

ONE HUNDRED THIRD LEGISLATURE

SECOND SESSION

LEGISLATIVE RESOLUTION 41CA

PROPOSED CONSTITUTIONAL AMENDMENT

Final Reading

(Second)

Introduced by Lautenbaugh, 18; Karpisek, 32.

Read first time January 23, 2013

Committee: General Affairs

1 THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF
2 NEBRASKA, SECOND SESSION, RESOLVE THAT:

3 Section 1. At the general election in November 2014 the
4 following proposed amendment to the Constitution of Nebraska shall be
5 submitted to the electors of the State of Nebraska for approval or
6 rejection:

7 To amend Article III, section 24:

8 III-24 (1) Except as provided in this section, the
9 Legislature shall not authorize any game of chance or any lottery or
10 gift enterprise when the consideration for a chance to participate
11 involves the payment of money for the purchase of property, services,
12 or a chance or admission ticket or requires an expenditure of
13 substantial effort or time.

14 (2) The Legislature may authorize and regulate a state
15 lottery pursuant to subsection (3) of this section and other
16 lotteries, raffles, and gift enterprises which are intended solely as

1 business promotions or the proceeds of which are to be used solely
2 for charitable or community betterment purposes without profit to the
3 promoter of such lotteries, raffles, or gift enterprises.

4 (3)(a) The Legislature may establish a lottery to be
5 operated and regulated by the State of Nebraska. The proceeds of the
6 lottery shall be appropriated by the Legislature for the costs of
7 establishing and maintaining the lottery and for the following
8 purposes, as directed by the Legislature:

9 (i) The first five hundred thousand dollars after the
10 payment of prizes and operating expenses shall be transferred to the
11 Compulsive Gamblers Assistance Fund;

12 (ii) Forty-four and one-half percent of the money
13 remaining after the payment of prizes and operating expenses and the
14 initial transfer to the Compulsive Gamblers Assistance Fund shall be
15 transferred to the Nebraska Environmental Trust Fund to be used as
16 provided in the Nebraska Environmental Trust Act;

17 (iii) Forty-four and one-half percent of the money
18 remaining after the payment of prizes and operating expenses and the
19 initial transfer to the Compulsive Gamblers Assistance Fund shall be
20 used for education as the Legislature may direct;

21 (iv) Ten percent of the money remaining after the payment
22 of prizes and operating expenses and the initial transfer to the
23 Compulsive Gamblers Assistance Fund shall be transferred to the
24 Nebraska State Fair Board if the most populous city within the county
25 in which the fair is located provides matching funds equivalent to

1 ten percent of the funds available for transfer. Such matching funds
2 may be obtained from the city and any other private or public entity,
3 except that no portion of such matching funds shall be provided by
4 the state. If the Nebraska State Fair ceases operations, ten percent
5 of the money remaining after the payment of prizes and operating
6 expenses and the initial transfer to the Compulsive Gamblers
7 Assistance Fund shall be transferred to the General Fund; and

8 (v) One percent of the money remaining after the payment
9 of prizes and operating expenses and the initial transfer to the
10 Compulsive Gamblers Assistance Fund shall be transferred to the
11 Compulsive Gamblers Assistance Fund.

12 (b) No lottery game shall be conducted as part of the
13 lottery unless the type of game has been approved by a majority of
14 the members of the Legislature.

15 (4)(a) Nothing in this section shall be construed to
16 prohibit ~~(a)~~ the enactment of laws providing for the licensing and
17 regulation of wagering on the results of live or replayed horseraces,
18 wherever run, either within or outside of the state, by the
19 parimutuel method, when such wagering is conducted by licensees
20 within a licensed racetrack enclosure. The state's proceeds from a
21 tax placed on wagering by the parimutuel method shall be appropriated
22 by the Legislature for the costs of regulating wagering by the
23 parimutuel method and for the following purposes:

24 (i) Forty-nine percent of the money remaining after the
25 payment of regulatory expenses shall be used for elementary and

1 secondary education statewide;

2 (ii) Forty-nine percent of the money remaining after the
3 payment of regulatory expenses shall be used to reduce property taxes
4 statewide; and

5 (iii) Two percent of the money remaining after the
6 payment of regulatory expenses shall be transferred to the Compulsive
7 Gamblers Assistance Fund.

8 (b) Nothing in this section shall be construed to
9 prohibit ~~or (b)~~ the enactment of laws providing for the licensing and
10 regulation of bingo games conducted by nonprofit associations which
11 have been in existence for a period of five years immediately
12 preceding the application for license, except that bingo games cannot
13 be conducted by agents or lessees of such associations on a
14 percentage basis.

15 Sec. 2. The proposed amendment shall be submitted to the
16 electors in the manner prescribed by the Constitution of Nebraska,
17 Article XVI, section 1, with the following ballot language:

18 A constitutional amendment to provide for enactment of
19 laws providing for licensing and regulation of wagering on live or
20 replayed horseraces, wherever run, either within or outside of the
21 state, by the parimutuel method, when such wagering is conducted by
22 licensees within a licensed racetrack enclosure, and to require
23 appropriation of certain parimutuel taxes for regulation of
24 parimutuel wagering, for education, for property tax relief, and for
25 the Compulsive Gamblers Assistance Fund.

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1 For
2 Against.