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

April 13, 2005 LB 480, 730

intend to speak on this because, again, because, like I mentioned, I think that maybe it's time to take a vote and see if Senator Thompson has the support to move the bill to Select But I also mention that there will be a number of amendments on Select as well, because I don't believe that this is the right course of action. And I know Senator Chambers mentioned that and I've not made that any secret. I don't believe that this is the right thing to do, and so I won't support the bill no matter what or no matter how it's amended or changed. But I did want to talk about the impairment of the contract issue and I do think there's an impairment of contract situation here, notwithstanding what Senator Chambers says. And while I tell I'm not...I've never litigated an impairment of contract issue, it just seems to make sense, when you have a private entity that has contracted with the state with one set of expectations, and then all of a sudden a law is passed that changes those and reduces the value of that contract, I think it's an issue. And I'll tell you, let me read you a definition of what an impairment of the obligation of contract is. To impair the obligation of a contract within prohibition of Article I, Section 10, of the United States Constitution is to weaken it, and here's where I think it violates the contract obligations, in that it lessens its value or it makes worse in any respect or in any degree. Any law which change intention and legal effects of the parties impairs Any law which changes the obligation of the contract. So we had, and I mentioned this yesterday, we had a hearing on LB 730. We had a number of bar and restaurant owners come in and they talked about how their incomes are down 30-40-50 percent. If we adopt this amendment what we have said is that we are...we are saying there's no smoking on the State Fairgrounds, and I am arguing that that lessens the value of the contract between the vendor who's running that horse track and the state. We...it is documented. I can read you the testimony if we want to take some more time. A bar or restaurant, at least here in the city of Lincoln, and maybe it's temporary, I don't know, I've heard other people say it is temporary, but it is... I don't think anyone can argue that their revenues are down. There was an article in the paper yesterday that a billiards store closed, I think it was Big John's, and the reason...it was a bar. The reason it closed, the owner said, was absolutely because of the smoking ban. So