

opposed nay. Please record.

CLERK: 26 ayes, 0 nays to cease debate, Mr. President.

SPEAKER BARRETT: Debate ceases. Senator Hall, would you like to close?

SENATOR HALL: Thank you, Mr. President, members, this last portion of the committee amendments we'll be adopting does deal with the racing provisions in the bill. It makes the changes that have been thoroughly debated here dealing with the take-out and the cap at \$80 million in terms of when the 4 percent tax kicks in and the other provision, the provision of the tax. The thing that we tend to forget is that the committee amendments do pose a tax on parimutuel wagering that we don't have right now. Granted it's a half percent tax for three years but then it...the time that that falls off on January 1, 1994 we go to a 2 percent tax that is paid to the state and a 1 percent credit to the tracks. I think that it is clearly a compromise that will allow the industry to have basically another period of time in which to either, in my mind, reorganize or withdraw because you're going to clearly see that industry across the country continue to evolve over the next three years. It has not shaken out, so to speak, in the three years that we allowed for in 1987 till this year. It hasn't happened. We have seen the track up in Minneapolis basically be bought out for roughly 13 cents on the dollar. The track that was worth \$100 million was bought for \$13 million less than a month ago. Those kinds of things are going to continue to happen in the industry as it evolves over the next three years. What we do with this last portion of the committee amendments is allow the industry in Nebraska to be able to compete but still pay tax and that is the important thing for me as sponsor of this bill is that the industry has to pay a tax as long as we're going to continue to give it the tools to compete and to function. To reorganize itself, part of that equation has to include a tax. We do that at a half percent for the next three years, 4 percent for a handle over \$80 million. Then at the point in time that that three years is up we pick up a 2 percent tax across the board and a 4 percent for a handle over \$80 million. We bring them back into line, continuing to pay at the level that traditionally they had paid for back in the hey days of parimutuel wagering. I think that the proposals that we offer in the committee amendments, the compromise that was reached within the industry itself, a compromise in the balance of the committee amendments that have