

STATEWIDE PERSPECTIVE
70114.2004.00.05.01
GAMBLING DRIVES

[Petition circulator] Hi. I thought a petition that we're trying to get put on the ballot for November.....

[Brad Penner/Reporting] If you favor more gambling in Nebraska, look around. Someone's bound to want your signature.

[Petition circulator] So would you like to sign this for me.

[Penner/Reporting] Three groups filed petitions to allow more gambling in the state. Another coalition has four petitions under the same umbrella. Each effort takes a different approach allowing different types of games in different places with different regulations. But they make similar arguments for expanded gambling.

[Jim Cada/Initiative Spokesman] Our charities need money. Our communities need support of some sort. And rather than bus them over to Iowa or to South Dakota, why don't they stay at home and leave some of that money here.

[Brad Kistler/Initiative Spokesman] Truly this is a proposal to keep the money in Nebraska. There's nobody gonna take money out. It's a—basically a non-profit proposal.

[Greg Robinson/Initiative Spokesman] To our best guesstimate at this point is that there's somewhere around six hundred million dollars of Nebraska money leaving the state for gaming.

[Penner/Reporting] Greg Robinson is the mayor of Kimball. He's also the spokesperson for a coalition of casino, keno, and horse racing interests known as Keep the Money in Nebraska. They're seeking approval of a four-part plan to expand gambling.

[Robinson] The gift of what it does is it creates two casinos in Omaha and then it allows limited gaming devices and slot machines to be spread out throughout the state in various scenarios.

[Penner/Reporting] Robinson got involved because of keno. He says keno paid for improvements at the fire hall and the playground in the city park. Keno provided money needed to guarantee a loan used to build a new congregate living center for older adults in Kimball.

[Robinson] We've been involved in keno since the early 1990s and actually have received the—a lot of money. A hundred thousand dollars or more from keno over the last several years.

[Penner/Reporting] Robinson says slot machines could mean more money for communities if the initiative becomes law.

[Robinson] If the initiative gets on the ballot and gets passed, then everything resides in the hands of the city council for Kimball. They decide (A) Whether Kimball's gonna have machines at all and (B) Where they go and how they're distributed.

[Penner/Reporting] Keep the Money in Nebraska proposes a four petition plan for expanded gambling. A constitutional amendment would make it clear that people can authorize gambling through an initiative. A second amendment would require a two-thirds vote of the legislature to repeal any law enacted by initiative. A third petition defines in state statute the type and location of gambling. The fourth petition establishes a statute controlling the tax and fee structure for gambling. Communities would get a certain number of slot machines or video gambling machines based on population. Kimball would be allowed 14 machines. The city council could allocate some or all of the machines to a local bar or they could allocate their machines to something called a strategic location.

[Robinson] Some people call em mini-casinos, but I don't really like that as a name, but it's basically just a building that would house somewhere between two hundred and fifty and five hundred slot machines.

[Penner/Reporting] Strategic location slot machine casinos could be set up along Interstate 80 or Highway 81 with an eye toward luring travelers. Cities or counties that allocated their gambling machines to a strategic location would get the revenue from those machines. The state would also get a share.

[Robinson] Why not keep the money here. If people are gonna spend it on gambling, why not spend it here and make our state better rather than the neighboring states.

[Penner/Reporting] You can catch a bus to a casino in a lot of Nebraska towns. Even Kimball has excursions to casinos in South Dakota and Colorado.

[Rose Marie Anderson] It's older people who want to get away for a day. They know their limits. They don't overspend.

[Penner/Reporting] Rose Marie Anderson organizes bus trips to casinos. She says local slot machines wouldn't keep her customers off the bus. And she doesn't want expanded gambling in her town.

[Anderson] I don't like it. I don't think the people who go on the bus trips are going to support it because as I said, they want a day's outing.

[Penner/Reporting] Sherry Blanche is editor of the Western Nebraska Observer in Kimball. She says the gambling issue isn't a hot topic in Kimball yet.

[Sherry Blanche] I can't tell you honestly that there's more in favor of it than against it or vice versa. I just—I don't know that at this point.

[Penner/Reporting] But she doesn't believe gambling will help the local economy.

[Blanche] Businesses are suffering and you say if you have gambling and they're taking that expendable income or even income that should be spent on necessities, and spending it on gambling, then there's probably even going to be less money spent.

[Penner] Mayor Greg Robinson is also jeweler Greg Robinson. He isn't as concerned about losing business.

[Robinson] I don't think that the average small business is gonna see a huge impact on their business based on this because it is such a—it's a very limited form of gaming that we're talking about in Nebraska.

[Penner/Reporting] Omaha could have up to two casinos under Keep the Money in Nebraska's proposal. Robinson says the group decided casinos had to be part of their plan. Coast Casinos of Las Vegas joined as a partner and major financial supporter.

The proposal also allows slot machines at some racetracks, including Horseman's Park in Omaha. But it restricts the number of slots at keno parlors near a casino.

LaVista Keno owner Rich Bellino believes the four-part proposal would shortchange LaVista. He says it's a self-serving initiative.

[Rich Bellino/Initiative Sponsor] It determines what the tax rate's gonna be, the maximum, where the games are gonna be, how much of it, and it was pretty well wrote how they wanted the state divided up.

[Penner/Reporting] Bellino broke away from the group and started his own initiative to allow casino gambling in Nebraska.

[Bellino] It would allow for blackjack, poker, video slots, video gambling of any kind and it would also allow the communities the opportunity to have video gaming devices if each community chose with an election to have it.

[Penner/Reporting] Bellino's been in the keno business since the State legalized the game. He saw revenue drop drastically when casinos opened in Iowa. And he's seen it recover in recent years to near pre-casino levels.

[Bellino] I believe the only reason gambling should be expanded in Nebraska if it's gonna be taxed heavily. And if it's not gonna be taxed, then there shouldn't be an expansion of gambling.

[Penner/Reporting] Bellino would leave the tax rate and details of how to regulate gambling up to the legislature.

[Bellino] Well I have no guarantee that if anything did pass that I'd receive anything.

[Penner/Reporting] Slot machines and video gambling machines could be placed in bars, restaurants, or veteran's clubs under an initiative proposed by a coalition of veterans groups. The machines would be sponsored by charitable organizations. Proceeds would also go to counties for property tax relief and the State Department of Veterans Affairs. The bar or restaurant would get half of the revenue. The initiative also sets up a regulatory council appointed by the governor.

[Cada] The whole idea of this is to spread it throughout the state and put it in many many potential areas rather than one or two locations.

[Penner/Reporting] Another initiative sponsored by Brian Becker of Hastings would legalize slot machines and video gambling devices. The machines would be allowed at horseracing tracks and veterans clubs. Non-profit groups could place machines at other locations approved by the legislature. The legislature would also determine other regulations. Becker owns a quarter-horse track in Hastings. Brad Kistler is his attorney.

[Kistler] The approach is to authorize certain groups that we've identified to conduct such gaming, that is gaming by the use of player-activated gaming devices and then put pretty much full control in the hands of the legislature to license and regulate what's to go on.

[Penner/Reporting] Kistler says they want to keep the petition simple, so they left out other casino games.

[Kistler] We have no problems if somebody else wants to establish casinos in Omaha. It's just not something that's gonna be done with this petition.

[Penner/Reporting] The pro-gambling groups admit the plethora of petitions will make it more difficult to get the signatures needed and stand out in the crowd.

[Robinson] It's gonna be imperative that we separate ourselves from everybody else so that everybody knows specifically what they're talking about. Which each petition says and the differences between all the petitions.

[Bellino] Now I don't have the funding that the other group has at this point, but I am confident that I'm gonna put enough people together to get ours on the ballot and I know if mine gets on the ballot, it will win because it's not a self-serving initiative.

[Kistler] Some of the other petition drives they do everything they can to make sure that the legislature has virtually no ability to control. They don't trust the legislature. We trust the legislature and we think that's where the control out to be at.

[Robinson] We still think we've got the most comprehensive and the most broad-based plan out there and we think that the people are gonna like ours best.

[Blanche] I would hope that if it were put up for a vote that our state would be conscientious enough to really look at all of the language and you know whose going to get what share and how it's going to be laid out and give it a lot of consideration and I don't know that it would pass.

[Penner/Reporting] Supporters say problems such as gambling addiction may not get much worse if Nebraskans approve expanded gambling.

[Cada] Cause certainly gambling is a vice. It's not good for the society generally, but those who do it are gonna do it anyway, so why not let them do it here rather than have them go away and put the money somewhere else.

[Robinson] And the state's not receiving any of the benefit from the gambling. We've got some of the problems, but none of the benefit and our goal is to have the benefit and obviously there's gonna be some problems that come along with it too.

[Penner/Reporting] You'll hear a lot about the good and bad of gambling in the coming weeks.

[Petition circulator] Okay, right here you go.

[Penner/Reporting] And if you decide you want more gambling in the state, be sure you know what you're signing. Reporting for Statewide, I'm Brad Penner.