

UNICAMERAL YOUTH LEGISLATURE OF NEBRASKA
EIGHTEENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE RESOLUTION 294CA

Introduced by: [TBD]
Read first time June 11, 2018
Committee: Government

THE MEMBERS OF THE EIGHTEENTH LEGISLATURE OF NEBRASKA, FIRST SESSION, RESOLVE THAT:

Section 1. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 24:

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

(2) The Legislature may authorize and regulate a state lottery pursuant to subsection (3) of this section and other lotteries, raffles and gift enterprises which are intended solely as business promotions or the proceeds of which are to be used solely for charitable or community betterment purposes without profit to the promoter of such lotteries, raffles or gift enterprises.

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

(i) The first \$500,000 after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund;

(ii) 44.5 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act;

(iii) 44.5 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be used for education as the Legislature may direct;

(iv) 10 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska State Fair Board if the most populous city within the county in which the fair is located provides matching funds equivalent to 10 percent of the funds available for transfer. Such matching funds may be obtained from the city and any other private or public entity, except that no portion of such matching funds shall be provided by the state. If the Nebraska State Fair ceases operations, 10 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the General Fund; and

(v) 1 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers Assistance Fund.

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

(4) Nothing in this section shall be construed to prohibit (a) the enactment of laws providing for the licensing and regulation of wagering on the results of horse races, wherever run, either within or outside of the state, by the parimutuel method, when such wagering is conducted by licensees within a licensed racetrack enclosure or (b) the enactment of laws providing for the licensing and regulation of bingo games conducted by nonprofit associations which have been in existence for a period of 5 years immediately preceding the application for license, except that bingo games cannot be conducted by agents or lessees of such

associations on a percentage basis.

Sec. 2. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To add a new section 23 to Article III:

III-23 98 percent of revenue from any game of chance, any lottery or any gift enterprise authorized by the Legislature under subsection (1) of Article III, section 24 of this Constitution and not distributed pursuant to subsection (2), (3) or (4) of such section shall be transferred to the Property Tax Credit Cash Fund and the remaining 2 percent shall be transferred to the Compulsive Gamblers Assistance Fund.

Sec. 3. The proposed amendments shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to provide that the Legislature may authorize any game of chance, any lottery or any gift enterprise and eliminate the existing prohibition regarding certain games of chance, lotteries or gift enterprises.

For

Against.

A constitutional amendment to provide that 98 percent of revenue from certain games of chance, lotteries or gift enterprises authorized by the Legislature shall be transferred to the Property Tax Credit Cash Fund and the remaining 2 percent shall be transferred to the Compulsive Gamblers Assistance Fund.

For

Against.

Statement of Intent

LR294CA would place two questions on the November 2018 general election ballot. The first question would allow the Legislature to authorize any games of chance, lottery or gift enterprise.

The second question would provide that 98 percent of the revenue go to the Property Tax Credit Cash Fund and 2 percent to the Compulsive Gamblers Assistance Fund. This new distribution of revenue only would apply to the gaming authorized under this new constitutional amendment and would not alter the current distribution of gaming revenue outlined in the Nebraska Constitution.