

amendments in LB 1055 that deal with parimutuel wagering and the taxing thereof. If you remember, in 1987 we passed a bill that basically wiped out the parimutuel tax for three years based on the competition the industry was feeling, the fact that there were tracks in the State of Nebraska that needed improvement, and there were tracks being built or were built in Des Moines, Minneapolis, and possibly on-line for Kansas City, Kansas. What we did at that time was we allowed for a tax of 2 percent, but that 2 percent would be returned to the tracks in the form of a credit, a credit that had to be used for capital construction or improvements to those tracks. It was the feeling of the body at this time, although I opposed that legislation, that we would allow the industry in the state to have a period of time in which they would pay no tax and regroup, basically, update, refurbish the existing tracks, and give them the opportunity to compete with the new tracks that were coming on line. They were coming on line at a much reduced tax levy than that which was the current structure in the State of Nebraska. We had two bills introduced, well, really three that dealt with the horse racing industry; Senator Lynch's bill that dealt with the 2 percent across the board, LB 1034 which was the industry bill that I introduced on their behalf that the Revenue Committee unanimously killed, and then LB 1055 that I introduced simultaneously with LB 1034 that was, I felt, closer to where the industry should be in terms of taxation. The industry initially looked for an introducer, to be quite honest with you, to extend the benefits that we put in place in 1987. To my knowledge, they could not find anyone. They stooped so low as to come to me as the introducer of their bill. I talked long and hard with those folks because I felt that one of the best arguments that was made at the time was an argument that I made, silly of me to think that, but an argument that said if you are going to have gambling, you ought to tax it, and that clearly is an argument that I would continue to voice, whether it be in the area of pickle cards, bingo, parimutuel wagering, or even in the area of sports betting, which as Senator Chambers knows, I happen to support. This issue is one of...it is the same question we answered in the first two amendments, at what level do you tax them? Now I would like to see a level of tax across the board for all gambling, if they can support it, but it shouldn't be at a level that they can't support because it doesn't do us any good to tax something if they can't pay it. And that is what the horse racing industry has said, we can pay at a level we feel makes sense, and that level in the committee amendments is a level that represents 2 1/2 percent,