

PRESIDENT MOUL: Thank you, Mr. Clerk. We'll proceed with General File, LB 718.

CLERK: Madam President, LB 718 was a bill originally introduced by Senator Schmit. (Read title.) The bill was introduced on January 23 of last year. At that time, it was referred to the General Affairs Committee. The bill was reported back to the Legislature with committee amendments pending. Those amendments are now before the body, Madam President. (See AMO425 referred to on page 835 of the Legislative Journal, First Session.)

PRESIDENT MOUL: Senator Schellpeper.

SENATOR SCHELLPEPER: Thank you, Madam Chairman and members. LB 718 is a very complicated bill. I will attempt to explain the committee amendments and I think Senator Schmit will probably be able to do...explain it better than what I am because it's his bill. But, anyway, the committee amendments, it really has two methods to wager on, on horse races. Number one, you have by telephone connected to a deposit center at a licensed race track and this is provided that that person has funds deposited in this deposit center. And two are through telerec facilities that allow a person to place a bet to betting terminals which have an electronic link with a licensed race track and transmit the wagering information from the terminal to the track's parimutuel pool for acceptance. Now, each race track would be allowed to own and operate these facilities within their own market areas and these are defined as within the county in which the race track is located or within 50 miles of that licensed race track. I think this is probably a little bit more fair way to do it. Now the licensed race track would be allowed to deduct up to 5 percent from the winnings of a ticket purchased through telephonic wagering or telerec facility. Now the commission can hold a hearing on any application for a telerec facility unless it is in the county in which the race track is located, in which case it would not have a hearing, and the commission would approve or deny the application based on the best interests of the horse racing industry in Nebraska. Now, all telephonic wagering would be conducted at race tracks which create telephone deposit centers. You have to create this deposit center before you could set this up and no person would be allowed to bet by telephone unless the person had a deposit at that race track. So you're not going to be using somebody else's money. You have