE OUTCOME IS VIEWED AS THE DETERMINATION OF A SINGLE HAND. THE OPINION ALSO IN THE CONCLUSION SAYS THAT WE CAN ADVISE THAT A MAJORITY OF COURTS HAVE HELD THAT POKER IS PREDOMINANTLY A GAME OF CHANCE AND NOT SKILL. BECAUSE I'M NOT A POKER PLAYER OR I DON'T UNDERSTAND THIS, I'M WONDERING IF SENATOR LARSON WILL YIELD TO A QUESTION AND PLEASE EXPLAIN TO ME THE DIFFERENCE BETWEEN THE TWO GAMES. I'D LIKE TO KNOW ABOUT TEXAS HOLD'EM. TELL ME THAT GAME AND TELL ME POKER AND WHY IT'S DIFFERENT. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, WOULD YOU YIELD, PLEASE? [LB619]

SENATOR LARSON: YES. CAN I ANSWER THAT QUESTION? [LB619]

SENATOR BRASCH: WOULD YOU PLEASE, YES, YIELD TO THAT QUESTION? [LB619]

SENATOR LARSON: THANK YOU, SENATOR BRASCH. YEAH. SO DRAW POKER, YOU'RE RIGHT. THE NEBRASKA SUPREME COURT HAS RULED ON DRAW POKER. I THINK THAT OPINION WAS IN THE EARLY '70s. ESSENTIALLY DRAW POKER IS YOUR MORE TRADITIONAL FORM OF POKER THAT ISN'T INCLUDED IN LB619. OR ACTUALLY AM1654 WILL TAKE DRAW POKER OUT OF LB619 BECAUSE OF THAT COURT DECISION AND THE CONCERNS THAT THE ATTORNEY GENERAL RAISED. THAT'S WHERE EVERY PLAYER GETS FIVE TO SEVEN CARDS, USUALLY FIVE IS

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THE MOST POPULAR FORM. AND THEN THEY GO AROUND AND THROW AWAY WHATEVER CARDS THEY DON'T WANT AND THEY GET HOWEVER MANY CARDS THEY THREW AWAY, THEY GET BACK FROM THE DEALER. SO EVERYBODY ENDS UP WITH FIVE CARDS AND THE BEST HAND WINS. THEY STILL HAVE THE ELEMENTS OF BETTING, CHECKING, CALLING, AND A NUMBER OF THOSE THINGS. BUT BECAUSE OF THE NUMBER OF CARDS AND THE FACT THAT, AS I'LL EXPLAIN NEXT, THERE AREN'T COMMUNITY CARDS FOR EVERYONE TO PLAY ON AND BET AGAINST... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...OR WAGER AGAINST IF YOU WANT TO COME TO THAT. AND WE'LL TALK ABOUT THAT, THAT IT HAS A HIGHER ELEMENT OF CHANCE AND THE COURT, LIKE I SAID, IN AN ANTIQUATED RULING OF NEARLY 50 YEARS AGO RULED IT A GAME OF CHANCE. TEXAS HOLD'EM IS A LITTLE DIFFERENT, AS IS OMAHA HOLD'EM OR COMMUNITY CARD GAMES IN WHICH EVERY PLAYER RECEIVES EITHER, YOU KNOW, TWO TO FOUR CARDS USUALLY AND THEN THERE ARE COMMUNITY CARDS IN WHICH EVERYBODY PLAYS AND EVERYBODY HAS THE SAME INFORMATION. SO THE DRAW POKER, COURTS ACROSS THE COUNTRY ARE SPLIT ON DRAW POKER, WHETHER THAT'S A GAME OF CHANCE OR A GAME OF SKILL. BUT ALL THE COURTS ACROSS THE COUNTRY ON COMMUNITY CARD GAMES HAVE RULED THUS FAR THAT COMMUNITY CARD GAMES ARE GAMES OF SKILL. SO THERE ARE SIGNIFICANT DIFFERENCES BETWEEN THE TYPE OF GAMES, EVEN THOUGH THEY'RE ALL POKER, BECAUSE THE SAME TYPES OF HANDS WIN. IT'S MORE OF HOW MANY CARDS ARE GETTING DEALT AND IF THERE'S COMMUNITY CARDS IN THE MIDDLE OR IF NOBODY CAN SEE YOUR CARDS AT ALL. [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON, SENATOR BRASCH. SENATOR LARSON, YOU ARE NEXT IN THE QUEUE. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. WILL SENATOR BRASCH YIELD TO A QUESTION? [LB619]

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PRESIDENT FOLEY: SENATOR BRASCH, WOULD YOU YIELD, PLEASE? [LB619]

SENATOR BRASCH: YES, I WILL YIELD. [LB619]

SENATOR LARSON: THANK YOU, SENATOR BRASCH. I APPRECIATED THE TIME TO HELP LET ME EXPLAIN DRAW AND COMMUNITY CARD GAMES. AND I CAN GO INTO THAT LATER IF YOU WANT TO PRESS YOUR LIGHT AGAIN AND HAVE SPECIFIC QUESTIONS ON IT. I HEARD IN YOUR...WHEN YOU STARTED TO TALK YOU LOOKED AT BETS AND WAGERING AND THAT...WAS IT KIND OF YOUR...AND MAYBE THIS WASN'T YOUR INTENTION. WERE YOU SAYING THAT BECAUSE THE BILL CONTAINS THAT OR IT'S A FORM OF WAGERING THAT, THEREFORE, IT'S A FORM OF GAMBLING? WAS THAT KIND OF YOUR INTENTION? [LB619]

SENATOR BRASCH: MY INTENTION IN READING THE BILL, THE WORD "BET" COMES WHEN...IN THE FIRST PARAGRAPH. [LB619]

SENATOR LARSON: OKAY. [LB619]

SENATOR BRASCH: AND I WAS INTERESTED IN WHAT YOU CONSIDER A BET. IS BETTING A SKILL OR IS BETTING CHANCE? [LB619]

SENATOR LARSON: AND I APPRECIATE THAT. AND I'LL TURN THAT QUESTION BACK TO YOU. YOU AND YOUR FAMILY ARE HIGHLY INVOLVED IN AGRICULTURE, CORRECT? [LB619]

SENATOR BRASCH: YES. [LB619]

SENATOR LARSON: YOU AND YOUR HUSBAND--I GUESS I DON'T KNOW FOR SURE--YOU STILL FARM? [LB619]

SENATOR BRASCH: ABSOLUTELY. [LB619]

SENATOR LARSON: QUITE A BIT, PROBABLY, CORN AND BEANS? [LB619]

SENATOR BRASCH: CORN, BEANS. [LB619]

SENATOR LARSON: CATTLE? [LB619]

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SENATOR BRASCH: NOT NOW. [LB619]

SENATOR LARSON: NOT ANY CATTLE--WELL, IT'S A GOOD TIME TO BE OUT OF THE CATTLE MARKET. WELL... [LB619]

SENATOR BRASCH: NOT IF YOU WANT A STEAK, IT'S NOT. [LB619]

SENATOR LARSON: (LAUGH) WELL, WITH BEEF PRICES WHERE THEY ARE, IT'S A GOOD TIME TO BE OUT OF THAT CATTLE MARKET; OR IT'S A GOOD TIME TO BUY IN MAYBE, AS LOW AS THOSE PRICES ARE. BUT WOULD YOU SAY, DO YOU OR DO YOU KNOW, SINCE YOU DO FARM CORN AND BEANS, DO YOU GUYS SELL ANY OF THAT BEFORE THE SEASON? DO YOU DO ANY FUTURES OR HEDGING? [LB619]

SENATOR BRASCH: WE DO NOT. [LB619]

SENATOR LARSON: YOU DO NOT. [LB619]

SENATOR BRASCH: WE DO...I DO KNOW WHERE YOU'RE GOING WITH THIS. AND MANY OTHERS DO HEDGE AND WE DO NOT. I HAVE A VERY TRADITIONAL, CONSERVATIVE FARMER WHO IS NOT HEDGING OR SELLING FUTURES. [LB619]

SENATOR LARSON: SO DO YOU FEEL THOSE INDIVIDUALS THAT DO HEDGE AND DO SELL FUTURES OF THEIR COMMODITIES, ARE THEY BETTING ON THE MARKET? [LB619]

SENATOR BRASCH: I BELIEVE THEY'RE LOOKING AT A LOT OF INFORMATION. I DON'T THINK THEY'RE JUST TRYING A ROLL OF THE DICE. NO, THEY AREN'T. THERE ARE A LOT OF FACTORS THERE. YOU CAN LOOK AT THE INTERNATIONAL MARKETS. YOU CAN LOOK AT TRENDS, THE CHICAGO BOARD OF TRADE. THERE ARE METHODS TO DETERMINE. [LB619]

SENATOR LARSON: EXCELLENT. GOOD. I'M GLAD. [LB619]

SENATOR BRASCH: OKAY. [LB619]

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SENATOR LARSON: YOU'RE HELPING ME. SO THERE ARE A NUMBER OF FACTORS THAT THEY LOOK AT WHEN THEY DECIDE TO MAKE THAT HEDGE OR SELL THOSE FUTURES, CORRECT, IS PRETTY MUCH WHAT YOU'RE SAYING? [LB619]

SENATOR BRASCH: THEY ARE LOOKING AT STATISTICS. [LB619]

SENATOR LARSON: STATISTICS. SO IF YOU'RE LOOKING AT A CARD HAND AND WE'RE USING COMMUNITY CARD GAMES AND WE KNOW THAT THERE'S FIVE CARDS OUT ON THE TABLE AND I KNOW THE TWO CARDS THAT I HAVE IN A TEXAS HOLD'EM GAME ARE X AND Y AND I KNOW THERE IS NO MATHEMATICAL POSSIBILITY THAT ANY OTHER HAND CAN POSSIBLY BEAT ME, AM I BETTING? OR AM I MAKING A DECISION BY LOOKING AT ALL THE INFORMATION? [LB619]

SENATOR BRASCH: I BELIEVE IT'S STILL CHANCE. [LB619]

SENATOR LARSON: HOW IS IT CHANCE IF I KNOW THERE'S NO MATHEMATICAL POSSIBILITY I CAN LOSE? [LB619]

SENATOR BRASCH: IS THAT CALLED COUNTING CARDS? IS THAT... [LB619]

SENATOR LARSON: NO, THAT'S NOT CALLED COUNTING CARDS. [LB619]

SENATOR BRASCH: OKAY. [LB619]

SENATOR LARSON: COUNTING CARDS IS IN BLACKJACK. [LB619]

SENATOR BRASCH: OKAY. [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: THIS IS WHERE THERE IS NO STATISTICAL POSSIBILITY I CAN LOSE BECAUSE I KNOW THE CARDS THAT ARE ON THE TABLE AND I KNOW THE CARDS THAT I HAVE IN MY HAND. [LB619]

SENATOR BRASCH: BUT THOSE CARDS CAME TO YOU BY RANDOM CHANCE. [LB619]

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SENATOR LARSON: AS DO... [LB619]

SENATOR BRASCH: THEY WEREN'T PICKED. OKAY. [LB619]

SENATOR LARSON: AND YOU BRING UP A GOOD POINT. THERE IS RANDOM CHANCE EVERY DAY IN AGRICULTURE. THERE IS THE HAILSTORM THAT COMES THROUGH THAT COULD RUIN... [LB619]

SENATOR BRASCH: THERE'S HAIL INSURANCE. [LB619]

SENATOR LARSON: INSURANCE IS A HEDGE. [LB619]

SENATOR BRASCH: OKAY. [LB619]

SENATOR LARSON: YOU CHOOSE TO HEDGE. IS THAT A BET WHEN YOU BUY THAT INSURANCE? [LB619]

SENATOR BRASCH: YOU COVER YOUR RISK. [LB619]

SENATOR LARSON: YOU COVER YOUR RISK. AND WHEN YOU HAVE 86 PERCENT OF HANDS THAT END BEFORE THERE ARE CARDS SHOWING, PEOPLE ARE COVERING THEIR RISK BECAUSE THEY'RE FOLDING BEFORE THE HAND ENDS. THEY HAVE DECIDED IT'S NOT WORTH TO BET ANYMORE. SENATOR BRASCH ILLUSTRATES THAT IN AGRICULTURE YOU HAVE TO... [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATORS LARSON AND BRASCH. SENATOR HUGHES, YOU'RE NEXT IN THE QUEUE. [LB619]

SENATOR HUGHES: THANK YOU, MR. PRESIDENT. GOOD MORNING, COLLEAGUES. I'M GOING TO SUPPORT LB619 AND THE AMENDMENTS THAT SENATOR LARSON HAS BROUGHT FORWARD. BUT THERE ARE TWO ISSUES, AS WITH MOST BILLS, THAT WE'RE DEALING WITH TODAY. AND ONE OF THEM WHICH THE BILL ADDRESSES IS WHETHER THIS IS A GAME OF SKILL OR A GAME OF CHANCE,

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POKER IS A GAME OF SKILL OR A GAME OF CHANCE. I GUESS I HAVE PLAYED ENOUGH POKER AND CERTAINLY WATCHED A LOT MORE THAN THAT TO IN MY MIND IT'S CLEAR THAT POKER IS A GAME OF SKILL. I'VE BEEN CLEANED OUT WAY TOO MANY TIMES NOT TO ADMIT THAT. BUT I THINK THE OTHER ISSUE THAT WE'RE TALKING ABOUT THAT'S KIND OF GETTING US OFF TRACK IS EXPANDED GAMBLING AND THAT'S WHAT I'D LIKE TO SPEND MOST OF MY TIME...ONE THING THAT THIS BILL WOULD DO WOULD BE TO BRING THE GAMES THAT ARE CURRENTLY BEING PLAYED OUT OF THE SHADOWS. YOU KNOW, WE ALL UNDERSTAND THAT THERE'S A TREMENDOUS AMOUNT OF GAMBLING GOING ON IN THE STATE OF NEBRASKA, A LOT OF IT LEGAL AND A LOT OF IT IS ILLEGAL. AND WHAT SENATOR LARSON'S BILL WOULD DO WOULD BE ABLE TO BRING THOSE GAMES OUT OF THE SHADOWS. THE SIDE BENEFIT WOULD BE THE INCREASED REVENUE THAT WOULD BE GAINED FROM TAXING THOSE EVENTS. AND THAT'S NOT SOLELY A GOOD ENOUGH REASON TO VOTE FOR THIS BILL, BUT IT IS A GOOD ENOUGH REASON THAT WE TALK ABOUT IT AND ONE OF THE SIDE BENEFITS. YOU KNOW, WHEN YOU HAVE YOUR, YOU KNOW, ONE HAND VERSUS THE OTHER HAND, WHICH WEIGHS MORE, YOU KNOW, GAINING THE REVENUE FROM EVENTS THAT ARE ALREADY TAKING PLACE...AND WHETHER OR NOT THIS WILL EXPAND GAMBLING, PROBABLY SOME BUT NOT NEAR TO THE EXTENT THAT A LOT OF PEOPLE ARE TRYING TO MAKE US BELIEVE THAT IT WILL. PEOPLE LOVE TO GAMBLE. YOU KNOW, IT'S WHAT THE MAJORITY OF PEOPLE DO FOR ENTERTAINMENT. THEY'RE WILLING TO GO TO THE BOATS IN COUNCIL BLUFFS. THAT'S WHAT THEY DO FOR FUN. YOU KNOW, I'VE DONE IT FOR FUN. IT'S NOT THAT MUCH FUN FOR ME. BUT THAT'S WHAT PEOPLE DO FOR ENTERTAINMENT. AND LIKE WITH EVERYTHING THAT GOES ON, THERE ARE A CERTAIN SEGMENT THAT DO ABUSE THE PRIVILEGES THAT WE ARE GIVEN. BUT IS THAT A REASON TO DENY THE OPPORTUNITY FOR OTHER PEOPLE, A FAR LARGER PERCENTAGE OF THE POPULATION, TO HAVE ACCESS TO THE ENTERTAINMENT THAT THEY WANT WITHOUT FEAR OF PROSECUTION SHOULD IT COME TO LIGHT OF LAW ENFORCEMENT? I DON'T THINK SO. THE POWERBALL THAT'S GOING ON RIGHT NOW IS A GOOD EXAMPLE. YOU KNOW, THERE'S PROBABLY NOT VERY MANY PEOPLE IN THIS ROOM HAVE NOT BOUGHT A POWER TICKET FOR \$1.4 BILLION. IT'S CRAZY. THE ODDS ARE WAY AGAINST YOU, BUT THE ENTERTAINMENT VALUE OF BEING ABLE TO SIT AND DREAM ABOUT WHAT YOU WOULD SPEND THAT MONEY ON IS WORTH THE \$2 TO ME. IT WOULD PROBABLY RUIN ME, BUT IT'S SURE WORTH \$2 TO BE ABLE TO LAY IN BED AT NIGHT BEFORE YOU GO TO SLEEP AND DREAM OF, MAN, WHAT'S THE FIRST THING I WOULD DO? I'D, YOU KNOW, I'D BUY A JET SO I DIDN'T SPEND 4.5 HOURS ON THE INTERSTATE GOING BACK AND FORTH TO THIS JOB. BUT I PROBABLY WOULDN'T HAVE THIS JOB IF I HAD \$1.4 BILLION EITHER. BUT THE POINT I'M

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TRYING TO MAKE IS EXPANDED GAMBLING IS NOT THAT BIG OF A DEAL. IT'S ENTERTAINMENT. AND YOU LOOK AT ALL OF THE WAYS THAT WE GAMBLE IN THE STATE OF NEBRASKA... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR HUGHES: ...NOW LEGALLY AND ALL OF THE WAYS THAT GAMBLING IS GOING ON ILLEGALLY. THERE'S CALCUTTAS, YOU KNOW, THERE'S POKER GAMES, THERE'S 50/50 CHANCE DRAWINGS, YOU KNOW, CALCUTTAS AT RODEOS AND CALCUTTAS AT GOLF TOURNAMENTS. CURRENTLY THOSE ARE ILLEGAL BUT THEY'RE GOING ON. AND AS LONG AS THEY'RE NOT ADVERTISED TOO WIDELY OR SOMEONE DOESN'T COMPLAIN, LAW ENFORCEMENT DOESN'T GET INVOLVED. PEOPLE LOVE TO GAMBLE. I WAS AT A MEETING THIS MORNING THAT AN ORGANIZATION THAT BENEFITS FROM POWERBALL TICKET SALES... [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR HUGHES: THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR HUGHES. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB619]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. SENATOR LARSON IS QUITE CORRECT. THIS IS GOING ON IN NEBRASKA NOW. LOCAL VETS CLUBS AND OTHER GROUPS MIGHT HAVE A GAME OR TWO. EVERY ONCE IN A WHILE A GAME MIGHT BREAK OUT IN A PUBLIC HOUSE OR IN A PRIVATE HOME. SENATOR LARSON LAMENTED WE MAY NEVER BE ABLE TO TAX AND REGULATE THOSE IN THE HOME. GOD, I HOPE NOT. SOMETIMES THE OLD ADAGE "IF IT AIN'T BROKE, DON'T FIX IT" APPLIES. HEAVEN FORBID THAT THE CONSERVATIVE STATE OF NEBRASKA PEOPLE BE ALLOWED TO HAVE A LITTLE BIT OF FUN WITHOUT THE GOVERNMENT GETTING INVOLVED. MR. PRESIDENT, I YIELD THE REMAINDER OF MY TIME TO SENATOR LARSON. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, 4:00 YIELDED. [LB619]

SENATOR LARSON: THANK YOU, SENATOR BLOOMFIELD. WHEN I WAS LAST AT THE MIKE SENATOR BRASCH AND I WERE HAVING A DISCUSSION, AGAIN ON THE ELEMENTS OF SKILL VERSUS CHANCE, DIRECTLY RELATED TO AGRICULTURE AS

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WELL. WE GOT INTO THE HEDGING, THE SELLING OF THE FUTURES. I WON'T PULL SENATOR HUGHES UP OR SENATOR FRIESEN AND ASK THEM ABOUT THEIR BUSINESS PRACTICES. SENATOR FRIESEN IS SAYING I CAN PULL HIM UP. IS THAT...YEAH? SENATOR FRIESEN, WILL YOU YIELD? [LB619]

PRESIDENT FOLEY: SENATOR FRIESEN, WILL YOU YIELD, PLEASE? [LB619]

SENATOR FRIESEN: YES, I WOULD. [LB619]

SENATOR LARSON: THANK YOU, SENATOR FRIESEN. ARE THERE ELEMENTS OF RISK IN FARMING? [LB619]

SENATOR FRIESEN: YES, THERE ARE. YOU KNOW, WE...AS AN AG PRODUCER, AND I THINK ANYBODY THAT HAS BEEN IN PRODUCTION AGRICULTURE WILL TELL YOU, THERE'S AN EXTREME AMOUNT OF RISK. [LB619]

SENATOR LARSON: THERE'S AN EXTREME AMOUNT OF RISK. AND DO YOU TRY TO, AS SENATOR BRASCH SAID, YOU LOOK AT ALL OF THE FACTORS TO ELIMINATE AS MUCH OF THAT RISK AS POSSIBLE? [LB619]

SENATOR FRIESEN: YES, WE...WELL, MOST PRODUCERS ADOPT, YOU KNOW, ADOPT MOST OF THE TECHNOLOGY THAT'S OUT THERE OR THE OPTIONS OUT THERE TO USE TO PROTECT THEMSELVES AGAINST THAT RISK, YES. [LB619]

SENATOR LARSON: AND DO YOU AT SOME POINT STILL HAVE TO MAKE A DECISION OR, YEAH, A DECISION IN WHICH YOU ARE UNCLEAR HOW THAT DECISION WILL PLAY OUT BUT YOU'RE USING ALL OF THE INFORMATION AVAILABLE TO YOU POSSIBLE TO MAKE THAT DECISION? [LB619]

SENATOR FRIESEN: THERE'S REALLY NO OPTION THAT I HAVE TO ME THAT DOES NOT INVOLVE...YOU'D CALL IT THE RISK, THE GAME OF CHANCE, BECAUSE WE DON'T CONTROL A LOT OF THE THINGS THAT HAPPEN IN OUR MARKET. SO WE ARE AT RISK AND THINGS ARE BEYOND OUR CONTROL. [LB619]

SENATOR LARSON: THANK YOU, SENATOR FRIESEN. I THINK THIS HIGHLIGHTS, AGAIN, THERE IS AN ELEMENT OF CHANCE IN COMMUNITY CARD GAMES. I DON'T DENY THAT. BUT YOU CAN LOOK AT ALL THE STATISTICAL FACTORS. EIGHTY-FOUR PERCENT OF HANDS IN POKER END BEFORE CARDS ARE EVER

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SHOWING. PEOPLE ARE LOOKING AT THE CARDS, LOOKING AT WHAT THEY'VE BEEN DEALT, AND MAKING A JUDGMENT DECISION... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...ON WHETHER OR NOT TO CONTINUE ON IN A HAND. EIGHTY-FOUR PERCENT OF HANDS END THAT WAY. THAT SHOWS PEOPLE AREN'T PLAYING THE HOUSE. THERE'S NO HOUSE HERE. SENATOR BRASCH MENTIONED A HOUSE THAT THEY'RE PLAYING AGAINST. PLAYERS ARE PLAYING OTHER PLAYERS. THE HOUSE ISN'T TAKING THE MONEY. PLAYERS ARE PLAYING OTHER PLAYERS. AND ONE WILL WIN AND ONE WON'T. OR MULTIPLE ONES WON'T. STATISTICS SHOW THAT THOSE THAT ARE THE BEST CONTINUE TO RISE TO THE TOP. NOW, IF YOU BELIEVE THAT IT IS THE STATE'S RESPONSIBILITY TO PROTECT THOSE THAT AREN'T SMART ENOUGH TO PLAY OR SHOULDN'T BE PLAYING, ALL RIGHT. [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. SENATOR SCHILZ, YOU'RE RECOGNIZED. AND THIS IS YOUR THIRD OPPORTUNITY, SENATOR SCHILZ. [LB619]

SENATOR SCHILZ: THANK YOU, MR. PRESIDENT AND MEMBERS OF THE BODY. I THINK THAT WHAT WE'RE HEARING TODAY FROM SENATOR LARSON IS EXACTLY AS HE SAYS IS IT...THERE IS A SKILL TO THIS, AS YOU WOULD APPLY IT TO ANY OTHER THING THAT GOES ON OUT THERE. AND I THINK THAT...I THINK I'D LIKE JUST FOR A SECOND, AND I DON'T WANT TO TAKE TOO MUCH TIME HERE, YOU KNOW, WE TALK ABOUT AND WE'VE ALL HEARD OF THE EVILS OF SLOT MACHINES AND THINGS LIKE THAT WHERE IT'S ONE PLAYER PUTTING MONEY INTO A MACHINE AND NOT...YOU KNOW, THERE'S NO INTERACTION, NO ANYTHING LIKE THAT, EXCEPT FOR THAT PERSON AND THE MACHINE. MONEY CAN GO FAST. IT CAN HAPPEN. POKER IS A VERY, VERY DIFFERENT GAME. POKER IS A VERY SOCIAL GAME. YOU'RE SITTING AT A TABLE WITH UP TO MAYBE TEN OTHER PEOPLE. AND YOU ARE PLAYING AGAINST THE OTHER PLAYERS IN THE GAME. THE HOUSE IS JUST THERE TO DEAL THE CARDS OR MAYBE NOT EVEN DEAL THE CARDS. MAYBE THAT FALLS TO ONE OF THE PLAYERS TOO. I THINK IT'S A MUCH DIFFERENT GAME THAN PEOPLE ARE TRYING TO PORTRAY HERE, THE OPPONENTS. AND SO I KNOW WHEN YOU PUT MONEY ON THE TABLE AND

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YOU GET CARDS AND AS YOU LEARN TO PLAY THE GAME, YOU LEARN WHEN TO HOLD ONTO THAT HAND AND KEEP BETTING AND KEEP PLAYING OR TO GET RID OF IT AND MOVE ON TO PLAY ANOTHER HAND. NOW, WITHIN THAT, THEN THERE'S ALSO THE PSYCHOLOGY OF HOW MUCH YOU'RE BETTING AND HOW MUCH PRESSURE YOU'RE PUTTING ON THE OTHER PLAYER, OKAY? THAT'S NO DIFFERENT THAN A NEGOTIATION. IS THERE SKILL IN NEGOTIATION? I GUESS THAT DEPENDS ON WHO'S DOING IT. BUT WHEN I PUT \$100 ON THE TABLE TO TRY AND FORCE SOMEBODY OUT BECAUSE THEY MAY HAVE A LESSER HAND OR THEY MAY NOT BE AS CONFIDENT IN THEIR HAND AS I AM IN MINE OR I AM LETTING THEM BELIEVE I AM CONFIDENT IN MINE, THEN THAT'S A VALUE JUDGMENT BECAUSE I THINK I CAN GET SOMEBODY DO SOMETHING. THAT MEANS I'M USING SKILL TO APPLY THAT. SO EVEN IN THE BETTING "THEMSELF" YOU CAN FIND SOME SKILL BECAUSE, IF YOU'VE DONE IT BEFORE AND YOU KNOW WHEN TO BET MORE BY WATCHING THE OTHER PEOPLE AROUND YOU, YOU CAN PUT MORE MONEY IN YOUR POCKET THAN NOT. I WAS TALKING TO SOMEONE EARLIER AND THEY SAID, OKAY, IF IT'S A GAME OF SKILL, AND I THINK IT IS, IF I DRINK MORE, WILL I LOSE MORE? AND IF IT'S A GAME OF CHANCE, YOU SHOULD COME OUT ABOUT EVEN AS YOU MOVE FORWARD: 50/50. WELL, LET ME TELL YOU, FOLKS, I'VE DONE THAT A COUPLE OF TIMES WHERE I MAYBE HAVE IMBIBED A BIT TOO MUCH WHEN I'M PLAYING POKER AND I PRETTY MUCH LEFT THE TABLE WITH NOTHING. AND GUESS WHAT? THOSE PEOPLE THAT I ALWAYS LOSE TO, THEY'RE THE ONES THAT WALKED AWAY WITH THE MONEY. SO WHAT THAT TELLS YOU IS THAT WHEN YOU PLAY FOR A WHILE, OVER TIME THAT SKILL IS GOING TO SHOW AND IT'S TRULY SKILL. HECK, ON THE BANKSHOT GAME,... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR SCHILZ: ...DO YOU KNOW WHAT THEY CONSIDER SKILL IS WHEN ALL THE WHEELS TURN, OR WHATEVER THAT IS INSIDE THAT THING, AND IT STOPS AND THEY DON'T ALL MATCH UP, YOU TAKE YOUR FINGER AND YOU PUT ON THE ONE THAT DOESN'T MATCH AND YOU MOVE IT TO WHERE IT DOES? THAT'S CONSIDERED SKILL BECAUSE YOU CAN DIFFERENTIATE WHICH THINGS DON'T MATCH AND YOU CAN PUT IT IN ORDER SO THEY DO. THAT'S HOW EASY IT IS TO GET OVER THAT SKILL THRESHOLD. THAT'S WHY YOU SEE THE BANKSHOT MACHINES NOT BEING TAKEN OUT OF THE BARS IN THE STATE OF NEBRASKA. BE VERY CAREFUL ABOUT HOW YOU ARGUE THIS SKILL ISSUE BECAUSE, AS WE'VE SEEN FROM ALL OF THE COURT CASES, AND THERE ARE NUMEROUS ONES, POKER, ESPECIALLY COMMUNITY GAMES, TEXAS HOLD'EM, OMAHA HOLD'EM, WHICH IS A REAL GAME AND THEY PLAY, THOSE ARE GAMES OF SKILL. [LB619]

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PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR SCHILZ: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR SCHILZ. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. THIS JUST KEEPS GETTING MORE INTERESTING. WOULD SENATOR LARSON YIELD TO A QUESTION, PLEASE? [LB619]

PRESIDENT FOLEY: SENATOR LARSON, WILL YOU YIELD, PLEASE? [LB619]

SENATOR LARSON: YES. [LB619]

SENATOR BRASCH: SENATOR LARSON, YOU EXPLAINED THE GAME TO ME. BUT I WANT TO MAKE SURE OF ONE THING. WITH A DECK OF CARDS, ARE THOSE CARDS SHUFFLED? [LB619]

SENATOR LARSON: YES. [LB619]

SENATOR BRASCH: SO THERE IS CHANCE ON HOW THOSE CARDS WILL COME DELIVERED TO YOU. THE CARDS ARE NOT PREDETERMINED. IF THEY ARE, THEY'RE IN TROUBLE. CARDS HAVE NOT CHANGED, CORRECT? [LB619]

SENATOR LARSON: CORRECT. I'VE NEVER DENIED THERE IS AN ELEMENT OF CHANCE. [LB619]

SENATOR BRASCH: THERE IS AN ELEMENT OF CHANCE. THANK YOU. I HAVE NO OTHER QUESTIONS. SENATOR LARSON HAD ASKED, YOU KNOW, ABOUT OUR FARMING OPERATION. AND HE COMES FROM A RURAL DISTRICT. SO DOES SENATOR SCHILZ. AND MAYBE I'M MISSPEAKING, BUT I THINK THAT MY NEIGHBORS PROBABLY WOULDN'T APPRECIATE COMPARING A GAME OF POKER TO THEIR FARMING OPERATION. THERE IS SKILL. WE HAVE THE AG INSTITUTE. WE HAVE THE ANIMAL HUSBANDRY. WE HAVE DEPARTMENT OF AGRICULTURE. WE HAVE SCIENCES INVOLVED. WE HAVE CHEMICAL CERTIFICATION INVOLVED. THERE IS A LOT OF SKILL THAT IS INVOLVED. THE CHANCE THAT COMES IN IS

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TYPICALLY THROUGH AN ACT OF GOD OR INSECTS OR SOME OTHER BLIGHT. BUT SCIENCE IS WORKING VERY HARD TO MAKE THAT PREVENTED. SO TO CALL AGRICULTURE THE SAME AS A GAME OF CHANCE I BELIEVE IS AN ERROR. YOU WANT TO PLAY POKER. THAT'S THE BOTTOM LINE. THEY WANT TO PLAY POKER. AND THEY WANT TO WAGE MONEY WITH IT. AND THERE IS A HIGH POSSIBILITY THAT SOMEONE WILL BE THE WINNER AND THE MAJORITY WILL BE THE LOSER. I THINK SENATOR CHAMBERS QUOTED KENNY ROGERS' LYRICS ON YOU GOT TO KNOW WHEN TO HOLD 'EM, YOU GOT TO KNOW WHEN TO FOLD 'EM, WALK AWAY, AND RUN. SO POKER INVOLVES RUNNING, WALKING AWAY, HOLDING THEM, BECAUSE ONLY ONE PERSON WILL WIN. WITH THIS LEGISLATION, AS I UNDERSTAND IT THAT PEOPLE WITH LIQUOR LICENSES WILL BE ABLE TO HOLD POKER GAMES AT THEIR ESTABLISHMENTS, SO THAT IS EXPANDING POKER GAMES, I THINK, EXPANDING GAMBLING HERE. AGAIN, AGRICULTURE IS MEANT TO FEED THE WORLD, FEED THE COMMUNITY. PRODUCTS ARE MADE. NO, THE INTENT IS FOR THE GREATER GOOD AND SURVIVAL. YOU NEED WATER FOR AGRICULTURE. I MEAN THERE ARE CERTAIN ELEMENTS THAT WE DEPEND ON. WHEN PEOPLE ARE GAMBLING, MORE PEOPLE WALK AWAY LOST. MORE ADDICTIONS ARE INVOLVED POTENTIALLY. WHEN THE ATTORNEY GENERAL'S OFFICE MADE THIS OPINION, I BELIEVE THAT WE NEED TO LOOK AT IT LONG AND HARD AND DETERMINE, DOES NEBRASKA NEED AN EXPANSION OF GAMBLING? THIS IS NOT A SKILL WE ARE ADDING TO OUR RESUMES. THIS IS NOT A SKILL THAT WE ARE TURNING OUT IN OUR PUBLIC SCHOOLS OR OUR UNIVERSITIES. THIS INVOLVES A GAME AND A GAME OF CHANCE. SHOULD SOMEONE HAVE THE SKILL INTELLECTUALLY OR TO FIGURE OUT THE END RESULT, SO BE IT. BUT IT CAME BY CHANCE BECAUSE THOSE... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR BRASCH: ...CARDS WERE IN A DECK AND THEY WERE SHUFFLED. IT CAME TO THEM RANDOMLY. I DO RESPECT THIS BODY TO PLEASE THINK LONG AND HARD. DO WE NEED TO CONSIDER A CARD GAME AS A SKILL AND SAY THAT AGRICULTURE IS MORE CHANCE THAN SKILL? I THINK NOT. THANK YOU, MR. PRESIDENT. THANK YOU, COLLEAGUES. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR BRASCH. SENATOR CHAMBERS, YOU'RE RECOGNIZED. [LB619]

SENATOR CHAMBERS: MR. PRESIDENT, MEMBERS OF THE LEGISLATURE, THIS IS AN INTERESTING DISCUSSION, ESPECIALLY IN VIEW OF WHAT HAPPENED

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YESTERDAY. THERE ARE NOW PEOPLE TALKING ABOUT YOU OUGHT NOT DO THIS OR YOU OUGHT NOT CALL SOMETHING THAT, YET WE MOVED A BILL THAT CREATES AN OFFICIAL STATE DOCUMENT THAT CARRIES A LIE. THAT DOCUMENT SAYS YOU MUST ANSWER A CERTAIN QUESTION EITHER YES, NO, OR DECLINES TO ANSWER. YOU MUST CHECK ONE OF THOSE. AND IF YOU DON'T, YOU WON'T GET YOUR LICENSE. IF THAT WERE WHAT WOULD HAPPEN IT WOULD BE DRACONIAN, BUT AT LEAST YOU WOULD NOT BE MISLEADING THE PUBLIC. BUT THE FACT IS THAT WILL NOT HAPPEN. YOU WILL NOT BE DENIED YOUR LICENSE. YOU'LL GET IT ANYWAY. SO WHEN THE LEGISLATORS, INCLUDING SENATOR BRASCH, WILL AGREE THAT THAT KIND OF LIE, THAT MISREPRESENTATION SHOULD BE ENACTED BY THE LEGISLATURE KNOWINGLY, I'M PUZZLED WHY THEY OBJECT TO WHAT SENATOR LARSON IS TALKING ABOUT. I COULD NOT VOTE FOR SENATOR LARSON'S BILL ON THE BASIS OF POKER NOT BEING GAMBLING. POKER IS GAMBLING. I DON'T PLAY CARDS. BUT I'LL TELL YOU WHAT I DID IN MY YOUNGER DAYS WHEN I BROUGHT BILLS TO LEGALIZE SPORTS BETTING. WITH SPORTS BETTING, YOU HAVE A 50/50 CHANCE OF WINNING ON EVERY GAME. YOU DON'T HAVE ODDS THAT GOOD IN ANY OTHER FORM OF GAMBLING, CERTAINLY NOT HORSE RACING. AND YOU CAN CHOOSE THE TEAM THAT YOU WANT. AND SINCE THE BOOKIES WANT EVERY GAME BET UPON, IF A WEAK TEAM PLAYS A STRONG TEAM, THEN YOU HAVE TO GIVE THE WEAK TEAM A CERTAIN NUMBER OF POINTS TO BRING IT UP ON PAR WITH THE STRONG TEAM. SO IF THE SPREAD, AS THEY CALL IT, THE NUMBER THAT THE WINNING TEAM, THE STRONG TEAM, THE FAVORITE TEAM MUST WIN BY IS SEVEN, THAT MEANS THAT WHATEVER THAT SPREAD IS, IS THE NUMBER OF POINTS YOU ADD TO THE SCORE THAT THE WEAK TEAM ACTUALLY SCORES. BUT YOU CAN BET EITHER ON THE FAVORITE TEAM OR YOU CAN BET ON THE UNDERDOG. YOU CAN DO THAT. AND HERE'S WHERE THE SKILL COMES IN. AND I USED TO DO A SMALL AMOUNT OF WAGERING TO DEMONSTRATE SOMETHING. THERE ARE TWO WAYS TO LOOK AT SKILL: IN PLAYING THE GAME ITSELF OR WHERE WAGERING IS INVOLVED, KNOWING HOW TO BET AGAINST OTHER PEOPLE AND CALCULATING HOW OTHER PEOPLE ARE LIKELY TO WAGER ON THE GAME. WHEN NEBRASKA PLAYS, MOST NEBRASKANS BET ON NEBRASKA, WHATEVER THE ODDS. IN OKLAHOMA, MOST OF THE PEOPLE BET ON OKLAHOMA. SO THE BOOKIES HAVE A FORM OF REINSURANCE. IF I KNOW SENATOR FRIESEN IN OKLAHOMA, HE'S GOING TO GET A LOT OF MONEY BET ON OKLAHOMA, I'M GOING TO GET A LOT OF MONEY BET ON NEBRASKA WHEN THEY PLAY EACH OTHER. WE BOTH KNOW THAT IT DOESN'T MATTER WHICH TEAM WINS. WHAT WE WOULD LIKE TO HAVE IS AN EQUAL AMOUNT OF MONEY ON BOTH SIDES BECAUSE WE GET 10 PERCENT. [LB619]

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PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR CHAMBERS: THAT'S CALLED THE VIGORISH, THE ODDS, WHATEVER. THERE ARE DIFFERENT TERMS FOR THAT. SO I WILL TALK TO SENATOR FRIESEN AND WE LAY OFF BETS THAT WE HAVE WITH EACH OTHER UNTIL WE GET THINGS KIND OF BALANCED SO THAT, WHICHEVER TEAM WINS, WE'RE NOT GOING TO TAKE A BATH. BUT SINCE I'M A BOOKIE, I TAKE ALL THE BETS ON NEBRASKA THAT PEOPLE WANT TO GIVE ME. BUT IF TOO MANY BETS COME IN, THEN ON THE SHEET THAT I HAND OUT THAT PEOPLE ARE GOING TO USE TO BET WITH ME, I PUT A CIRCLE AROUND THE FAVORED TEAM. AND THAT MEANS YOU CAN BET THAT TEAM, YOU GET THE ODDS THAT ARE THERE, BUT YOU'RE LIMITED TO THE AMOUNT THAT YOU CAN BET ON THE TEAM. SO BOOKIES LOOK AT IT AS A BUSINESS. AND THEY WANT TO HEDGE EVERYTHING THAT THEY DO BECAUSE THEY DON'T WANT TO LOSE. THEY WANT TO GET THEIR 10 PERCENT. AND THEY DON'T CARE WHICH TEAM WINS. THAT'S HOW THEY CAN BE BOOKIES. THEY DON'T GET INVOLVED. BUT IF A BOOKIE ONCE... [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR CHAMBERS: ...STARTS TO BET, HE OR SHE IS THROUGH. DID YOU SAY TIME? [LB619]

PRESIDENT FOLEY: YES, I DID, SENATOR. [LB619]

SENATOR CHAMBERS: OKAY. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR CHAMBERS. SENATOR RIEPE, YOU'RE RECOGNIZED. [LB619]

SENATOR RIEPE: THANK YOU, MR. PRESIDENT AND FELLOW SENATORS. I HAVE A FEW QUESTIONS THAT I WOULD ASK SENATOR LARSON TO YIELD TO. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, WOULD YOU YIELD, PLEASE? [LB619]

SENATOR LARSON: FOR SENATOR RIEPE, OF COURSE. [LB619]

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SENATOR RIEPE: THANK YOU. THE QUESTION I HAVE ON THE LICENSURE, IS THAT LIMITED TO THOSE THAT HAVE A LIQUOR LICENSE? [LB619]

SENATOR LARSON: YES. WE TIED THIS IN THROUGH THE LIQUOR CONTROL COMMISSION KIND OF THE SAME WAY WE TIED IN CIGAR BARS INTO TO THE LIQUOR CONTROL FOR A NUMBER OF REASONS. I KNOW THE OPPONENTS TO THIS--SPECIFICALLY GAMBLING WITH THE GOOD LIFE--SAY THAT THERE'S 5,700 LIQUOR LICENSES AND THERE'S GOING TO BE 5,700 POKER HALLS ACROSS THE STATE. WELL, REALLY WE HEARD THE SAME ARGUMENTS BEFORE WITH CIGAR BARS. THERE IS GOING TO BE A CIGAR BAR ON EVERY CORNER. WELL, THERE IS 11 OF THEM. WE HAVE PUT A NUMBER OF PROTECTIONS IN THIS TO ENSURE THAT ACTUALLY TO HOST ONE OF THESE, THE COST OF DOING BUSINESS TO DO IT WILL TAKE A SIGNIFICANT INVESTMENT, JUST LIKE WE DID WITH THE CIGAR BARS. AND THE REASON WE TIED IT INTO THE LIQUOR LICENSES IS FOR A NUMBER OF REASONS. MOST OF THE TIME WE WANT...ESSENTIALLY, WE WANTED TO ENSURE THAT THIS WAS BEING REGULATED AND TAXED THE WAY THAT WE WANTED IT TO. AND THE BEST WAY WE FELT TO DO THAT WAS TO TIE IT TO THE LIQUOR LICENSES BECAUSE IF AN ESTABLISHMENT HAD INVESTED IN ALL OF THIS INFRASTRUCTURE WE WANTED TO ENSURE THAT, IF THEY WEREN'T COMPLYING WITH THE STATE REGULATIONS, WE HAD A HAMMER TO COME BACK AND TAKE SOMETHING AWAY FROM THEM. AND WE FELT THE LIQUOR LICENSE WAS THE BEST THING TO DO THAT. NOW, ADMITTEDLY, YOU DON'T NECESSARILY HAVE TO SERVE ALCOHOL WITH A LIQUOR LICENSE. YOU...THERE IS THE POSSIBILITY THAT IF SOMEONE JUST WANTED TO SET UP A POKER ROOM AND FOLLOW ALL THE GUIDELINES, THEY WOULD STILL HAVE TO APPLY FOR THE LIQUOR LICENSE AND STILL HAVE TO GO THROUGH THAT PROCESS THAT WE'VE SET UP, BUT THEY DON'T NECESSARILY HAVE TO SERVE ALCOHOL. THAT WILL BE THEIR CHOICE AND THEIR CHOICE AS A BUSINESS ESTABLISHMENT IF THEY WANT TO DO THAT. BUT FOR ENFORCEMENT AND MECHANISMS AND JUST CURRENT INFRASTRUCTURE WE FELT THAT THE LIQUOR LICENSE WAS THE BEST PLACE GIVEN THAT WE'VE DONE THAT WITH, AS I SAID, THINGS LIKE THE CIGAR BAR ENDORSEMENT AS WELL. [LB619]

SENATOR RIEPE: OKAY, THANK YOU. I HAVE ANOTHER FOLLOW-UP QUESTION, IF I MAY. THAT WOULD BE, DO YOU SEE POKER HALLS--IF I MAY USE THAT TERM-- AND ALSO IN COMBINATION WITH CIGAR BARS AND KENO PARLORS? I MEAN, DOES THIS BECOME FAIRLY SUBSTANTIAL OPERATIONS IN YOUR VISION? [LB619]

SENATOR LARSON: I THINK THAT ANY BUSINESS WOULD HAVE THE OPPORTUNITY TO, IF THEY WANTED TO, HAVE THE INVESTMENT, THE

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SIGNIFICANT INVESTMENT IN A CIGAR BAR. I DON'T KNOW IF YOU'VE BEEN TO ANY OF THE CIGAR BARS THAT WE'VE LEGALIZED IN THE STATE. THERE'S A... [LB619]

SENATOR RIEPE: I DON'T HANG AROUND BILL KINTNER SO, YOU KNOW,... [LB619]

SENATOR LARSON: THAT'S NOT A BAD THING, SO... [LB619]

SENATOR RIEPE: YEAH. [LB619]

SENATOR LARSON: (LAUGH) SORRY, BILL. [LB619]

SENATOR RIEPE: GO AHEAD, YES. [LB619]

SENATOR LARSON: THERE'S A SIGNIFICANT INVESTMENT IN CIGAR BARS. AND THERE WILL BE A SIGNIFICANT INVESTMENT IN WHAT YOU TERM A POKER HALL BECAUSE THERE HAS TO BE A CAMERA ON EACH TABLE AT ALL TIMES. THERE HAS TO BE A LICENSED DEALER AT ALL TIMES. NOW THE SPECIAL DESIGNATED TOURNAMENTS--SENATOR BLOOMFIELD ASKED ME A QUESTION EARLIER-- THOSE DON'T REQUIRE LICENSED DEALERS BECAUSE THEY'RE MORE NONPROFITS. AND SO THOSE TOURNAMENTS DON'T. THE BIG TOURNAMENTS DO BUT...AND CASH GAMES DO IS MY...IS HOW I THINK WE HAVE IT WRITTEN IN HERE. [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: SO, YOU KNOW, IF A BAR WANTS TO HAVE A POKER ENDORSEMENT, A CIGAR BAR ENDORSEMENT, AND WANTS DO THE KENO, LIKE, YEAH, THEY WOULD BE ABLE TO DO ALL OF THOSE THINGS UNDER THIS CONCEPT. AGAIN, LIKE I SAID, WE HEARD THE FEAR MONGERING WHEN WE FIRST PASSED CIGAR BARS. THERE WAS GOING TO BE A CIGAR BAR ON EVERY CORNER. THERE'S 11 AND THAT'S BECAUSE OF THE INVESTMENT IT TAKES TO HAPPEN. WE FRAMED THIS THE SAME WAY. [LB619]

SENATOR RIEPE: OKAY. [LB619]

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SENATOR LARSON: WE...THERE WILL HAVE TO BE A SIGNIFICANT INVESTMENT IF YOU WANT TO HOST CASH GAMES. [LB619]

SENATOR RIEPE: IF I MAY, IF MY CHURCH, A NOT FOR PROFIT, OR A HOSPITAL THAT WOULD BE A NOT FOR PROFIT, ARE THEY ABLE TO SET UP MAYBE IN THEIR BASEMENT A CIGAR BAR WITH A LIQUOR LICENSE IF THEY CHOOSE? [LB619]

SENATOR LARSON: NOT A CIGAR BAR IN THEIR BASEMENT PROBABLY BECAUSE THEY'RE GOING TO REQUIRE A HUMIDIFIER, THEY'RE GOING TO...OR A HUMIDOR, NOT A HUMIDIFIER, A HUMIDOR AND A NUMBER OF OTHER THINGS THAT WE OUTLINED IN THE CIGAR BAR BILL. [LB619]

PRESIDENT FOLEY: TIME. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATORS RIEPE AND LARSON. SENATOR HUGHES, YOU'RE RECOGNIZED. [LB619]

SENATOR HUGHES: THANK YOU, MR. PRESIDENT. I WOULD LIKE TO FINISH MY STORY ABOUT THE EXPANDED GAMBLING. AT THE MEETING I WAS AT THIS MORNING, A PERSON WHO IS INVOLVED WITH SOMEONE WITH THE ORGANIZATION THAT BENEFITS FROM THE SALE OF POWERBALLS ENCOURAGED THE WHOLE GROUP TO GO OUT AND BUY A TICKET. YOU KNOW? IN THE STATE OF NEBRASKA, WE LOVE TO GAMBLE AND THERE ARE GOOD THINGS THAT COME FROM THE REVENUE DERIVED FROM GAMBLING. AS TO HOW EVIL IT IS, YOU KNOW, THE SALE OF CIGARETTES AND ALCOHOL IN THE STATE OF NEBRASKA IS ANOTHER EXAMPLE OF A VICE, IF THAT'S WHAT YOU WANT TO CALL IT, THAT WE DERIVE REVENUE FROM TO FUND ISSUES IN THE STATE OF NEBRASKA. CIGARETTES AND ALCOHOL PROBABLY RUIN MORE LIVES THAN EXPANDED GAMBLING WOULD OR GAMBLING WOULD IN ANY CASE. SO LET'S BE A LITTLE REALISTIC HERE ABOUT WHAT WE'RE TALKING ABOUT. TO ALLOW A FEW POKER GAMES THAT ARE IN ADDITION TO THE ONES THAT ARE ALREADY GOING ON NOW IS PROBABLY NOT GOING TO RUIN THE STATE. WE'RE HUMAN. WE HAVE VICES. WE HAVE...THAT'S WHY A LOT OF PEOPLE WORK AT THEIR JOB IS SO THEY HAVE MONEY FOR ENTERTAINMENT. I WOULD LIKE TO YIELD THE REST OF MY TIME TO SENATOR LARSON. [LB619]

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PRESIDENT FOLEY: SENATOR LARSON, 3:30. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. WE'VE HAD A LOT OF CONVERSATIONS ABOUT, YOU KNOW, COMPARING IT TO SOMETHING SUCH AS AGRICULTURE OR THE DEFINITION OF A SKILL, WHAT IS PREDOMINANTLY SKILL? AND SENATOR BRASCH ASKED ME THE QUESTION AT THE VERY END, YOU KNOW, THERE'S THAT RANDOM CHANCE OF CARDS. YES. SHE IS RIGHT. THERE'S A RANDOM CHANCE. IN COMMUNITY CARD GAMES I'M GOING TO BE DEALT TWO CARDS IN TEXAS HOLD'EM, FOUR IN OMAHA. THERE IS A CHANCE AND THERE IS AN ELEMENT OF CHANCE. BUT THAT IS NOT WHAT TRULY MATTERS IN THIS INSTANCE. WHAT TRULY MATTERS IS IF THERE'S A PREDOMINANCE OF SKILL. THAT MEANS 50.1 PERCENT SKILL. AND IF THERE IS THAT 50.1 PERCENT SKILL, THEN THIS GAME IS ALREADY CONSTITUTIONAL. IF YOU BELIEVE THAT THOSE TWO CARDS CONSTITUTE MORE THAN 50.1 PERCENT THEN, OKAY, YOU CAN MAKE THAT ARGUMENT THAT IT'S EXPANDED GAMBLING. YOU'D BE GOING AGAINST MATH, STATISTICS, AND EVERY COURT DECISION THAT'S HAPPENED IN THE UNITED STATES THUS FAR, BUT YOU CAN DO THAT. AND I WOULD CONTINUE TO SAY, AS COMMUNITY CARD GAMES ROLL, WE WILL CONTINUE TO SEE COURTS RULE THEM PREDOMINANTLY SKILL. I WOULD ALSO SAY SENATOR BRASCH TALKS ABOUT HOW THEY TAKE IT VERY CONSERVATIVE. THEY DON'T SELL THE FUTURES. THAT'S A RISK IN OF ITSELF. THEY HEDGE BY BUYING THE INSURANCE. THAT'S A RISK. IN CARD GAMES, SPECIFICALLY COMMUNITY CARD POKER GAMES, I GET TO LOOK AT EVERYTHING THAT'S LAID OUT, THAT ELEMENT OF CHANCE THAT I HAVE IN MY HAND, THOSE TWO CARDS IN THE CASE OF TEXAS HOLD'EM, YES. BUT I CAN TAKE THOSE TWO CARDS, I CAN LOOK AT THEM. I CAN LOOK AT THE FIVE CARDS ON THE TABLE OR, AS WE MOVE THROUGH IT,... [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...ALL THE CARDS ON THE TABLE, DECIDE TO CONTINUE ON IN THE HAND OR FOLD IN THE HAND, WHICH IS MY SKILL. THAT'S A SKILL OF MINE, WHETHER OR NOT I WANT TO STAY IN THE HAND. BUT AT THE END, I CAN MATHEMATICALLY CALCULATE WHETHER THERE IS ANY HAND OR ANY OTHER PLAYER AT THE TABLE CAN BEAT ME. I CAN DO THAT. SO HOW IS IT BETTING IF I KNOW I CAN'T BE BEAT? IF I KNOW I CANNOT BE BEAT MATHEMATICALLY, HOW IS THAT A GAME OF SKILL WHEN I MAKE THAT BET? YOU ARE NOT PLAYING THE CARDS. YOU'RE PLAYING OTHER PLAYERS. I HAVE TO DECIDE WHERE THEY ARE, HOW MUCH THEY'RE BETTING, IS IT WORTH IT TO CONTINUE...ME TO CONTINUE

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ON? AND EVERY COURT THAT HAS HEARD THIS ISSUE HAS CALLED THIS A GAME OF SKILL OR PREDOMINANTLY A GAME OR SKILL. [LB619]

PRESIDENT FOLEY: TIME. [LB619]

SENATOR LARSON: WHAT MAKES US THINK... [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR LARSON. SENATOR CHAMBERS, YOU'RE RECOGNIZED. SENATOR CHAMBERS. [LB619]

SENATOR CHAMBERS: THANK YOU. MR. PRESIDENT, MEMBERS OF THE LEGISLATURE, I'M GOING TO FINISH TALKING ABOUT SPORTS BETTING. BUT FIRST, I WANT TO TELL SOMETHING TO YOU ALL THAT IS PUZZLING TO ME WHY YOU ALL HAVEN'T MENTIONED IT. YOU HEARD SENATOR SCHILZ TELL YOU THAT IF YOU IMBIBE, IN OTHER WORDS IF YOU DRINK AND GET LIQUORED UP, YOU'RE NOT GOING TO DO VERY WELL. SO IF YOU ALL ARE TRYING TO DO SOMETHING THAT IS PROPER, WHETHER IT'S GAMBLING OR NOT, YOU'RE GOING TO LET THE LICENSE BE IN THE PLACE WHERE PEOPLE GET LIQUORED UP AND I'M THE LIQUOR DEALER AND I CAN MAKE A DEAL THAT I WILL, WHEN THESE PEOPLE COME IN HERE, I'M GOING TO GIVE THEM FREE DRINKS AND GET THEM LIQUORED UP. AND DON'T YOU DRINK. THESE ARE THE PIGEONS AND YOU'RE GOING TO GET THEM AND TAKE ALL THEIR MONEY. NOW WHAT KIND OF STUFF IS THAT? THAT'S WHAT YOU'RE TALKING ABOUT AND IT'S SOMETHING THAT MAKES NO SENSE TO ME. I'D RATHER SEE YOU ALLOW CHURCHES TO HAVE THE POKER GAMES. I'M NOT ANTICATHOLIC, ALTHOUGH SOME PEOPLE THINK I AM. BUT WHEN I'D BE DRIVING THROUGH OMAHA, AND I GO OUT 13th STREET AND I SEE ALL OF THESE CATHOLIC CHURCHES, DRIVE UP 52nd AND I'D SEE SOME CATHOLIC CHURCHES UP THERE, AND THEY HAVE THIS BIG SIGN--BINGO--I THOUGHT THAT...I THOUGHT BINGO WAS A CATHOLIC SAINT. AND THEN WHEN PEOPLE TOLD ME IT'S A BINGO GAME, I SAID, YOU MEAN THEY GAMBLE IN CHURCH? SO GAMBLING IS GOING ON EVERYWHERE. IT JUST DEPENDS ON WHO IS DOING THE GAMBLING AND THE TYPE OF GAMBLING THEY WANT TO DO. AND THE ONLY REASON SOME FORMS OF GAMBLING IN THIS STATE ARE LEGAL AND OTHERS ARE NOT IS BECAUSE THE CONSTITUTION HAS CARVED OUT THOSE THAT THE RELIGIOUS PEOPLE, THE CHURCHES, THE SO-CALLED NONPROFITS,

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AND THE GOOD PEOPLE WANT TO DO. BUT GAMBLING IS GAMBLING IS GAMBLING. THERE IS NOT SKILL OF THE KIND SENATOR LARSON IS TALKING ABOUT. YOU HAVE TO STUDY HUMAN NATURE. AND THE SKILL IS IN BEING ABLE TO READ PEOPLE. THAT'S WHERE THE TERM "POKER FACE" COMES FROM. YOU TRY, TO THE BEST OF YOUR ABILITY, TO NOT GIVE AWAY BY YOUR EXPRESSION WHAT YOU MIGHT HAVE IN YOUR HAND. SO A POKER FACE DOES NOT MEAN THAT YOU SIT THERE STOICALLY WITH NO EXPRESSION. YOU LEARN HOW TO GIVE CLUES THAT SOMEBODY WOULD SHOW IF THEY'VE GOT A POOR HAND. AND THEN THEY THINK, YOU'RE NOT DOING SO WELL. SO YOU'RE NOT THE ONE I HAVE TO WORRY ABOUT BECAUSE I'VE READ YOU. BUT, NO, YOU DIDN'T, BECAUSE I FLEW A FALSE FLAG. THERE ARE SO MANY THINGS IN GAMBLING AND ALL OF THEM ARE BASED ON CHICANERY, TRICKERY, AND RIGGING EVERY GAME. AND WHEN YOU HAVE A GAME WHERE ONE PERSON WINS ALL THE TIME, THAT PERSON IS NOT GAMBLING. THAT PERSON IS CHEATING. I DON'T CARE WHAT SENATOR HUGHES, I DON'T CARE WHAT SENATOR SCHILZ, I DON'T CARE WHAT SENATOR LARSON SAYS. LET ME ASK SENATOR LARSON A QUESTION IF HE WILL ANSWER. [LB619]

PRESIDENT FOLEY: SENATOR LARSON, WOULD YOU YIELD, PLEASE? [LB619]

SENATOR LARSON: CAN I ASK YOU ONE AS WELL? [LB619]

SENATOR CHAMBERS: SENATOR LARSON, HOW MUCH GAMBLING HAVE YOU DONE? DO YOU CONSIDER YOURSELF A GAMBLER? [LB619]

SENATOR LARSON: I GAMBLE EVERY DAY ON A NUMBER OF THINGS,... [LB619]

SENATOR CHAMBERS: NOW I'M TALK... [LB619]

SENATOR LARSON: ...WHETHER THAT'S ON... [LB619]

SENATOR CHAMBERS: NEVER MIND. HE'S NOT GOING TO ANSWER. WHEN I TALK ABOUT GAMBLING, MEMBERS OF THE LEGISLATURE, I DON'T MEAN THE ORDINARY RISKS THAT MIGHT BE ENTAILED IN GOING FROM YOUR HOUSE TO THE GROCERY STORE. YOU COULD GET RUN OVER BY A CAR, YOU COULD FALL OFF THE CURB. WHEN THEY BRING THAT UP, IT SHOWS THEY DON'T HAVE A RATIONAL ARGUMENT BECAUSE EVERYTHING THAT YOU DO INVOLVES SOME RISK. I'M LOOKING AT SENATOR MELLO OVER THERE DOWN ON ONE KNEE AND

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HE'S GOT HIS BENT LEG IN SUCH A POSITION THAT WHEN HE STANDS UP HE RUNS THE RISK OF THROWING HIS KNEE OUT OF JOINT. IS THAT GAMBLING? THEY BRING UP SOMETHING LIKE THAT AND SAY, SEE, YOU'RE GAMBLING ON EVERYTHING. [LB619]

PRESIDENT FOLEY: ONE MINUTE. [LB619]

SENATOR CHAMBERS: WE ALL KNOW THAT'S NOT WHAT WE'RE TALKING ABOUT. BUT YOU KNOW WHY I DON'T CONDEMN SENATOR LARSON FOR THAT? BECAUSE I KNOW WHAT YOU ALL DID YESTERDAY. BUT YOU WERE DEALING WITH SOMETHING FAR WORSE BECAUSE YOU WERE DEALING WITH THE LEGISLATURE HOODWINKING THE PUBLIC AND PUTTING SOMETHING THAT WAS A LIE ON AN OFFICIAL DOCUMENT. AND YOU TALK ABOUT TRANSPARENCY. THE DIFFERENCE BETWEEN ME AND ALL OF YOU, THOSE OF YOU WHO ARE OPPOSED TO WHAT SENATOR LARSON IS DOING AND THOSE WHO FAVOR IT, IS THAT I CALL IT WHAT IT IS. IT'S GAMBLING. WHEN YOU PLAY THE STOCK MARKET, YOU ARE GAMBLING. BUT THE RIGHT PEOPLE KNOW HOW TO DO. AND THE ONLY REASON THEY MAKE INSIDER TRADING A CRIME IS BECAUSE NOT EVERYBODY IS ON THE SAME BASIS AND THEY'RE GIVEN SIX ACES IN A GAME WHERE YOU'RE SUPPOSED TO ONLY HAVE FOUR. [LB619]

PRESIDENT FOLEY: TIME, SENATOR. [LB619]

SENATOR CHAMBERS: THANK YOU, MR. PRESIDENT. [LB619]

PRESIDENT FOLEY: THANK YOU, SENATOR CHAMBERS. SENATOR BRASCH, YOU'RE RECOGNIZED, AND THIS IS YOUR THIRD OPPORTUNITY AT THIS LEVEL OF DEBATE, SENATOR. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT. THANK YOU ONCE AGAIN, COLLEAGUES. I HAVE STOOD HERE THREE TIMES NOW TO SAY THAT THIS GAME OF CARDS IS CHANCE BECAUSE OF BETTING, BECAUSE OF THE RANDOM ORDER THAT THE CARDS COME TO YOU, BECAUSE OF THE CHANCE OF WHO IS SITTING AT THE TABLE, IF THEY HAVE THE SAME LEVEL OF CARDS THAT WERE RANDOMLY GIVEN TO THEM. IT'S JUST REALLY CURIOUS TO ME HOW WE ARE HAMMERING AND HAMMERING ON, BUT, MOM, IT'S FUN; I WANT TO DO THIS. NOW WE'RE OF THE CULTURE OF, YOU KNOW, LET'S ENTERTAIN, ENTERTAINMENT AT ALL COSTS. I THINK, AS A BODY, WE LOOK AT CONSEQUENCES AS WELL. WE LOOK AT OUTCOMES. TO THE BEST OF OUR

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ABILITY, WE TRY TO OFFER PROTECTION. AND WE LOOK AT THOSE WHO HAVE SUFFERED FROM MISFORTUNE. IT'S VERY SAD IN THE LEGISLATURE WHEN WE TRY TO SAY, BECAUSE AGRICULTURE IS OKAY AND THERE'S RISK, IT'S OKAY TO SIT DOWN AT A CARD GAME AND TAKE THE RISK. AGRICULTURE AND A CARD GAME ARE TWO ENTIRELY DIFFERENT THINGS, APPLES AND ORANGES. WE'RE JUST TRYING TO MAKE IT SOUND GOOD. WE'RE TRYING TO MAKE IT SOUND GOOD BY SAYING IT'S OKAY TO GO IN A PLACE THAT HAS A LIQUOR LICENSE AND GET INDIVIDUALS, WHO CAN NO LONGER CONTROL THEIR CARDS, TO LOSE MONEY. A COUPLE OF YEARS AGO I WENT TO A MEETING, A SYMPOSIUM, THAT HAD SENATORS FROM NEVADA. AND I SAT DOWN TO VISIT WITH THEM, BECAUSE GAMING, EXPANDING GAMING KEEPS COMING BACK. AND THEY SAID, HEAVENS, WE MAKE OUR MONEY ON TOURISM. THE MORE GAMBLING YOU HAVE, THE MORE ISSUES YOU HAVE, THE MORE BROKEN HOMES YOU HAVE, THE MORE ADDICTION YOU HAVE. I MEAN THEY WENT DOWN...BUT THE TOURISM MONEY IS GREAT. I DON'T THINK NEBRASKANS ARE GOING TO LEAVE THE STATE BECAUSE THEY CAN'T PLAY A FORM OF POKER THAT WILL TAKE A HIGHER RISK OF THEIR HARD-EARNED WAGES. WHEN I WORKED AT THE REVENUE DEPARTMENT, WE HAD A TAX COMMISSIONER AND HIS NAME WAS FRED HERRINGTON, AND HE ALWAYS JOKED THAT LAS VEGAS WAS CALLED LOST WAGES. WE DON'T WANT NEBRASKA TO BE THE LOST WAGES STATE. WE FOUGHT VERY HARD, LEGISLATURE AFTER LEGISLATURE, TO PROTECT THE INTEGRITY, OUR VALUES, OUR CORE SYSTEM OF GET A GOOD EDUCATION, WORK HARD, GET A TRADE, A SKILL, AND YOU CAN PROVIDE FOR YOURSELF, YOU CAN PROVIDE FOR ENTERTAINMENT BUT ENTERTAINMENT THAT DOES NOT TEAR DOWN THE CORE OF OUR GREAT NAME AND GREAT STATE. WE'RE GOING INTO VERY DANGEROUS TERRITORY HERE BY SLOWLY BUT SURELY PEELING AWAY THAT WHICH MAKES US GREAT. SENATORS, IF YOU FEEL THAT THIS IS SOMETHING THAT IS GOING TO MAKE YOUR LIFE BETTER, I'M STILL NOT SOLD. I THINK THIS IS CHANCE. I'M NOT WILLING TO BET NEBRASKA'S FUTURE... [LB619]

SPEAKER HADLEY PRESIDING

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR BRASCH: ...ON EXPANDING GAMBLING. WE HAVE A GOOD LIFE. WE HAVE THINGS WE ARE WORKING ON TO MAKE IT BETTER. SO BEFORE WE MOVE FORWARD AND ALLOW LIQUOR ESTABLISHMENTS OR START CALLING SKILLS CHANCE AND CHANCE SKILLS, I THINK THOSE ARE TWO DIFFERENT MIND-SETS. SKILL CAN BE DEFINED DIFFERENTLY, BUT NOT BY RANDOM OUTCOMES, RANDOMLY WHO YOU PLAY WITH. THE EXPRESSION "THEY WERE DEALT BAD

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CARDS" IS AN EXPRESSION OF MISFORTUNE. THIS IS NOT ANYTHING NEW. THIS KEEPS COMING BACK. AND I THINK WE NEED TO STAND STEADFAST IN NEBRASKA AND KNOW WHAT DOES INCREASE ECONOMIC DEVELOPMENT, WHAT CAN INCREASE WAGES, YOU KNOW, WHAT CAN WE DO TO MOVE OURSELVES FORWARD AND NOT FALL BACKWARDS. [LB619]

SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR BRASCH. MR. CLERK FOR ANNOUNCEMENTS. [LB619]

ASSISTANT CLERK: MR. PRESIDENT, THANK YOU. FIRST OF ALL, NEW BILLS. (READ LB936-947 BY TITLE FOR THE FIRST TIME.) IN ADDITION TO THAT, NEW RESOLUTION: LR404 BY SENATOR KINTNER, THAT WILL BE LAID OVER. NOTICE OF COMMITTEE HEARING FROM HEALTH AND HUMAN SERVICES, NATURAL RESOURCES, AND RETIREMENT SYSTEMS. (LEGISLATIVE JOURNAL PAGES 268-271.) [LB936 LB937 LB938 LB939 LB940 LB941 LB942 LB943 LB944 LB945 LB946 LB947 LR404]

RETURNING THEN TO LB619, I HAVE A PRIORITY MOTION. SENATOR CHAMBERS WOULD MOVE TO BRACKET THE BILL UNTIL APRIL 19. [LB619]

SPEAKER HADLEY: SENATOR CHAMBERS, YOU'RE RECOGNIZED TO OPEN ON YOUR BRACKET MOTION. [LB619]

SENATOR CHAMBERS: THANK YOU, MR. PRESIDENT. AFTER I MAKE MY OPENING, I'M GOING TO PULL THAT MOTION. BUT I WANT THE OPPORTUNITY TO SPEAK. SENATOR BRASCH, OF ALL PEOPLE, STANDS UP HERE AND SAY THAT SOMETHING IS WRONG WHEN YOU WANT TO SAY THAT CHANCE IS SKILL AND SKILL IS CHANCE. YET SHE VOTED YESTERDAY THAT A LIE IS THE TRUTH. AND I THINK HER VOTING THAT A LIE IS THE TRUTH IS WORSE THAN SOMEBODY SAYING THIS IS SKILL RATHER THAN CHANCE, WHERE THERE REALLY IS A QUESTION ABOUT IT. BUT I DON'T KNOW OF ANY MORAL CODE ON THIS PLANET, WHETHER IT'S BASED ON RELIGION, ETHICS, OR PHILOSOPHY, WHICH JUSTIFIES A LIE. LIES ARE UNIVERSALLY CONDEMNED. BUT THIS LEGISLATURE VOTED A LIE. I CALL WHAT SENATOR LARSON IS TRYING TO DO GAMBLING. HE SAYS IT'S NOT. THE ENTITY

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THAT WILL DETERMINE ULTIMATELY IS THE STATE SUPREME COURT. WHAT I WOULD SUGGEST TO SENATOR LARSON IS TO HAVE SOMEBODY START A POKER GAME AND GET A FRIENDLY COP TO RAID IT. THEN WHEN YOU GO TO COURT AND YOU'RE CHARGED WITH GAMBLING, THEN YOU RAISE THE CONSTITUTIONAL QUESTION THAT GAMBLING FALLS WITHIN THE REALM OF THAT TYPE OF GAMBLING WHICH IS LEGAL. SEE, HE'S SAYING IT'S SKILL, NOT GAMBLING. THE TRUTH IS THAT IT'S GAMBLING BUT IT'S NOT THE KIND OF GAMBLING THAT IS APPROVED OF BY THE CONSTITUTION OF THIS STATE. MORALITY HAS NOTHING TO DO WITH IT. IF SENATOR...I DON'T KNOW WHETHER SENATOR BRASCH IS A CATHOLIC, BUT IF SHE'S A CATHOLIC, GAMBLING GOES ON IN HER CHURCHES. THAT'S GAMBLING. ALL OF THOSE THINGS ARE GAMBLING. MORALITY HAS NOTHING WHATSOEVER TO DO WITH IT. THE LEGISLATURE IS BEING ASKED TO VOTE WHAT I CONSIDER A LIE HERE TODAY. THE LEGISLATURE IS BEING ASKED TO SAY THAT GAMBLING IS NOT GAMBLING. IF HE HAD PHRASED IT DIFFERENTLY, I COULD VOTE FOR THE BILL TO SHOW YOU ALL THAT I KNOW WHAT I'M TALKING ABOUT IN GUESSING WHAT THE SUPREME COURT WILL DO. I'D LAY LONG ODDS ON THAT. THAT IN ORDER FOR...IF YOU WERE BETTING WITH ME ON IT, IN ORDER TO WIN \$10 FROM ME, ALL YOU'D HAVE TO PUT UP IS A NICKEL, BECAUSE YOU'RE GOING TO LOSE, IN MY OPINION. SO IF I GAVE YOU ODDS OF A MILLION TO ONE, IT DOESN'T MATTER. I BET SENATOR MURANTE \$1 MILLION AGAINST \$1 THAT NONE OF THOSE PEOPLE ON THIS FLOOR RUNNING FOR GOVERNOR WOULD HAVE A CHANCE TO WIN, INCLUDING SENATOR McCOY, WHO WAS GIVEN HUNDREDS OF THOUSANDS OF DOLLARS BY A GUY WHO IS PURCHASING WHATEVER HE'S PURCHASING, AND HE GOT BEAT ANYWAY. AND SENATOR McCOY NEVER FORGAVE ME FOR SAYING THAT I COULD LOSE THE GOVERNORSHIP FOR A LOT LESS MONEY THAN WHAT SENATOR McCOY IS GOING TO LOSE IT FOR. AND I WAS RIGHT. AND HE NEVER GOT OVER IT, POOR FELLOW, JUST LIKE THESE PEOPLE RUNNING FOR PRESIDENT. BUT I WAS ASKED TO TELL WHAT THE ODDS SHOULD BE ON THIS BILL PASSING. AND I LAID THE ODDS AT 3-1. BUT HERE'S WHAT YOU HAVE TO ASK: AM I SAYING THAT YOU BET \$3 TO WIN \$1...TO WIN \$1 THAT IT WILL PASS; OR THE OTHER WAY, \$3 TO \$1 THAT IT WON'T PASS? SO WHEN SOME PEOPLE SAY THE ODDS, IF YOU'RE IN A PLACE WHERE, DEPENDING ON WHICH OF THOSE NUMBERS IS FIRST, LIKE 3-1 OR 1-3, WHAT THEY MEAN YOU'RE BETTING ON. DO YOU MEAN THAT IF I'M BETTING TO WIN, I HAVE TO BET \$3 TO WIN \$1? OR I BET \$1 TO WIN \$3? BE SURE YOU KNOW WHAT YOU'RE BETTING. BE SURE YOU KNOW THE GAME AND THE RULES OF THE GAME. OTHERWISE, YOU'RE A SUCKER AND YOU'RE GOING TO LOSE EVERY TIME. AND I DIDN'T EXPLAIN WHAT...THIS THING ABOUT THE BOOKIES. IF YOU BET...IF YOU WANT TO LAY \$100 BET ON ANY EITHER TEAM, YOU BET \$110. THE \$10 IS THE VIGORISH, THE JUICE, OR THE 10 PERCENT THAT

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THE BOOKIE IS GOING TO GET PROVIDED THINGS GO WELL FOR THE BOOKIE. SO I WANT SENATOR BLOOMFIELD TO BET \$110 ON ONE SIDE, I WANT SENATOR SCHEER TO BET \$110 ON THE OTHER. IF SENATOR SCHEER WINS, HE GETS HIS \$110 BACK. HE GETS THE \$100 THAT HE WON, AND I KEEP THE \$10 THAT WAS \$10 MORE THAN WHAT SENATOR BLOOMFIELD WAS GOING TO WIN. THAT'S WHERE THE BOOKIE GETS THE \$10 AND THAT'S WHY THE BOOKIE WANTS THE BETS TO BE EXACTLY THE SAME ON EACH SIDE. AND ALL THAT HAPPENS IS THAT THE MONEY RUNS EITHER FROM THIS SIDE TO THAT SIDE, OR IT RUNS FROM THAT SIDE TO THIS SIDE, AND THE BOOKIE GETS \$10 OR 10 PERCENT, AND THE BOOKIE DOESN'T CARE FROM WHICH ONE HE OR SHE GETS THE 10 PERCENT. THERE'S SKILL IN ALL GAMBLING. THERE IS SKILL, EXCEPT WHEN YOU'RE BETTING IN THIS POWERBALL. THE SKILL INVOLVED THERE IS TO NOT BET AT ALL. SO WHAT I WOULD LIKE TO DO, IF I USE THE INTERNET, IS PUT SOMETHING ON THERE AND SAY ALL OF YOU ALL WHO ARE GOING TO BET ON POWERBALL, DON'T BET IT; SEND IT TO ME AND I WILL GIVE ALL THE MONEY YOU SEND TO ME TO ST. JUDE'S CHILDREN'S HOSPITAL, AND YOU'LL DO SOMETHING GOOD BECAUSE YOU WEREN'T GOING TO WIN ANYWAY. AND YOUR \$2 OR WHATEVER YOU'RE GOING TO BET WOULDN'T DO ANYTHING. BUT IF YOU GET ENOUGH IN MY HANDS AND I ASSURE YOU I WILL DOCUMENT WHERE THAT MONEY IS GOING. I SEE CHICANERY ON THIS FLOOR ALL THE TIME. AND I TOLD YOU THERE WOULD BE ISSUES WHERE PEOPLE'S FLEXIBLE MORALITY WAS GOING TO COME UP, LIKE SENATOR BRASCH'S RIGHT NOW. SHE'S UPSET ABOUT GAMBLING BUT SHE'S NOT UPSET ABOUT THE STATE VOTING A LIE AND CALLING IT THE TRUTH. WHAT COULD BE LESS MORAL THAN THAT? WHAT COULD HAVE LESS MORAL RECTITUDE THAN THAT? BUT THEY DON'T THINK. I'M NOT TRYING TO FILIBUSTER THIS BILL. LOOK, IF WE'RE GOING TO LEAVE HERE AT NOON, YOU THINK I COULDN'T GO UNTIL NOON BY MYSELF AFTER WHAT I DID YESTERDAY? I WANTED THE OPPORTUNITY TO SPEAK. I LET SENATOR LARSON KNOW THAT WHEN MY TIME IS UP FOR SPEAKING ON MY MOTION, I'M GOING TO PULL IT. I DON'T WANT TO GIVE HIM HEARTBURN THIS MORNING. THAT WOULD GIVE PEOPLE TOO MUCH PLEASURE. AND I'M NOT GOING TO STOP THE BILL. AND I HOPE THAT WILL BE A POKE IN THE EYE OF SENATOR "SELF-RIGHTEOUS" McCOY, BUT HE'S NOT HERE TODAY. I DON'T KNOW WHY HE'S NOT HERE. IT'S NOT ANY OF MY BUSINESS WHY HE'S NOT HERE. BUT I THINK OTHER PEOPLE THOUGHT HE WAS GOING TO BE HERE AND BE THE ONE WITH THE LANCE, JOUSTING AGAINST THE WINDMILL. BUT HE CHOSE NOT TO. BUT ALL OF THAT STUFF, THAT'S KIDS IN ELEMENTARY SCHOOL PLAYING IN THE SANDBOX. IT'S JUVENILE. IT IS ADOLESCENT. AND IT MEANS NOTHING TO ME ONE WAY OR THE OTHER. AND EVEN IF THIS BILL PASSES, IT'S NOT GOING TO SURVIVE SCRUTINY BY THE SUPREME COURT. BUT THERE MIGHT BE SOMEBODY LOBBYING THIS BILL WHO

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IS GOING TO MAKE MONEY, AND IF YOU GIVE ME THE NAME OF THE ONE WHO IS LOBBYING FOR THIS BILL, I WILL CALL IT THE MAINTAINING EMPLOYMENT FOR BLANK LOBBYISTS. THAT'S ALL THIS BILL IS ABOUT. THE LOBBYIST DOESN'T CARE WHETHER IT PASSES OR NOT BECAUSE, LIKE THE BOOKIE, THE LOBBYIST'S MONEY IS GOING TO COME FROM HAVING LOBBIED THE BILL. AND IF IT PASSES OR DOESN'T PASS, THE LOBBYIST WILL GET THE LOBBYIST'S 10 PERCENT OR WHATEVER IT IS. THAT'S WHAT GAMBLING IS ABOUT. [LB619]

SPEAKER HADLEY: ONE MINUTE, SENATOR. [LB619]

SENATOR CHAMBERS: WHEN YOU PLAY THE STOCK MARKET, YOU'RE CONSIDERED RESPECTABLE. WHEN YOU ARE AN HONEST GAMBLER, NOT THAT YOU DON'T CHEAT, BUT YOU ACKNOWLEDGE THAT YOU'RE A GAMBLER, YOU'RE A BAD FELLOW. BUT THE GAMBLER DOES LESS DAMAGE TO SOCIETY THAN THE STOCK MARKET PEOPLE. WHEN THE STOCK MARKET CRASHES, WHEN SOMEBODY GETS INSIDER TRADING, YOU ALL HAVE HEARD THIS GUY, JAMIE DIMON, WELL, SOME OF YOU ALL HAVE. YOU ALL KNOW ABOUT THESE PEOPLE WHO USE OTHER PEOPLE OR OTHER ENTITY'S MONEY TO PLAY THE STOCK MARKET AND MADE BAD BETS. THEY DIDN'T CALL IT GAMBLING. THEY DIDN'T CHARGE HIM WITH ILLEGAL GAMBLING. IT'S ONE OF THOSE ESOTERIC TERMS THEY HAVE FOR SOMEBODY WHO BROKE RULES OF THESE KIND OF GAMBLERS WHO PLAY THE STOCK MARKET. AND, MR. PRESIDENT, BECAUSE SOMEBODY MAY HAVE BET THAT I WOULDN'T STOP BEFORE MY TIME WAS UP, THEY LOSE, BECAUSE I'M PULLING THAT MOTION BEFORE YOU TELL ME MY TIME IS UP. THANK YOU. [LB619]

SPEAKER HADLEY: WITHOUT OBJECTION, THE MOTION IS PULLED. WE WILL GO BACK NOW TO AM1654. IN THE QUEUE ARE SENATORS RIEPE, HUGHES, CHAMBERS, BLOOMFIELD, KOLTERMAN. SENATOR RIEPE, YOU'RE RECOGNIZED, AND THIS IS YOUR THIRD TIME. [LB619]

SENATOR RIEPE: THANK YOU, MR. PRESIDENT, MEMBERS OF THE SENATE. ON BEHALF OF THE CHILDREN'S HOSPITALS ACROSS THE COUNTRY, WE'D LIKE TO THANK SENATOR CHAMBERS FOR THE PLUG FOR DONATIONS. THANK YOU VERY MUCH. I DO HAVE A COUPLE OF QUESTIONS I'D LIKE TO ASK SENATOR LARSON TO YIELD TO. [LB619]

SPEAKER HADLEY: SENATOR LARSON, WILL YOU YIELD? [LB619]

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SENATOR LARSON: YES. [LB619]

SENATOR RIEPE: MY FIRST QUESTION HAS TO DO WITH THE FISCAL NOTE. WE HAVE A FISCAL NOTE, I BELIEVE, CORRECT ME IF I'M WRONG, THAT YOU STATED WHEN WE STARTED THAT THERE WOULD BE NO COST TO THE STATE, AND YET THE FISCAL NOTE TALKS ABOUT \$200,000. CAN YOU CLARIFY THAT FOR ME, PLEASE? [LB619]

SENATOR LARSON: THE COMMITTEE AMENDMENT, AS I'M SURE YOU'RE AWARE AS A MEMBER OF GENERAL AFFAIRS COMMITTEE, WE CREATED...OR WITH THE COMMITTEE AMENDMENT WE TAKE, I WANT TO SAY, 2.5 PERCENT OF WHATEVER THE STATE IS TAKING. AND 2.5 PERCENT OF THAT IS SPLIT IN BETWEEN THE LIQUOR CONTROL COMMISSION AND THE CHARITABLE GAMING. THEREFORE, THIS WILL PAY FOR ITSELF. SO WHEN I SAY THERE WILL BE NO COST TO THE STATE, THAT MEANS THERE'S NO GENERAL FUND IMPACT BECAUSE ESSENTIALLY THE, IF YOU WANT TO CALL IT THE PROGRAM OR THE BILL, THE CONCEPT PAYS FOR ITSELF THROUGH ITS OWN FUNDS. SO, YES. [LB619]

SENATOR RIEPE: CAN YOU HELP ME ALSO WITH THE AUDITING PROCESS, OR HOW DO WE REGULATE, HOW DO WE MAKE SURE THAT THIS IS, I MAY USE THE TERM, STAY ON THE UP AND UP? [LB619]

SENATOR LARSON: WELL, AGAIN, THAT'S WHAT WE DID IN THE COMMITTEE AMENDMENT, A PROCESS THAT YOU WERE PART OF. IN TERMS OF WITH THE CASH GAME SIDE OF THINGS, I'M GUESSING IS KIND OF WHERE YOU'RE AT, WE HAVE THE CAMERAS IN ALL OF THE ESTABLISHMENTS. WE HAVE THE...AND I KNOW SENATOR CHAMBERS WANTED TO MENTION LIQUOR ESTABLISHMENTS. AND AGAIN IT COMES DOWN, THEY'RE NOT PLAYING THE HOUSE. ESSENTIALLY, THE HOUSE IS LIKE THE BOOKIE IN THIS INSTANCE, BECAUSE THEY GET \$2.50 UP TO THE 10 PERCENT OF EACH HAND. SO THEY DON'T CARE WHO WINS. THEY JUST TAKE THEIR PORTION TO RUN THE GAME. SO THEY DON'T CARE HOW MUCH ANYBODY DRINKS BECAUSE THEY'RE JUST KIND OF THE BOOKIE, THAT THEY DON'T GET ANY OF THE MONEY. SO WE TIED IT IN TO THOSE LIQUOR LICENSES ESSENTIALLY TO ENSURE THAT THERE'S A HAMMER AND AN ENFORCEMENT IN CASE THEY AREN'T BEING ON THE UP AND UP, THEY LOSE THAT LIQUOR LICENSE. AND WITH THE CAMERAS THERE AND THE LICENSED DEALERS, WE MODELED THAT OFF OF A LOT OF OTHER STATES TO ENSURE THAT ANYTHING THAT'S HAPPENING IS...HOW THEY MONITOR THESE SITUATIONS TO ENSURE THAT THE STATE IS GETTING THEIR MONEY. [LB619]

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SENATOR RIEPE: IT'S MY UNDERSTANDING IN THE TOURNAMENTS THAT VIDEO RECORDING IN THE TOURNAMENTS IS NOT ALLOWED. IS THAT CORRECT OR NOT? [LB619]

SENATOR LARSON: YEAH, THEY DON'T. WELL, IT'S NOT NECESSARILY NOT ALLOWED. IT'S NOT MANDATORY IN THE TOURNAMENTS BECAUSE WITH A TOURNAMENT...SO WITH A CASH GAME THERE'S ALWAYS...THE REASON THAT WE HAD THE CAMERAS IS BECAUSE WE WANT TO ENSURE THAT WE KNOW HOW MUCH IS ALWAYS ON THE TABLE AND THAT THE STATE IS COLLECTING THE RIGHT AMOUNT. AND WE WANTED A WAY TO GO AND AUDIT THAT. WITH THE TOURNAMENTS, THAT'S NOT NECESSARY BECAUSE WITH TOURNAMENTS THERE'S A BUY-IN. THERE MIGHT BE A \$100 BUY-IN OR A \$200 BUY-IN OR UP TO A \$500 BUY-IN, EXCEPT FOR THIS...THE SPECIAL TOURNAMENTS THAT CAN GO UP TO \$5,000. BUT...SO IT'S EASIER TO REGULATE THOSE TOURNAMENTS BECAUSE THE NONPROFIT WILL HAVE TO SAY THE BUY-IN WAS \$100, THERE WAS 100 PLAYERS, THE TOTAL GROSS OF THE TOURNAMENT WAS \$10,000, THE STATE'S PORTION OF THAT IS 10 PERCENT. SO WE DON'T NEED THE CAMERAS IN THE TOURNAMENTS BECAUSE IT'S MUCH... [LB619]

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...IT'S MUCH EASIER TO REGULATE. WITH THE CASH GAMES, WE HAVE TO...WE WANTED THE CAMERAS TO ENSURE THAT THERE WAS THAT...YOU KNOW, WE ALWAYS KNEW HOW MUCH MONEY OR WE COULD GO BACK AND ALWAYS LOOK AT HOW MUCH MONEY WAS ON THE TABLE TO ENSURE THE STATE WAS GETTING THEIR PORTION. [LB619]

SENATOR RIEPE: OKAY. A SECOND ONE, I THINK WE HAVE A LITTLE BIT OF TIME, IS HOW DID WE DETERMINE THAT THE LIMITS WOULD BE \$500? [LB619]

SENATOR LARSON: IT WAS JUST A WAY TO EASE CONCERNS. YOU KNOW, AS YOU KNOW THERE'S NO LIMIT ON HOW MUCH YOU CAN SPEND ON POWERBALL OR LOTTERY OR KENO. YOU COULD GO BET YOUR ENTIRE HOUSE ON THAT. WE HEARD FROM A LOT OF ANTIGAMBLING FOLKS THAT SOMEBODY WILL GO IN AND PUT THEIR HOUSE ON THE TABLE AND BET IT. WELL, WE DIDN'T WANT THAT. WE WANTED TO EASE THE CONCERNS OF THOSE INDIVIDUALS THAT WERE CONCERNED ABOUT PROBLEM GAMBLING. AS SENATOR HUGHES SPOKE, THIS IS A FORM OF ENTERTAINMENT AND 98 PERCENT OF PEOPLE, 99 PERCENT OF

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PEOPLE ACTUALLY, USE THAT FORM OF ENTERTAINMENT IN A RESPONSIBLE WAY. AND SO THE \$500... [LB619]

SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU. [LB619]

SENATOR RIEPE: THANK YOU. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR RIEPE. SENATOR HUGHES, YOU'RE RECOGNIZED AND IT IS YOUR THIRD TIME. [LB619]

SENATOR HUGHES: THANK YOU, MR. PRESIDENT. I WOULD YIELD MY TIME TO SENATOR LARSON. [LB619]

SPEAKER HADLEY: SENATOR LARSON, YOU'RE YIELDED 4:50. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. I HAVE A FEW QUESTIONS FOR SENATOR CHAMBERS IF HE'D YIELD. [LB619]

SPEAKER HADLEY: SENATOR CHAMBERS, WILL YOU YIELD? [LB619]

SENATOR CHAMBERS: YES. [LB619]

SENATOR LARSON: THANK YOU, SENATOR CHAMBERS. I HOPE DURING SENATOR RIEPE'S I KIND OF EXPLAINED TO YOU THAT I KNOW WE'RE TYING IT TO THE LIQUOR LICENSES, BUT IN THE END THE LICENSEE ISN'T GETTING ANY MONEY. THEY'RE KIND OF LIKE THE BOOKIE THAT YOU TALK ABOUT IN SPORTS BETTING. SO THEY'RE... [LB619]

SENATOR CHAMBERS: ACTUALLY, THAT'S NOT TRUE. YOU DIDN'T HEAR WHAT I SAID,... [LB619]

SENATOR LARSON: THEN I MUST HAVE MISUNDERSTOOD IT. [LB619]

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SENATOR CHAMBERS: ...THAT THE ONE WHO RUNS THE ESTABLISHMENT WILL MAKE A DEAL WITH SOMEBODY WHO'S PLAYING IN THE GAME. [LB619]

SENATOR LARSON: OH, OKAY. [LB619]

SENATOR CHAMBERS: SO THE HOUSE GETS ITS \$2.50. BUT IF I MAKE A DEAL WITH SENATOR SCHUMACHER AND HE'S PLAYING SENATOR JOHNSON, I SAY NOW I'M GOING TO GIVE JOHNSON ALL OF THIS FREE LIQUOR, I'LL SET HIM UP AND YOU WIN, THEN YOU GIVE ME 10 PERCENT OF WHAT YOU WIN FROM HIM. [LB619]

SENATOR LARSON: (LAUGH) ALL RIGHT. [LB619]

SENATOR CHAMBERS: AND THAT'S HOW THAT GOES. GAMBLING NOT A MORAL UPLIFTING. [LB619]

SENATOR LARSON: ALL RIGHT. I UNDERSTAND. I UNDERSTAND THE COMMENT MORE SO NOW. YOU SAID IF I PHRASED IT DIFFERENTLY THAT YOU COULD SUPPORT IT. HOW? YOU KNOW, CALLING GAMBLING, GAMBLING, YOU KNOW, I'VE NEVER DENIED THAT THIS ISN'T GAMBLING. I JUST SAID THAT THERE'S A PREDOMINANCE OF SKILL. HOW SHOULD I PHRASE IT? HOW CAN I GET YOUR SUPPORT? [LB619]

SENATOR CHAMBERS: DON'T HAVE THE LEGISLATURE SAY IT'S A GAME OF SKILL WHEN IT'S NOT. AND WHEN THESE COURTS SAY A GAME OF SKILL, THEY DON'T MEAN 50.5 PERCENT. THEY WANT IT TO BE SUBSTANTIALLY MORE SKILL THAN CHANCE. SO DON'T EVEN MENTION THAT. JUST SAY THAT POKER IS LEGAL IN NEBRASKA, BECAUSE THE SUPREME COURT IS GOING TO MAKE THE ULTIMATE DETERMINE ANY KIND OF WAY. [LB619]

SENATOR LARSON: THEY WILL. [LB619]

SENATOR CHAMBERS: IF ONCE...IF BILL PASSES AND IT'S THE LAW, THEN THE POLICE WILL HONOR THE LAW AND THEY WON'T ARREST ANYBODY FOR PLAYING POKER. SOMEBODY IS GOING TO HAVE TO CHALLENGE THE BILL IN COURT. AND WHEN THEY DO, IT WILL GO ALL THE WAY TO THE STATE SUPREME COURT AND THE DECISION WILL BE MADE IN THAT FASHION. AND THAT'S HOW YOU BUILD A LAWSUIT WITHOUT ANYBODY LYING. [LB619]

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SENATOR LARSON: ALL RIGHT. WELL, I ACTUALLY MIGHT TAKE THAT INTO CONSIDERATION AS WE MOVE. I KNOW WE HAD THE SKILL FOR INTENT LANGUAGE IN FOR THE COURT, BECAUSE YOU KNOW AS WELL AS I DO THAT THIS WILL GO TO THE STATE SUPREME COURT IF IT PASSES. YOU AND I CAN HAVE A SMALL DISAGREEMENT IN TERMS OF THE PREDOMINANCE OF SKILL. WE'VE SEEN BANKSHOT. I THINK THIS IS MUCH MORE SKILL INVOLVED IN POKER THAN BANKSHOT, AND THAT WAS PREDOMINANTLY SKILL. ONE THING THAT YOU DID SAY THAT...ABOUT POKER, AND I THINK YOU WERE RIGHT IN THE SENSE OF READING PEOPLE, AND THAT'S WHERE MOST OF THIS...YOU'RE SAYING THAT'S WHERE MOST OF THE SKILL IS. AND I'M SAYING THAT'S PART OF THE SKILL. DO YOU THINK THAT SOMEBODY CAN GET BETTER AT UNDERSTANDING WHAT HANDS WIN AND THE MATH AND THE STATISTICS, AND DOING THE MATH AND THE STATISTICS, AND KNOWING EVERYTHING THAT'S IN THE HANDS AND THE 52 CARDS AND HOW MANY PLAYERS WERE IN THE GAME? CAN YOU GET BETTER AT THE MATH SIDE, THE STATISTICS SIDE AS WELL? [LB619]

SENATOR CHAMBERS: WELL, IF YOU'RE A CARD COUNTER, YOU CAN DO IT BETTER IF YOU'RE PLAYING AT ONE OF THOSE TABLE GAMES IN THESE CASINOS. BUT YOU MIGHT HAVE A FORM OF CARD COUNTING EVEN IN THESE KIND OF GAMES THAT YOU'RE TALKING ABOUT. SO IT DEPENDS ON WHAT ITEM YOU'RE TALKING ABOUT DEVELOPING SKILL IN. I DON'T THINK YOU CAN DETERMINE WHAT CARDS ARE IN SOMEBODY'S HANDS. AND AS YOU POINTED OUT, MOST PEOPLE FOLD BEFORE ANYBODY HAS TO SHOW HAND. [LB619]

SENATOR LARSON: EIGHTY-FOUR PERCENT. [LB619]

SENATOR CHAMBERS: SO THEY HAVE READ THE PEOPLE. I DON'T KNOW HOW MANY...IF I'VE GOT TWO ACES, I KNOW NO MORE THAN TWO ACES ARE OUT THERE, AND THE ODDS AGAINST SOMEBODY ELSE HAVING TWO OF THEM IS VERY LOW. [LB619]

SENATOR LARSON: BUT WHAT IF YOU HAVE TWO ACES AND THERE ARE TWO ACES... [LB619]

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR LARSON: ...IN THE COMMUNITY CARDS? THEN YOU KNOW YOU HAVE THE BEST HAND. [LB619]

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SENATOR CHAMBERS: MAYBE. IT DEPENDS ON...WELL, OKAY, WE'LL LET YOU HAVE THAT. [LB619]

SENATOR LARSON: (LAUGH) IF YOU HAVE TWO ACES AND THERE'S TWO ACES IN THE COMMUNITY CARDS AND THERE'S NO POSSIBILITY WITHIN THE COMMUNITY CARDS THAT THERE CAN BE A FLUSH OR A STRAIGHT...OR ESSENTIALLY A ROYAL FLUSH, YOU KNOW STATISTICALLY NOTHING CAN BEAT YOU. [LB619]

SENATOR CHAMBERS: AND YOU'RE NOT GAMBLING AT THAT POINT. [LB619]

SENATOR LARSON: YOU'RE NOT GAMBLING THEN. [LB619]

SENATOR CHAMBERS: AND YOU'RE NOT USING SKILL EITHER, BECAUSE IT DOESN'T TAKE SKILL TO COUNT TWO HERE AND TWO THERE EQUAL FOUR. AND IF THE FOUR THAT WOULD BE THE DETERMINANT ARE ACCOUNTED FOR, THEN NOBODY ELSE HAS ANYTHING. SO IF I'VE GOT THE TWO, I'M GOING TO COMPORT MYSELF IN SUCH A WAY AS TO LET THE POT GET BIG AND THEN... [LB619]

SENATOR LARSON: DOES THAT TAKE SKILL? [LB619]

SENATOR CHAMBERS: ...THEN MAKE THEM ALL QUIT. [LB619]

SENATOR LARSON: DOES THAT TAKE SKILL TO COMPORT YOURSELF TO GET IT BIG? [LB619]

SENATOR CHAMBERS: NO, THAT TAKES CHICANERY AND THE ABILITY TO ACT. THE SKILL IS IN ACTING. [LB619]

SPEAKER HADLEY: TIME, SENATORS. [LB619]

SENATOR LARSON: THANK YOU, SENATOR CHAMBERS. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR LARSON AND SENATOR HUGHES. SENATOR CHAMBERS, YOU'RE RECOGNIZED AND THIS IS YOUR THIRD TIME. [LB619]

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SENATOR CHAMBERS: THANK YOU, MR. PRESIDENT. I HAD TO ANSWER SENATOR LARSON QUICKLY BECAUSE I DIDN'T WANT TO TAKE ALL OF HIS TIME. IF HE WANTED TO OFFER A BILL LIKE THIS, DO LIKE I DID WITH THE SPORTS BETTING BILL. DON'T SAY IT'S NOT GAMBLING, DON'T SAY IT'S A GAME OF SKILL. SAY THAT THIS IS HOW THIS ACTIVITY IS CONDUCTED AND THIS IS HOW THE STATE IS GOING TO REGULATE IT. DON'T GET THE LEGISLATURE TO DECLARE THAT IT'S NOT GAMBLING. ACKNOWLEDGE THE EXISTENCE OF THE PRACTICE. THEN SOME PEOPLE WHO ARE DOING IT NOW UNDERCOVER MAY DO IT OPENLY, AND THE STATE DERIVES MONEY THAT. THAT'S WHY I SAY YOU ALL DON'T KNOW ANYTHING ABOUT THE MOST BASIC THINGS. YOU GET CAUGHT UP ON THESE OTHER THINGS AND YOU MISS THE THINGS THAT MAKE THE MACHINE WORK. YOU'D GO TO BUY A CAR AND YOU DON'T LOOK UNDER THE HOOD TO SEE WHAT KIND OF ENGINE IS THERE. YOU LOOK AT THE COLORATION. YOU SAY, OH, IT'S GOT THESE PRETTY HUBCAPS, IT'S GOT WOODEN STEERING WHEELS. WHEN I LOOK ON THE DASHBOARD, THERE'S ALL THIS WOOD TRIM. THAT'S NOT WHERE THE VALUE OF THE CAR IS. SO YOU ALL GET CAUGHT UP ON THE INSIGNIFICANT TRIFLES. AND THAT'S WHAT ANGERED ME SO MUCH YESTERDAY, AND I WAS ANGRY. BUT I STARTED BY BEING HONEST AND FULL DISCLOSURE, WHICH I BELIEVE IN. I SAID IF I HAD ONE WORD TO DESCRIBE WHAT MY FEELING IS NOW, IT'S FURY. NO DECEPTION FROM ME; DECEPTION FROM YOU RIGHTEOUS PEOPLE WHO ARE TALKING ABOUT GAMBLING IS SO BAD. BUT I THINK LYING IS WORSE THAN GAMBLING. AND THE BOOK SAYS, WHEN IT'S GIVING THAT CATALOG, I DON'T KNOW THAT I SEE GAMBLERS IN THERE WHO HAVE THEIR PART IN THE LAKE OF THE FIRE, BUT IT SAYS ALL LIARS. SO WHEN SENATOR BRASCH TALKED ABOUT ME SAYING PEOPLE WOULD BURN IN HELL, THAT'S WHAT THE BIBLE SAYS IF YOU'RE A LIAR, ALL LIARS, EVEN THOSE IN THE NEBRASKA LEGISLATURE. BUT YOU ALL DON'T BELIEVE THE BIBLE. SENATOR SCHNOOR DOESN'T BELIEVE IT. HE VOTED FOR THE LIE. I DON'T THINK ANYBODY WHO'S SANE WOULD WANT TO GO TO HELL, BUT YOU DON'T BELIEVE YOUR OWN BIBLE. AND IF YOU'RE SO DUMB THAT YOU DON'T REALIZE THAT WHAT WAS VOTED WAS A LIE, THEN YOU'RE TOO DUMB TO BE IN THE LEGISLATURE IF THE LEGISLATURE WOULD ALLOW MEMBERS TO BE HERE ONLY IF THEY PASSED A IQ TEST. BUT THAT OBVIOUSLY IS NOT NECESSARY. THERE'S NO MORALITY TEST EITHER. WHEN IT COMES TO MORALITY, THE ONLY TEST IS IF WHEN YOU WERE COMMITTING YOUR IMMORALITY, IT WAS ONE IN VIOLATION OF THE LAW AND YOU GOT CAUGHT AND CHARGED WITH A FELONY. BUT YOU CAN BE AS IMMORAL AS YOU WANT TO. SO ALL THIS HYPOCRISY THAT GOES ON AROUND HERE, ALL THESE PEOPLE JUMPING UP SAYING I OUGHT TO GIVE AN APOLOGY, THEY OUGHT TO APOLOGIZE, NOT TO ME BUT TO THE GOD THEY PROFESS TO SERVE. YOU ALL KNOW YOU VOTED FOR A LIE YESTERDAY. READ THAT FORM AS

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IT'S SUPPOSED TO BE PRINTED FROM THE STATE CALLING SOMETHING MANDATORY, AND IF YOU DON'T DO IT, YOU DON'T GET YOUR LICENSE. AND YOU ALL KNOW THAT YOU'LL GET THE LICENSE ANYWAY AND IT'S NOT MANDATORY. THAT IS A DELIBERATE, INTENTIONAL, KNOWING LIE UNLESS YOU CAN'T READ ENGLISH AND UNDERSTAND IT. AND YOU'RE GOING TO SIT THERE AND PLAY LIKE WE'RE TALKING ABOUT WHETHER WE'RE FOR OR AGAINST ORGAN HARVESTING. THE ONLY ORGANS INVOLVED ARE THOSE WHEN SOMEBODY IS IN AN ACCIDENT, GETS WIPED OUT. THAT'S THE ONLY TIME IT COMES INTO PLAY. YOU ALL DIDN'T KNOW YOU WERE VOTING FOR A LIE? THEN YOU'RE DUMBER THAN I THOUGHT YOU WERE. BEFORE, I JUST THOUGHT YOU WERE IMMORAL. EVEN THE GODS LABOR IN VAIN AGAINST STUPIDITY, NOT AGAINST IMMORALITY... [LB619]

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR CHAMBERS: ...BUT STUPIDITY. AND I SAW STUPIDITY IN FULL FLOWER HERE YESTERDAY. AND I HAVE YET TO HAVE SOMEBODY STAND ON THIS FLOOR AND SHOW ME THAT FROM THE LANGUAGE IN THAT LAW YOU ALL PASSED ACROSS THAT A LIE IS NOT VOTED FOR BY THIS LEGISLATURE, NOT ONE OF YOU. YOU CAN JUMP UP HERE AND SAY, SENATOR CHAMBERS, APOLOGIZE BECAUSE YOU SAID THE FEAR THAT BLACK PEOPLE HAVE OF THE POLICE IS LIKE THE FEAR THAT WHITE PEOPLE HAVE OF ISIS, AND, BY GOD, YOU SHOULD APOLOGIZE BECAUSE BLACK PEOPLE SHOULDN'T FEEL THAT WAY. OUT OF HIS MIND, AND I TOLD YOU ALL THAT DURING THAT TIME, THAT IF YOU THINK I'M GOING TO APOLOGIZE YOU'RE OUT OF YOUR MIND. AND BECAUSE THE NEWSPAPER DIDN'T PRINT EVERYTHING I SAID YESTERDAY WHEN THEY MADE REFERENCE TO IT, I SAID I OWE AN APOLOGY TO ISIS BECAUSE THEY TELL YOU WHAT THEY WILL DO, THAT THEY'LL CUT YOUR HEAD OFF, AND THEY WILL. BUT THE POLICE DRIVE THROUGH OUR COMMUNITY WITH THE WORDS "PROTECT AND SERVE," AND THEY DON'T DO THAT. THAT PART WAS NOT PRINTED IN THE PAPER... [LB619]

SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR CHAMBERS: ...THAT PRINTED MY COMMENT, SUPPOSEDLY. THANK YOU, MR. PRESIDENT. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR CHAMBERS. SENATOR BLOOMFIELD, AND THIS IS YOUR THIRD TIME. [LB619]

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SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. I WONDER IF SENATOR LARSON WOULD YIELD TO A QUESTION. [LB619]

SPEAKER HADLEY: SENATOR LARSON, WILL YOU YIELD TO A QUESTION? [LB619]

SENATOR LARSON: YES. [LB619]

SENATOR BLOOMFIELD: THANK YOU, SENATOR. YOU HAVE SEVERAL TIMES NOW MENTIONED THE POSSIBILITY IN TEXAS HOLD'EM OF HOLDING THE HAND THAT YOU KNOW CANNOT BE BEAT. HOW OFTEN DOES THAT HAPPEN? WHAT PERCENTAGE? [LB619]

SENATOR LARSON: I WOULD HAVE TO LOOK AT THE STATISTICS OF THE OVER BILLION HANDS PLAYED. I DON'T HAVE THOSE NUMBERS READILY AVAILABLE TO ME. BUT I THINK THERE'S A SKILLED POKER PLAYER CAN HAVE THAT HAPPEN A NUMBER OF TIMES, BUT I DON'T HAVE THE ACTUAL STATISTICS ON THAT SPECIFIC QUESTION. [LB619]

SENATOR BLOOMFIELD: OKAY. GRANTED, IF YOU PLAY 100 GAMES A DAY FOR A MONTH, IT'S PROBABLY GOING TO HAPPEN A TIME OR TWO, BUT IT IS CERTAINLY NOT, AND I THINK YOU'LL AGREE, THAT IT IS NOT THE NORM THAT YOU WILL HAVE THAT HAND. WILL YOU HAVE THAT HAND MORE OFTEN THAN YOU DON'T? [LB619]

SENATOR LARSON: WHERE YOU KNOW, 100 PERCENT SURE, THAT YOU CAN'T BE BEAT? [LB619]

SENATOR BLOOMFIELD: YES. [LB619]

SENATOR LARSON: PROBABLY NOT MORE THAN YOU DON'T. BUT THAT'S STILL A GAME OF SKILL IN THE SENSE... [LB619]

SENATOR BLOOMFIELD: THAT'S...NO. [LB619]

SENATOR LARSON: ...OF THE CHECKING AND THE BETTING AND MOVING FORWARD. THERE'S ALWAYS AN ELEMENT OF CHANCE AND I'VE NEVER DENIED THAT. [LB619]

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SENATOR BLOOMFIELD: SENATOR, I BELIEVE YOU MIGHT BE BEING JUST A HAIR DISINGENUOUS WHEN YOU SAID THAT THE CHANCES OF GETTING THAT HAND ARE EQUAL TO THE CHANCES OF NOT GETTING THAT HAND. [LB619]

SENATOR LARSON: I DIDN'T SAY THAT. [LB619]

SENATOR BLOOMFIELD: BASICALLY, YOU DID. BUT I'LL ASK THE QUESTION AGAIN, ALLOW YOU TO ANSWER IT AGAIN. IS IT MORE LIKELY OR LESS LIKELY THAT YOU WILL HAVE A HAND THAT YOU KNOW CANNOT BE BEAT? [LB619]

SENATOR LARSON: I THINK THE BETTER...I THINK YOU'RE PHRASING A QUESTION IN A WAY THAT SUITS YOUR ARGUMENT. THE BETTER QUESTION IS, WHEN YOU LOOK AT THE 84 PERCENT OF PEOPLE THAT FOLD, THE TRUE SKILL IN THE POKER IS KNOWING WHEN YOU'RE GOING TO LOSE... [LB619]

SENATOR BLOOMFIELD: WELL, SENATOR LARSON, WE'RE NOT... [LB619]

SENATOR LARSON: ...AND YOU FOLD. [LB619]

SENATOR BLOOMFIELD: SENATOR LARSON, AT THIS POINT WE'RE NOT TALKING ABOUT THE SKILL. [LB619]

SENATOR LARSON: AND THAT HAPPENS A MAJORITY OF THE TIME. [LB619]

SENATOR BLOOMFIELD: I ASKED A VERY SIMPLE, DIRECT QUESTION. ARE YOU LIKELY MORE THAN 50 PERCENT OF THE TIME TO HAVE A HAND THAT YOU KNOW CANNOT BE BEAT? [LB619]

SENATOR LARSON: NO, BUT YOU ARE... [LB619]

SENATOR BLOOMFIELD: THANK YOU. [LB619]

SENATOR LARSON: ...MORE THAN 50 PERCENT OF THE TIME... [LB619]

SENATOR BLOOMFIELD: THANK YOU, SENATOR LARSON. [LB619]

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SENATOR LARSON: ...TO KNOW THAT YOU HAVE A HAND THAT CAN'T WIN,...
[LB619]

SENATOR BLOOMFIELD: THANK YOU, SENATOR LARSON. [LB619]

SENATOR LARSON: ...AND FOLD. [LB619]

SENATOR BLOOMFIELD: COLLEAGUES, WHEN LESS THAN HALF OF THE TIME, FAR LESS I SUBMIT, YOU WERE DEALT A HAND THAT YOU DON'T KNOW WILL WIN, THERE IS THE CHANCE, I REPEAT THE TERM "CHANCE," THAT YOU WILL LOSE. WHETHER YOU ARE DEALT A HAND THAT YOU ARE 95 PERCENT SURE WILL WIN, THAT IS A CHANCE. AND I CONTEND, AND I BELIEVE THE SUPREME COURT WILL AGREE, THAT THAT IS INDEED NOT A GAME OF SKILL BUT A GAME OF CHANCE. THANK YOU, MR. PRESIDENT. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR BLOOMFIELD. SENATOR KOLTERMAN, YOU ARE RECOGNIZED. [LB619]

SENATOR KOLTERMAN: THANK YOU, MR. PRESIDENT. I HAVEN'T WEIGHED IN ON THIS. I VOTED TO KEEP THIS BILL IN COMMITTEE. MY PREMISE REALLY IS NOT A QUESTION OF WHETHER IT'S A GAME OF SKILL VERSUS A GAME OF CHANCE. I THINK IT'S PROBABLY A LITTLE BIT OF BOTH. I DON'T KNOW. THE JURY IS STILL OUT ON THAT. MY CONCERN IS IT'S EXPANDED GAMBLING. I MEAN, LET'S CALL IT WHAT IT IS. I'VE HEARD A LOT OF MY COLLEAGUES SAY THE SAME THING THIS MORNING. WHEN YOU START TALKING ABOUT MY BUSINESS, YOU START TALKING ABOUT INVESTMENT ADVISERS, IS THAT SKILL OR IS THAT CHANCE? I'D LIKE TO THINK THAT'S A LITTLE BIT OF BOTH AS WELL. WE TAKE A LOT OF PRIDE IN THE FACT THAT WE CAN DIVERSIFY PEOPLE IN OUR BUSINESS. WE CAN EDUCATE THEM. WE CAN TALK ABOUT THE TIME LINES THAT GO ALONG WITH THAT. WE CAN TALK ABOUT PAST HISTORIES OF THE MARKETS. WE CAN TALK ABOUT THE FUTURE OF THE ECONOMY. AND YET THE BOTTOM LINE IS THERE'S STILL A CERTAIN AMOUNT OF CHANCE. SO IF YOU'RE CONCERNED ABOUT THAT, YOU GO OUT AND YOU BUY YOURSELF SOMETHING THAT'S VERY SECURE. THE OTHER QUESTION THAT I HAVE DEALS WITH THE CONSTITUTIONALITY OF THE BILL. THERE SEEMS TO BE SOME CONFUSION ABOUT WHETHER OR NOT THE ATTORNEY GENERAL HAS STATED, YES, IT IS CONSTITUTIONAL; NO, IT IS NOT CONSTITUTIONAL. I'M NOT REAL CLEAR ON THAT. MY INTERPRETATION OF WHAT I'VE HEARD IS THAT HE DOESN'T THINK IT IS CONSTITUTIONAL, BASED ON THE WAY IT'S WRITTEN. I'M GOING TO VOTE NO ON THE BILL. YOU WON'T HEAR

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ME TALK ABOUT IT AGAIN TODAY. BUT I JUST DON'T THINK WE NEED TO EXPAND GAMBLING. WE HAVE ENOUGH OPPORTUNITIES TO GAMBLE IN THIS STATE, WHETHER YOU'RE TALKING ABOUT BINGO, WHETHER YOU'RE TALKING ABOUT KENO, YOU'RE TALKING ABOUT POWERBALL TICKETS. THERE'S ALL KINDS OF OPPORTUNITIES. I WILL TELL YOU THAT I HAVE HAD THE PLEASURE OF INVESTING POWERBALL WINNINGS FOR FOUR CLIENTS OVER THE YEARS. THE LARGEST ONE WAS \$1 MILLION. HE'S STILL GOT A LITTLE BIT LEFT. THE OTHER THREE WERE \$500,000, \$250,000. THEY TELL ME TO TIE IT UP SO THEY CAN'T GET THEIR HANDS ON IT. THE NEXT THING I KNOW, THEY'RE COMING IN AND SAYING, I REALLY NEED SOME MONEY. AND THREE OF THE FOUR HAVE GONE THROUGH EVERY CENT THAT THEY WON AND KIND OF FIZZLED IT AWAY. MY BIGGEST CONCERN ABOUT THIS IS WHAT WE'RE DOING TO PEOPLE THAT ARE INVESTING IN SCRATCH CARDS, THEY'RE INVESTING IN POWERBALL TICKETS. AND I WOULD TELL YOU, I BOUGHT A POWERBALL TICKET IN THE PAST. I EVEN BOUGHT ONE THIS MORNING. I JUST DON'T THINK WE OUGHT TO EXPAND WHAT WE ALREADY HAVE. I DON'T LIKE GAMBLING, BUT I WANTED TO TAKE A CHANCE. COST ME 2 BUCKS. I CAN TAKE THAT CHANCE. I CAN AFFORD TO TAKE THAT CHANCE. BUT WHEN I GO INTO THE GAS STATIONS AND I SEE PEOPLE PUTTING \$100 BILLS OUT THERE AND SAYING, I WANT 200 POWERBALL TICKETS, I HAVE TO SAY TO MYSELF, THEY CAN'T EVEN BUY FOOD FOR THEMSELVES AND THEY'RE SPENDING MONEY ON POWERBALL TICKETS. I HAVE TROUBLE WITH THAT. SO THAT'S REALLY MY CONCERN. I JUST DON'T THINK WE OUGHT TO EXPAND ANY MORE THAN WHAT WE ALREADY HAVE. THANK YOU. I'D YIELD THE REST OF MY TIME TO SENATOR BRASCH IF SHE WANTS IT. [LB619]

SPEAKER HADLEY: SENATOR BRASCH, YOU'RE YIELDED 1:22. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT. THANK YOU, SENATOR KOLTERMAN. I BELIEVE HE'S MADE SOME VERY IMPORTANT POINTS JUST NOW, THAT WHAT WE'RE TRYING TO DO HERE TODAY IS UNDERSTAND CHANCE AND UNDERSTAND SKILL, AND TRYING TO CALL A GAME THAT HAS A LOT OF RANDOM ELEMENTS IN IT THAT CANNOT BE DETERMINED, BECAUSE I THINK, IF IT COULD BE DETERMINED, IF IT WAS SKILL-BASED, THEN WHERE IS THE GAMBLING? WHERE'S THE WIN? WHY WOULD PEOPLE PLAY IF YOU KNEW THAT SOMEBODY IS GOING TO WIN? THAT'S KIND OF ALSO IN SPORTS--SOMEBODY IS GOING TO WIN. AND THAT'S WHERE WE PULL IN THE CROWDS, WE PULL IN THE STADIUM. BUT THIS IS GAMBLING, GAMBLING, AND WE'RE TRYING TO EXPAND IT IN OUR STATE, THAT THE SKILL HERE IS ENTIRELY DEPENDENT, AS I UNDERSTAND IT, ON RANDOM EVENTS, OF CARDS, OF THE INDIVIDUALS, OF, YOU KNOW, DIFFERENT THINGS THAT MAY OR MAY NOT HAPPEN. AND... [LB619]

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SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR KOLTERMAN AND SENATOR BRASCH.
SENATOR SCHNOOR, YOU'RE RECOGNIZED. [LB619]

SENATOR SCHNOOR: THANK YOU, MR. SPEAKER. SENATOR LARSON, WILL YOU
YIELD TO A QUESTION, PLEASE? [LB619]

SPEAKER HADLEY: SENATOR LARSON, WILL YOU YIELD? [LB619]

SENATOR LARSON: YES. [LB619]

SENATOR SCHNOOR: SENATOR LARSON, IF YOU COULD HELP CLARIFY A COUPLE
ELEMENTS IN THE ORIGINAL BILL, I REALIZE WE'RE...ESSENTIALLY, WE'RE
DEBATING THE AMENDMENTS, BUT I DO HAVE SOME QUESTIONS ABOUT THE
ORIGINAL BILL. ON PAGE 3 OF SECTION (4), IT TALKS ABOUT A FEE OF \$40 PER
DAY, AS I UNDERSTAND IT. CAN YOU EXPLAIN HOW THAT WORKS? [LB619]

SENATOR LARSON: THAT'S A SPECIAL DESIGNATED LICENSE. ARE YOU FAMILIAR
WITH SPECIAL DESIGNATED ALCOHOL LICENSES? [LB619]

SENATOR SCHNOOR: I AM NOT. [LB619]

SENATOR LARSON: OKAY. SO A SPECIAL DESIGNATED LICENSE IS MORE FOR
THE...THIS WOULD BE THE TOURNAMENT SIDE OF THE BILL. IN REGULAR...THE
LIQUOR CONTROL COMMISSION, WE HAVE WHAT THESE ARE CALLED SDLs, AND
THEY'RE FOR ORGANIZATIONS THAT DON'T HAVE REGULAR LIQUOR LICENSES.
SO THIS WOULD BE YOUR SCRIBNER COMMUNITY SCHOOLS, IF THEY WANTED
TO GET A LICENSE, LIQUOR LICENSE, FOR THEIR ANNUAL BENEFIT, OR YOUR
SCRIBNER CATHOLIC CHURCH, IF THEY WANTED TO GET A LIQUOR LICENSE FOR
THEIR FISH FRY THAT THEY'RE GOING TO HAVE COMING UP DURING LENT. I'M
SURE THAT MANY OF THEM SERVE ALCOHOL OR BEER AT THOSE EVENTS. SO
WHAT THEY HAVE TO DO IS THEY HAVE TO GO IN AND THEY HAVE TO APPLY FOR
AN SDL THROUGH THE LIQUOR CONTROL COMMISSION, AND THAT'S A \$40
LICENSE. AND THEN THE LOCAL GOVERNING BODY HAS TO APPROVE OR
DISPROVE THAT LICENSE. SO WHAT YOU'RE TALKING ABOUT--AS I SAID, WE'VE

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MIRRORED THIS AFTER A LOT OF THE LIQUOR STATUTES--IF SOMEBODY WANTS TO HOST A POKER TOURNAMENT, THEY HAVE TO GET AN SDL, ESSENTIALLY, WITH AN SPL ENDORSEMENT ON TOP OF IT, TO ENSURE THAT THEY'RE FOLLOWING THE LAWS IN CONFORMITY. AND IF THEY DON'T FOLLOW THE SPL LICENSES THEN THEY'LL NEVER BE ABLE TO GET THE SDL AGAIN, ESSENTIALLY IS HOW THE LIQUOR CONTROL COMMISSION OPERATES. AND SO THAT \$40 FEE, DAILY FEE, THAT YOU ARE ASKING QUESTIONS ABOUT IS ESSENTIALLY JUST FOR THE SPECIAL TOURNAMENTS HOSTED BY NONPROFITS. NOW, THEY WILL BE CAPPED AT SIX OF THOSE BECAUSE THAT'S WHERE WE CAP SDLs FOR THOSE ORGANIZATIONS. [LB619]

SENATOR SCHNOOR: OKAY. SO THAT YIELDS ME...OR IT LEADS ME TO ANOTHER QUESTION THAT I HADN'T THOUGHT OF. BUT IF WE AUTOMATICALLY THINK IT'S GOING TO BE JUST BARS, LOCAL BARS, THAT ARE GOING TO APPLY FOR THESE LICENSES, BUT IF SOMEBODY CAN APPLY, LET'S SAY, TO SERVE ALCOHOL AT A WEDDING, IF I'M UNDERSTANDING WHAT YOU'RE SAYING, YOU NEED THAT SPECIALTY...SPECIAL DESIGNATED LICENSE TO SERVE ALCOHOL? DID I UNDERSTAND THAT? [LB619]

SENATOR LARSON: DEPENDING ON, YEAH, DEPENDING ON WHAT EVENT IS, YOU DO NEED THAT SDL. YOU CAN ALSO GET...MANY PEOPLE HAVE CATERING LICENSES, THEY'RE K LICENSES, BUT WE DON'T PULL K LICENSES INTO THIS. [LB619]

SENATOR SCHNOOR: OKAY. SO IF THEY HAVE, CAN THEY THEN GET THIS SPECIALTY SPL? IF THEY GET AN SDL FOR THAT ONE EVENT, THEN THEY CAN GET A LICENSE FOR A POKER TOURNAMENT? [LB619]

SENATOR LARSON: THEY COULD HAVE A POKER TOURNAMENT AS WELL. BUT, MIND YOU, THE LOCAL GOVERNING BODY, AND WE'LL USE IN YOUR CASE THE SCRIBNER CATHOLIC CHURCH FOR THEIR FISH FRY COMING UP DURING LENT, IF THEY WANTED TO GET AN SDL AND SPL TOGETHER, THE SCRIBNER CITY COUNCIL WOULD HAVE TO APPROVE THAT BEFORE THEY ACTUALLY GOT THE LICENSE. SO IF A CITY DIDN'T WANT ANY OF THESE SPECIALTY POKER...LIKE THESE COMMUNITY POKER TOURNAMENTS OR ANYTHING HAPPENING, THE CITY COUNCIL COULD DISAPPROVE IT, JUST LIKE THEY COULD DISAPPROVE ANY LIQUOR LICENSE OR ANY SPECIAL DESIGNATED LIQUOR LICENSE AS WELL. [LB619]

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SENATOR SCHNOOR: OKAY. NOW YOU MENTIONED, AND THIS LEADS TO MY OTHER QUESTIONS, YOU MENTIONED ABOUT THE LOCAL GOVERNING BODY... [LB619]

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR SCHNOOR: THANK YOU, SIR. NOW IS THAT COMPRISED AT THE COUNTY LEVEL OR THE CITY LEVEL, OR HOW DOES THAT WORK? [LB619]

SENATOR LARSON: IT DEPENDS WHERE THE LICENSE IS. IF THE LICENSE...ARE WE STILL TALKING ON THE SPECIAL DESIGNATED ONES, THE SPECIAL PERMITTED ONES? [LB619]

SENATOR SCHNOOR: WELL, ANY OF THEM. ANY OF THEM. [LB619]

SENATOR LARSON: OKAY. SO IT DEPENDS WHERE THE ESTABLISHMENT IS. IT'S THE SAME WITH THE BIG ENDORSEMENT, NOT JUST THE SPECIAL TOURNAMENTS. IF THE ESTABLISHMENT OR ORGANIZATION, IF IT'S GOING TO BE AT THE SCRIBNER CATHOLIC CHURCH, IF THAT'S WITHIN CITY LIMITS, THEN IT WILL BE THE CITY THAT DECIDES IT, ON WHETHER OR NOT THAT HAPPENS. IF THE SCRIBNER CATHOLIC CHURCH IS OUTSIDE CITY LIMITS, IT WILL BE THE COUNTY THAT DECIDES IT, JUST LIKE IT CURRENTLY IS WITHIN OUR LIQUOR STATUTES. AND THE SAME IF THEY WANT...IF ANY BUSINESS, IF THE BAR IN SCRIBNER WANTED TO GET A POKER ENDORSEMENT, I DOUBT THEY WOULD BECAUSE I DON'T THINK THEY'D BE PROFITABLE WITH IT BECAUSE OF THE INVESTMENT THAT IT WOULD TAKE, BUT IF THEY WANTED TO, TO GET THAT POKER ENDORSEMENT, IT WOULD HAVE TO GO THROUGH THE CITY COUNCIL AS WELL AS THE LIQUOR CONTROL COMMISSION. [LB619]

SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR SCHNOOR: THANK YOU, SIR. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR SCHNOOR. SENATOR JOHNSON, YOU ARE RECOGNIZED. [LB619]

SENATOR JOHNSON: THANK YOU, MR. SPEAKER. I'D LIKE TO YIELD SOME TIME TO SENATOR CHAMBERS. [LB619]

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SPEAKER HADLEY: SENATOR CHAMBERS, YOU'RE YIELDED 4:50. [LB619]

SENATOR CHAMBERS: THANK YOU. MR. PRESIDENT, MEMBERS OF THE LEGISLATURE, I HOPE SENATOR RIEPE WILL LISTEN. I WILL PROMISE TO MATCH UP TO \$100 FROM EVERY SENATOR WHO'S INTERESTED IN MAKING A DONATION TO ST. JUDE'S HOSPITAL. THERE'S 4,800 OF...THERE ARE 48 OF YOU. I WILL MATCH UP TO \$4,800 IF YOU PRESENT IT ME. AND I, IN TURN, WILL PRESENT IT TO SENATOR RIEPE FOR ST. JUDE'S CHILDREN'S HOSPITAL. AND IF NOBODY ELSE WILL GIVE ANYTHING, I WILL GIVE AT LEAST \$500 MYSELF. THANK YOU, SENATOR JOHNSON. [LB619]

SPEAKER HADLEY: ANYONE ELSE THAT WISHES TO SPEAK ON AM... [LB619]

SENATOR JOHNSON: I STILL HAVE SOME TIME LEFT? [LB619]

SPEAKER HADLEY: ...1654? [LB619]

SENATOR JOHNSON: I STILL HAVE SOME TIME LEFT? [LB619]

SPEAKER HADLEY: SENATOR JOHNSON, YES. [LB619]

SENATOR JOHNSON: THANK YOU. [LB619]

SPEAKER HADLEY: YOU HAVE...OKAY, YES, SENATOR JOHNSON, YOU HAVE 4:00. [LB619]

SENATOR JOHNSON: THANK YOU. THANK YOU. I JUST WANT TO TALK ABOUT THE CULTURE THAT I GREW UP IN. I'M OPPOSED TO ANY TYPE OF GAMBLING AND HERE'S WHY. WHEN I WAS A YOUNG CHILD AND MY FRIENDS WERE GOING BOWLING, I COULDN'T EVEN GO BOWLING BECAUSE THEY SOLD BEER AT THE BOWLING ALLEY. MY GRANDFATHER, I CREDIT HIM WITH THE FIRST REMOTE CONTROL ON A TV, BECAUSE HE HAD A CLICKER ON THE SIDE OF HIS CHAIR AND WHEN A BEER COMMERCIAL COME UP, HE CLICKED THE TELEVISION OFF. ABOUT 45 SECONDS LATER, HE CLICKED IT AGAIN, THE TUBE CAME UP AND WE COULD CONTINUE TO SEE THE PROGRAM. I EXPERIMENTED WITH POKER, DIDN'T LIKE IT. I PROBABLY WAS NOT AS CLEAN AS MY GRANDPARENTS AND MY PARENTS WOULD HAVE WANTED ME TO BE. AND I SAT ON THE NATURAL...OR THE GENERAL AFFAIRS COMMITTEE FOR TWO YEARS. I THINK MOST OF THEM ON

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THAT COMMITTEE KNOW THAT I PROBABLY FOUGHT AGAINST MOST OF THE AGENDA BECAUSE THE AGENDA WAS TRYING TO FIGURE OUT MORE WAYS TO CREATE DIFFERENT TYPES OF BEER, GAMBLING, AND THOSE TYPES OF THINGS. I'M NOT ON THAT COMMITTEE. I'M MORE COMFORTABLE WHERE I'M AT RIGHT NOW. BUT JUST TO MAKE A COMMENT, I OPPOSE GAMBLING TOTALLY AND I'VE NEVER BOUGHT A KENO TICKET, NEVER PLAYED KENO, NEVER BOUGHT A LOTTERY TICKET. SO FROM THAT STANDPOINT, I AM CLEAN. THANK YOU. [LB619]

SPEAKER HADLEY: THANK YOU, SENATOR JOHNSON. IS THERE ANYONE ELSE WISHING TO SPEAK ON AM1654? SEEING NONE, SENATOR LARSON, YOU'RE RECOGNIZED TO CLOSE ON YOUR AMENDMENT. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. COLLEAGUES, AM1654 IS ACTUALLY A VERY SIMPLE AMENDMENT. ANY OF YOU THAT HAD CONSTITUTIONAL CONCERNS AFTER THE ATTORNEY GENERAL'S OPINION, WHEN HE SAID HE FELT THAT...AND SENATOR KOLTERMAN DISCUSSED THAT HE FELT THAT THE ATTORNEY GENERAL PROBABLY DIDN'T FEEL THAT LB619 WAS CONSTITUTIONAL. WELL, THAT'S NOT WHAT THE ATTORNEY GENERAL SAID. THE ATTORNEY GENERAL SAID THAT HE FELT THAT DRAW GAMES MAKE THIS MORE CONSTITUTIONALLY SUSPECT AND DID NOT FEEL THAT IT COULD...THE SUPREME COURT WOULD PROBABLY RULE THAT UNCONSTITUTIONAL. THAT'S HIS OPINION. AND SO NOT TO MUDDY UP THE WATERS, I OFFERED AM1654 TO TAKE OUT DRAW GAMES. WHAT THE ATTORNEY GENERAL DID SAY OR DIDN'T SAY, IF YOU WANT TO SAY THAT, ON COMMUNITY CARD GAMES HE DID NOT MAKE A JUDGMENT ON WHETHER OR NOT THEY WERE CONSTITUTIONAL OR NOT. MIND YOU, WE HAVE ONE OF THE MOST ANTIGAMING ATTORNEYS GENERAL IN THE COUNTRY. AND I APPRECIATE HIS HONESTY AND HIS CANDIDNESS ON AT LEAST POSSIBLY PUTTING HIS PERSONAL FEELINGS BEHIND HIM AND SAYING THAT HE CANNOT MAKE A DETERMINATION ON THE CONSTITUTIONALITY OF LB619. HE'S SEEN, AND WE'VE PROVIDED EVIDENCE ON, COURTS ACROSS THE COUNTRY THAT CONTINUALLY RULE BILLS LIKE OR CONCEPTS LIKE LB619 CONSTITUTIONAL, AND THAT'S FINE. BUT HE DID NOT SAY IT WAS UNCONSTITUTIONAL. AM1654 FIXES WHAT HE HAD CONCERNS WITH. SO IF YOU WANT CONSTITUTIONAL OR AT LEAST TO ALLEVIATE THE AG'S CONCERNS, AM1654 DOES THAT. I'VE HEARD A LOT IN THE END, AND IT STARTED WITH SENATOR SMITH, AND SENATOR KOLTERMAN AND SENATOR JOHNSON TOUCHED ON IT--I JUST DON'T BELIEVE IN GAMBLING. COLLEAGUES, ALL RIGHT, BUT THAT'S NOT NECESSARILY THE TEST THAT WE'RE HERE TODAY ON. MORALITY IS SOMETHING THAT MANY TRY TO LEGISLATE. IF YOU BELIEVE YOU KNOW HOW OTHER INDIVIDUALS SHOULD SPEND THEIR MONEY AND WISH TO

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DICTATE THAT BECAUSE YOU THINK IT'S RIGHT, THAT'S FINE, PROTECT THEM FROM THEMSELVES. I DON'T BELIEVE THAT'S GOVERNMENT'S ROLE. THE TRUE QUESTION HERE IS WE HAVE TO LOOK AT THE NEBRASKA CONSTITUTION, LOOK AT THE COURT CASES THAT HAVE HAPPENED, WHETHER THAT'S BANKSHOT OR CASES ACROSS THIS COUNTRY, AND DETERMINE WHETHER OR NOT LB619 IS A PREDOMINANCE OF SKILL. IF IT IS, IT'S ALREADY LEGAL UNDER OUR NEBRASKA CONSTITUTION. SO LET'S TAX AND REGULATE IT. AND IF IT'S ALREADY LEGAL, IT CAN'T BE EXPANDED GAMBLING, IF IT'S ALREADY AVAILABLE, AND IF YOU BELIEVE THERE'S A PREDOMINANCE OF SKILL THEN IT'S ALREADY AVAILABLE. I WOULD ASK YOU TO CONSIDER THAT. SENATOR BLOOMFIELD SAID, WELL, THERE'S CHANCE BECAUSE YOU DON'T KNOW THAT YOU'RE GOING TO WIN MORE THAN 50 PERCENT OF THE HANDS. [LB619]

SPEAKER HADLEY: ONE MINUTE. [LB619]

SENATOR LARSON: THAT'S BACKWARDS IN THE WAY THAT YOU LOOK AT IT. WHEN YOU KNOW THAT 86 PERCENT OF HANDS END UP WITH ONLY ONE PERSON LEFT, I THINK THE TRUE SKILL IS KNOWING WHEN YOU'RE NOT GOING TO WIN THE HAND AND YOU GET OUT. TO UNDERSTAND THAT, TO UNDERSTAND THOSE ODDS, IS THE TRUE SKILL, NOT THAT YOU NEED MORE OF A 50 PERCENT CHANCE OF WINNING BUT THE FACT THAT YOU CAN USE MATH, STATISTICS, PSYCHOLOGY TO DETERMINE WHEN IT'S TIME TO EXIT OR EVEN EVER ENTER THE GAME. I DON'T KNOW HOW MANY OF YOU PLAYED POKER. NOBODY, IT'S ILLEGAL, RIGHT. I DISAGREE WITH THE FACT THAT IT'S ILLEGAL, SENATOR SCHILZ. BUT... [LB619]

SPEAKER HADLEY: TIME, SENATOR. [LB619]

SENATOR LARSON: THANK YOU, MR. PRESIDENT. [LB619]

SPEAKER HADLEY: THE QUESTION BEFORE THE BODY IS THE ADOPTION OF AM1654. ALL IN FAVOR VOTE AYE; ALL OPPOSED VOTE NAY. SENATOR LARSON. THERE'S BEEN A REQUEST TO PLACE THE HOUSE UNDER CALL. THE QUESTION IS, SHALL THE HOUSE GO UNDER CALL? ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. RECORD, MR. CLERK. [LB619]

ASSISTANT CLERK: 31 NAYS, 0 NAYS TO GO UNDER CALL, MR. PRESIDENT. [LB619]

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SPEAKER HADLEY: THE HOUSE IS UNDER CALL. SENATORS, PLEASE RECORD YOUR PRESENCE. THOSE UNEXCUSED SENATORS OUTSIDE THE CHAMBER PLEASE RETURN TO THE CHAMBER AND RECORD YOUR PRESENCE. ALL UNAUTHORIZED PERSONNEL PLEASE LEAVE THE FLOOR. THE HOUSE IS UNDER CALL. SENATOR HANSEN, SENATOR BURKE HARR, SENATOR MELLO, SENATOR KINTNER, SENATOR GROENE. SENATOR GROENE, SENATOR BURKE HARR, SENATOR HANSEN, SENATOR MELLO, THE HOUSE IS UNDER CALL. PLEASE RETURN TO THE CHAMBER. WHILE WE'RE WAITING, SENATOR LARSON, HOW WOULD YOU LIKE TO PROCEED? [LB619]

SENATOR LARSON: ROLL CALL, REVERSE ORDER. [LB619]

SPEAKER HADLEY: SENATOR GROENE, PLEASE RETURN TO THE CHAMBER. THE HOUSE IS UNDER CALL. MR. CLERK, THERE HAS BEEN A REQUEST FOR A ROLL CALL VOTE IN REVERSE ORDER. SENATOR LARSON? [LB619]

SENATOR LARSON: IS EVERYBODY HERE? [LB619]

SPEAKER HADLEY: EVERYBODY IS HERE THAT WE COULD FIND. MR. CLERK. [LB619]

ASSISTANT CLERK: (ROLL CALL VOTE TAKEN, LEGISLATIVE JOURNAL PAGES 271-272.) VOTE IS 14 AYES, 16 NAYS, MR. PRESIDENT, ON THE ADOPTION OF THE AMENDMENT. [LB619]

SPEAKER HADLEY: THE ADOPTION OF THE AMENDMENT FAILS. MR. CLERK FOR ANNOUNCEMENTS? RAISE THE CALL. [LB619]

ASSISTANT CLERK: MR. PRESIDENT, NEW BILLS. (READ LB948-952 BY TITLE FOR THE FIRST TIME.) HAVE AN AMENDMENT TO BE PRINTED TO LB619 FROM SENATOR BRASCH; A MOTION FROM SENATOR KRIST TO WITHDRAW LB917, THAT WILL BE LAID OVER; MOTION FROM SENATOR LARSON TO RECONSIDER THE VOTE JUST TAKEN. (LEGISLATIVE JOURNAL PAGES 272-273.) [LB948 LB949 LB950 LB951 LB952 LB619 LB917]

SPEAKER HADLEY: SENATOR CHAMBERS, YOU'RE RECOGNIZED FOR A VERY QUICK PERSONAL...

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SENATOR CHAMBERS: THANK YOU. MR. PRESIDENT, MEMBERS OF THE LEGISLATURE, MY OFFER IS OPEN AND GOOD UNTIL WEDNESDAY OF NEXT WEEK. YOU DON'T HAVE TO DO IT TODAY OR YOU'RE OUT. THAT'S FOR THAT CONTRIBUTION. THANK YOU, MR. PRESIDENT.

SPEAKER HADLEY: THANK YOU, SENATOR CHAMBERS. WE ARE GOING TO STAND AT EASE FOR JUST A COUPLE OF MINUTES. MR. CLERK.

ASSISTANT CLERK: MR. PRESIDENT, ANOTHER NEW BILL. (READ LB953 BY TITLE FOR THE FIRST TIME.) A SERIES OF NAME ADDS: SENATOR MELLO TO LB919, KOLTERMAN TO LB684, SCHNOOR TO LR35, MELLO TO LB915. (LEGISLATIVE JOURNAL PAGE 274.) [LB953 LB919 LB684 LR35 LB915]

AND FINALLY, MR. PRESIDENT, SENATOR EBKE WOULD MOVE TO ADJOURN UNTIL THURSDAY, JANUARY 14, 2016, AT 9:00 A.M.

SPEAKER HADLEY: YOU'VE HEARD THE MOTION. ALL IN FAVOR SIGNIFY BY VOTING AYE. OPPOSED, NAY. WE ARE ADJOURNED.