

scenario that is ahead of, those two years are cash flow problems. In fact, the racing program doesn't work. In the event the tax credit is altered under LB 1061, those years will not be a loss but will be in a cash positive situation. One of the elements of this amendment states that this tax change occurs in the event the bonds are issued. If no bonds are issued, the tax rate does not go down. So critical to this is the use of this language to create a trigger. The trigger is bonds are let, tax rate goes down. I subsequently have had some discussion with the representatives of Douglas County, and, basically, we understand each other to this extent. We understand that we want the bonds, if they are to be sold, at the best possible rate, the lowest possible rate. The better the financing on the deal, the better rate and the lower the interest rate charged. Taking the tax credit off now puts them in the best possible situation to take the bonds to market. Secondly, the future of Ak-Sar-Ben's finances are such that you can't accurately pinpoint what is going to happen. In the event we have, let's say, 9 percent bonds and we have cash losses in '94 and '95,...

SPEAKER BAACK: One minute.

SENATOR LANDIS: ...the tax credit is going to be very necessary. The principle that I have announced or suggested as that which would bind us and in which I think the county has some adherence to is that the tax credit should get set at that point which makes the race operation cash flow, but no higher, no greater. How will we know how to do that? Pass 1061, adopt this amendment, issue the bonds, begin the race operation, learn what the financing is, and then figure out that amount of tax credit necessary to make the operation cash flow inside the parameters that we are announcing in 1061. If the credit is greater than that, we can retrench and secure money back in to the General Fund. On that basis, I am a supporter of the Hall amendment and I am a supporter of 1061 on Select File. I urge the adoption of the amendment.

SPEAKER BAACK: Thank you, Senator Landis. Senator Will, you are next.

SENATOR WILL: Thank you, Mr. Speaker, and members of the body. I rise in support of the Hall amendment. I think it is important that we remember the context within which this amendment is being offered, and that is that it simply takes a