

items had their own impact, but any industry can do what needs to be done to meet that which is a known threat and that is the legalization of certain types of activity in adjoining states and in this state. What you cannot guard against is the illegal activity. We know there will be riverboat gambling on the Missouri and unless the thoroughbred industry does something to compete with that, there will be additional losses of revenue to riverboat gambling. And we can have editorials in the World-Herald. We can have all sorts of hypocritical statements made by politicians. It's not going to change the fact that the industry, as we know it, as we knew it many years ago, is not the same industry that's going to be viable 10 or 20 years ago. It was many years ago that I stood on this floor and advocated simulcasting. We had to literally beat people over the head and Henry Brandt, who was never considered to be the most aggressive horseman in the State of Nebraska, and I talked about simulcasting a long time before it could be spoken of in polite company. We finally got intrastate simulcast, we finally got interstate simulcast and I have suggested that there ought to be additional licenses granted by the Racing Commission for western Nebraska so they can enjoy simulcasting out there. And I'm sure that causes palpitations of the heart to Senator Chambers, but the facts are that if you only offer racing to the eastern third of the state, it's not going to be successful much longer. You're going to have to make additional changes. Now if you're against all gambling, if you want to wipe out all gambling in the State of Nebraska, that's fine with me...

SPEAKER BARRETT: One minute.

SENATOR SCHMIT: ...I will support you. But if you license it, you ought to regulate it, you ought to tax it, you ought to try to make it some kind of an enterprise that contributes to the state. I know it's a little difficult to go back home and tell the folks, yes, we raised your sales tax by 25 percent, we raised your income tax by 17 percent, but lowered the tax on pickles, but lowered the tax on bingo. Oh, yeah, we did raise the tax, I believe, on horse racing from nothing to whatever it is. But it isn't really a very good position to be in as a politician, particularly when in a few years from now we may be facing substantial deficits and revenue reductions. What I'm telling you is this, I'm going to vote for the bill. I don't really like the bill. I think my former aide, Pat, is standing out there. He has got himself about a \$2,500 claimer loaded down with 132 pounds, trying to go a mile and 70 and I don't