

February 1, 1982

LB 631

PRESIDENT: The Chair recognizes Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker and members of the body, because this bill will cost the State of Nebraska \$200,000 annually in lost tax revenues, I would think that each of you would say, maybe I should vote red. I can guarantee you that as a member of the Revenue Committee I have voted red on virtually every bill that comes before that committee that I know is going to result in a revenue loss to the state. But I voted green in committee on this bill and I would ask you to vote green on this bill because this is truly a fairness in equity measure. What happened is very simple as Senator Von Minden points out. The State Racing Commission made arrangements with Atokad and with several other racetracks whereby Atokad gave up some racing days and got other racing days, and the days that Atokad gave up went to the benefit of Aksarben and to the benefit of the Lincoln track, and as you well know those are much larger tracks, and because those tracks got Atokad's special racing days, those tracks had much larger handles. I have become a tout after hearing racing legislation, handle being all the money they collect when the bettors make their bets. I never took any bet, Rex, but anyhow they got larger handles and because they got larger handles the State of Nebraska got a lot more tax money. We got \$1.4 million in new tax money by virtue of Aksarben and Lancaster County getting Atokad's racing days. We wouldn't have had that money but for the fact that Atokad gave up those racing days. Now Atokad got some other days but the other days that it got to some extent were duplicative of Aksarben racing days, and Atokad began to lose money hand over fist. In fact, it lost so much money that Atokad could easily be put out of business. Now the track touts tell me that Atokad shouldn't be put out of business. They say it is a very fine track for some of the horses that aren't going to race at Aksarben or are not going to race in the Lancaster County track and right on down the line. It is an excellent track and we need to preserve Atokad. But to be able to preserve it, we have to make certain that Atokad's revenues are not totally depleted by our taxing structure. So what the Revenue Committee did is it totally and absolutely agreed with Senator Von Minden and the people from his area, including the Nebraska Racing Commission and the Nebraska Thoroughbred Breeders Association and the like that we needed to provide a tax break to Atokad because Atokad in the last analysis had provided a very fine tax break to the State of Nebraska by giving up some of its racing days and allowing the bigger tracks to take them

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