

# Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources  
Department of Agricultural Economics  
University of Nebraska – Lincoln

## 2004 Ballot Proposals

Market Report	Yr Ago	4 Wks Ago	10/22/04
<b><u>Livestock and Products,</u></b>			
<b><u>Weekly Average</u></b>			
Nebraska Slaughter Steers, 35-65% Choice, Live Weight . . . . .	\$100.46	\$83.69	\$85.68
Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb . . . . .	109.99	125.75	124.33
Nebraska Feeder Steers, Med. & Large Frame 750-800 lb . . . . .	111.64	116.26	115.65
Choice Boxed Beef, 600-750 lb. Carcass . . . . .	190.50	137.11	141.80
Western Corn Belt Base Hog Price Carcass, Negotiated . . . . .	46.87	81.17	70.17
Feeder Pigs, National Direct 45 lbs, FOB . . . . .	38.40	46.25	50.28
Pork Carcass Cutout, 185 lb. Carcass, 51-52% Lean . . . . .	58.12	76.33	72.99
Slaughter Lambs, Ch. & Pr., 90-160 lbs., Shorn, Midwest . . . . .	90.50	92.00	86.25
National Carcass Lamb Cutout, FOB . . . . .	208.68	218.31	221.58
<b><u>Crops,</u></b>			
<b><u>Daily Spot Prices</u></b>			
Wheat, No. 1, H.W. Omaha, bu . . . . .	3.58	3.35	3.19
Corn, No. 2, Yellow Omaha, bu . . . . .	2.22	1.84	1.69
Soybeans, No. 1, Yellow Omaha, bu . . . . .	7.45	4.89	4.92
Grain Sorghum, No. 2, Yellow Columbus, cwt . . . . .	3.88	2.80	2.75
Oats, No. 2, Heavy Minneapolis, MN, bu . . . . .	1.69	1.79	1.55
<b><u>Hay</u></b>			
Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton . . . . .	115.00	115.00	115.00
Alfalfa, Large Rounds, Good Platte Valley, ton . . . . .	65.00	62.50	62.50
Grass Hay, Large Rounds, Good Northeast Nebraska, ton . . . . .	62.50	57.50	57.50
* No market.			

The November 2, 2004 general election ballot has eight ballot questions. Amendments 1-4 (all proposed amendments to the Nebraska Constitution) were adopted by the Nebraska Unicameral. Initiatives 417-420 (two constitutional amendments and two citizen-initiated statutes) are a four-part citizen initiative petition package supported by a gambling coalition. The eight proposals are briefly discussed in the order they will appear on the ballot.

**Amendment 1: Historic Preservation.** This constitutional amendment would authorize (but not require) the Nebraska Unicameral to enact statutes allowing a property tax reduction on the increased value of renovated or restored historic properties. The specifics of any historic preservation property tax program would be established by the Unicameral if Amendment 1 is adopted by voters.

**Amendment 2: Lieutenant Governor Duties.** Under current law, the Lieutenant Governor presides over the Unicameral and votes on legislation when legislators have cast a tie vote. Amendment 2 would repeal this authority.

**Amendment 3: Casino Gambling.** Under current law, expanded gambling can be authorized only by constitutional amendment. Amendment 3 would amend the Nebraska Constitution to allow (but not require) the Unicameral to authorize up to two casinos (no location specified), subject to approval by voters in the affected county or counties. The Unicameral by additional legislation could tax and regulate casino gambling. By legalizing casino gambling, Amendment 3 would also (under federal law) authorize tribal casinos in Nebraska. Amendment 3 contains no compulsive gambling treatment funding, although such funding could be provided in future legislation.

**Amendment 4: State Fair Lottery Earmark.** Under current lottery statutes, 49.5 percent of state lottery proceeds go to education, 49.5 percent go to environmental programs, and 1 percent goes to compulsive gambling treatment. In 2004, \$25 million of lottery proceeds were for the first time transferred to the state general fund. Amendment 4 would

put the distribution of state lottery proceeds in the Nebraska Constitution, and distribute 10 percent to the Nebraska State Fair. Under Amendment 4, the first \$500,000 of lottery proceeds would go to compulsive gambling treatment. Of the remaining funds, 44.5 percent would go to education, 44.5 percent would go to environmental programs, 10 percent would go to the state fair, and 1 percent would go to compulsive gambling treatment. The city in which the fair is located (currently Lincoln) would be required to provide a 10 percent match. If the state fair ceased to operate, the state fair earmarked funds would be credited to the state general fund. If adopted, Amendment 4 would provide the state fair with approximately \$2 million annually of state lottery proceeds.

Initiatives 417-420 are the four-part citizen initiative proposal for expanded gambling in Nebraska. These measures would also (under federal law) allow the operation of tribal casinos in Nebraska (as would Amendment 3). This gambling package would allow two casinos in Omaha and up to 4,900 slot and video lottery machines in bars/restaurants and keno parlors statewide. Initiatives 417, 419 and 420 (but not Initiative 418) would need to be adopted to implement the expanded gambling package.

**Initiative 417: Gambling Initiative Petitions.** Under current law, expanded gambling can be authorized only by constitutional amendment. Initiative 417 would amend the Nebraska Constitution to allow voters to enact gambling statutes by initiative petition.

**Initiative 418: Modifying Citizen-Initiated Statutes.** Under current law, 30 votes are required for the Unicameral to enact or repeal legislation (included statutes adopted by citizen initiative petition). Initiative 418 would amend the Nebraska Constitution to require a two-thirds vote of the Unicameral (33 votes) in order to repeal or change any statute enacted by citizen initiative.

**Initiative 419: Gambling Taxation.** Initiative 419 would establish in initiated statute the taxes on gross gambling revenue: 36 percent of the first \$15 million and 20 percent thereafter. Initiative 419 also specifies the distribution of tax revenues between the state and authorizing communities and counties: 75 percent state, 25 percent local for casinos and 25 percent state, 75 percent local for other gaming devices. There is no compulsive gambling treatment program funding, although such funding could be provided in future legislation.

**Initiative 420: Expanded Gambling.** Initiative 420 would establish in initiated statute the details of what gambling would be permitted and also establish the Nebraska Gaming Commission for regulatory oversight. With local approval, Initiative 420 would allow two casinos in Omaha and up to 4,900 slot machines/video lotteries in keno parlors and bars/restaurants statewide. Initiative 420 would also allow communities to join together and sponsor up to twelve slot parlors on Interstate 80 and U.S. Highway 81. The state's

five horse tracks would get 700 slot machines. The other 4,200 gambling devices (which would be video lottery machines) would be divided among communities and counties based on population. Incorporated communities up to 3,000 would be allowed one gaming device per 200 population or fraction thereof. Communities of 3,001-50,000 would be allowed one gaming device per 500 population. Communities of more than 50,000 population would be allowed one gaming device per 1,000 population. Counties would be allowed one gaming device per 300 population located outside city limits. City councils and county commissioners would have to approve the location of video lottery machines within their jurisdictions, as would the Nebraska Gaming Commission.

What happens if both gambling proposals are adopted? A lawsuit would likely be filed to sort this out. Under state law, if two ballot proposals conflict, the proposal with the most votes wins. If, however, the courts rule that the two ballot gambling proposals are consistent, both can become law. If this occurs, Nebraska could have four casinos and 4,900 slot and video poker machines, with the two Amendment 3 casinos under the authority of the Unicameral and the two Initiative 420 casinos in Omaha, (in addition to any tribal casinos).

#### Sources and Resources:

Nebraska Secretary of State Website, <http://www.sos.state.ne.us/elec/> (includes information on ballot issues, ballot language and the official text of each amendment and initiative).

Robynn Tysver, "Breaking down the fine print on the gambling ballot issues," Omaha World Herald, available at [http://www.omaha.com/index.php?u\\_np=0&u\\_pg=1673&u\\_sid=1239105](http://www.omaha.com/index.php?u_np=0&u_pg=1673&u_sid=1239105) (Sunday, October 24, 2004).

League of Women Voters Guide for Douglas County, available at [http://www.omaha.com/index.php?u\\_np=0&u\\_pg=1673&u\\_sid=1217384](http://www.omaha.com/index.php?u_np=0&u_pg=1673&u_sid=1217384)

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