

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 301

Introduced by Janssen, 15

Read first time January 11, 2007

Committee: General Affairs

A BILL

1 FOR AN ACT relating to the state lottery; to amend section
2 9-812, Revised Statutes Cumulative Supplement, 2006; to
3 extend the current distribution of the proceeds from
4 lottery ticket sales until January 1, 2013; to harmonize
5 provisions; and to repeal the original section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-812, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 9-812 (1) All money received from the operation of
4 lottery games conducted pursuant to the State Lottery Act in
5 Nebraska shall be credited to the State Lottery Operation Trust
6 Fund, which fund is hereby created. All payments of the costs
7 of establishing and maintaining the lottery games shall be made
8 from the State Lottery Operation Cash Fund. In accordance with
9 legislative appropriations, money for payments for expenses of the
10 division shall be transferred from the State Lottery Operation
11 Trust Fund to the State Lottery Operation Cash Fund, which fund
12 is hereby created. All money necessary for the payment of lottery
13 prizes shall be transferred from the State Lottery Operation Trust
14 Fund to the State Lottery Prize Trust Fund, which fund is hereby
15 created. The amount used for the payment of lottery prizes shall
16 not be less than forty percent of the dollar amount of the lottery
17 tickets which have been sold.

18 (2)(a) Beginning October 1, 2003, and until January
19 1, ~~2008~~, 2013, a portion of the dollar amount of the lottery
20 tickets which have been sold on an annualized basis shall be
21 transferred from the State Lottery Operation Trust Fund to the
22 Education Innovation Fund, the Nebraska Scholarship Fund, the
23 Nebraska Environmental Trust Fund, the Nebraska State Fair Board,
24 and the Compulsive Gamblers Assistance Fund, except that the
25 dollar amount transferred shall not be less than the dollar amount

1 transferred to the funds in fiscal year 2002-03.

2 (b) On and after January 1, ~~2008~~, 2013, at least
3 twenty-five percent of the dollar amount of the lottery tickets
4 which have been sold on an annualized basis shall be transferred
5 from the State Lottery Operation Trust Fund to the Education
6 Innovation Fund, the Nebraska Scholarship Fund, the Nebraska
7 Environmental Trust Fund, the Nebraska State Fair Board, and
8 the Compulsive Gamblers Assistance Fund.

9 (3) Of the money available to be transferred to the
10 Education Innovation Fund, the Nebraska Scholarship Fund, the
11 Nebraska Environmental Trust Fund, the Nebraska State Fair Board,
12 and the Compulsive Gamblers Assistance Fund:

13 (a) The first five hundred thousand dollars shall be
14 transferred to the Compulsive Gamblers Assistance Fund to be used
15 as provided in section 71-817;

16 (b) Nineteen and three-fourths percent of the money
17 remaining after the payment of prizes and operating expenses and
18 the initial transfer to the Compulsive Gamblers Assistance Fund
19 shall be transferred to the Education Innovation Fund;

20 (c) Twenty-four and three-fourths percent of the money
21 remaining after the payment of prizes and operating expenses and
22 the initial transfer to the Compulsive Gamblers Assistance Fund
23 shall be transferred to the Nebraska Scholarship Fund;

24 (d) Forty-four and one-half percent of the money
25 remaining after the payment of prizes and operating expenses and

1 the initial transfer to the Compulsive Gamblers Assistance Fund
2 shall be transferred to the Nebraska Environmental Trust Fund to be
3 used as provided in the Nebraska Environmental Trust Act;

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

17 (f) One percent of the money remaining after the payment
18 of prizes and operating expenses and the initial transfer to the
19 Compulsive Gamblers Assistance Fund shall be transferred to the
20 Compulsive Gamblers Assistance Fund to be used as provided in
21 section 71-817.

22 (4) (a) The Education Innovation Fund is created. At least
23 seventy-five percent of the lottery proceeds allocated to the
24 Education Innovation Fund shall be available for disbursement.

25 (b) For fiscal year 2005-06, the Education Innovation

1 Fund shall be allocated as follows: The first one million dollars
2 shall be transferred to the School District Reorganization Fund,
3 and the remaining amount shall be allocated to the General Fund
4 after operating expenses for the Excellence in Education Council
5 are deducted.

6 (c) For fiscal year 2006-07, the Education Innovation
7 Fund shall be allocated as follows: The first two hundred fifty
8 thousand dollars shall be transferred to the Attracting Excellence
9 to Teaching Program Cash Fund to fund the Attracting Excellence
10 to Teaching Program Act, the next one million dollars shall
11 be transferred to the School District Reorganization Fund, and
12 the amount remaining in the Education Innovation Fund shall be
13 allocated, after administrative expenses, for distance education
14 equipment and incentives pursuant to sections 79-1336 and 79-1337.

15 (d) For fiscal year 2007-08, the Education Innovation
16 Fund shall be allocated as follows: The first five hundred thousand
17 dollars shall be transferred to the Attracting Excellence to
18 Teaching Program Cash Fund to fund the Attracting Excellence to
19 Teaching Program Act, and the amount remaining in the Education
20 Innovation Fund shall be allocated, after administrative expenses,
21 for distance education equipment and incentives pursuant to
22 sections 79-1336 and 79-1337.

23 (e) For fiscal year 2008-09, the Education Innovation
24 Fund shall be allocated as follows: The first seven hundred
25 fifty thousand dollars shall be transferred to the Attracting

1 Excellence to Teaching Program Cash Fund to fund the Attracting
2 Excellence to Teaching Program Act, and the amount remaining in the
3 Education Innovation Fund shall be allocated, after administrative
4 expenses, for distance education equipment and incentives pursuant
5 to sections 79-1336 and 79-1337.

6 (f) For fiscal years 2009-10 through 2015-16, the
7 Education Innovation Fund shall be allocated as follows: The
8 first one million dollars shall be transferred to the Attracting
9 Excellence to Teaching Program Cash Fund to fund the Attracting
10 Excellence to Teaching Program Act, and the amount remaining in the
11 Education Innovation Fund shall be allocated, after administrative
12 expenses, for distance education equipment and incentives pursuant
13 to sections 79-1336 and 79-1337.

14 (g) For fiscal year 2016-17 and each fiscal year
15 thereafter, the Education Innovation Fund shall be allocated,
16 after administrative expenses, for education purposes as provided
17 by the Legislature.

18 (5) Any money in the State Lottery Operation Trust
19 Fund, the State Lottery Operation Cash Fund, the State Lottery
20 Prize Trust Fund, or the Education Innovation Fund available
21 for investment shall be invested by the state investment officer
22 pursuant to the Nebraska Capital Expansion Act and the Nebraska
23 State Funds Investment Act.

24 (6) Unclaimed prize money on a winning lottery ticket
25 shall be retained for a period of time prescribed by rules and

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1 regulations. If no claim is made within such period, the prize
2 money shall be used at the discretion of the Tax Commissioner for
3 any of the purposes prescribed in this section.

4 Sec. 2. Original section 9-812, Revised Statutes
5 Cumulative Supplement, 2006, is repealed.