

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

February 20, 2004 LR 14

if something like this that Senator Smith has before us were in our constitution or were a part of this process, it would ensure that those individuals who seek to come into the state and plunder our citizens of their hard-earned money in the idea that they're going to make it big, this would help with that. This would also help when you look at the collateral damage that will come from the casinos located within the boundaries of the state of Nebraska. There have been numerous studies done, and there are economic indicators of how economies grow. If Senator Jones and I had a dollar and we went down to the car dealership, and we invested our dollars into vehicles and then that car dealer went out and bought something, that is the same dollar being multiplied within the economy. There's a multiplier effect. The value of that multiplier effect is that that business would then go and buy parts from another individual, maybe the owner of that business would go buy groceries from someone, the owner of the grocery store would go buy other things, and that dollar would continue to be spread around throughout that community. That's valuable for us to understand as far as the economies of the state of Nebraska. Where there are more opportunities to spend money locally, more people take advantage of that, you see general economies in those areas growing, and I think that is...that is a good thing for those communities that are able to do that. However, when you look at those dollars that end up in front of those same communities that get spent within a casino, we don't see that multiplier effect. We don't see it. Now, the same dollar is spent at the casino. It's plugged into the slot machine, it's laid down on the blackjack table, wherever you want to spend it in that casino. That dollar that could have been spent for other things now goes directly into the casino. Now, what is the reality of where that dollar ends up? Does that dollar end up in the pocket of a winner? Okay. It may. It may end up in the pocket of the state, depending upon what our tax levy would be or what our percent would be. Or it may end up outside of the state of Nebraska. So there's a multiplier effect there. Again, it's not directly beneficial to those in that area because the dollar that went into the casino is also using to subsidize maybe a \$5 stake, or maybe it's being used to subsidize other businesses that are in direct competition with homegrown businesses. And Senator Cunningham has made it his new life's calling to try and protect homegrown