

AMENDMENTS TO LB 287

Introduced by General Affairs.

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 9-255.04, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 9-255.04 (1) No expense shall be incurred or amounts paid
6 in connection with the conduct of bingo by a licensed organization
7 except those which are reasonable and necessary.

8 (2) A licensed organization shall not spend more than
9 fourteen percent of its bingo gross receipts to pay the expenses of
10 conducting bingo. The actual cost of (a) license and local permit
11 fees, (b) any taxes authorized by the Nebraska Bingo Act, (c)
12 bingo and promotional prizes, (d) the purchase, rental, or lease
13 of bingo equipment, and (e) the rental or lease of a premises for
14 the conduct of bingo and the purchase, rental, or lease of personal
15 property as allowed by the department in rule and regulation which
16 is necessary for the conduct of bingo shall not be included in
17 determining compliance with the expense limitation contained in
18 this section.

19 (3) A licensed organization which is also licensed to
20 conduct a lottery by the sale of pickle cards pursuant to the
21 Nebraska Pickle Card Lottery Act may allocate a portion of the
22 expenses associated with the conduct of its bingo occasions to
23 its lottery by the sale of pickle cards conducted at such bingo

1 occasions. Such allocation shall be based upon the percentage that
2 pickle card gross proceeds derived from the sale of pickle cards
3 at the bingo occasions represents to the total of bingo gross
4 receipts and pickle card gross proceeds derived from such bingo
5 occasions for the previous annual reporting period. An organization
6 licensed to conduct bingo that has not been previously licensed
7 shall determine such allocation based upon the percentage that
8 pickle card gross proceeds derived from the sale of pickle cards at
9 the bingo occasions represents to the total of bingo gross receipts
10 and pickle card gross proceeds derived from such bingo occasions
11 for the initial three consecutive calendar months of operation.

12 (4) The total amount of expenses that may be allocated
13 to the organization's lottery by the sale of pickle cards shall be
14 subject to the limitations on bingo expenses as provided for in
15 the Nebraska Bingo Act with respect to the fourteen-percent expense
16 limitation and the fair-market-value limitation on the purchase,
17 rental, or lease of bingo equipment and the rental or lease of
18 personal property or of a premises for the conduct of bingo. No
19 portion of the ~~eight~~ twelve percent of the definite profit of a
20 pickle card unit as allowed by section 9-347 to pay the allowable
21 expenses of operating a lottery by the sale of pickle cards shall
22 be used to pay any expenses associated with the sale of pickle
23 cards at a bingo occasion.

24 (5) All persons paid for working at a bingo occasion,
25 including pickle card sellers but excluding concession workers,
26 shall be paid only by a check written from the licensed
27 organization's bingo checking account and shall not receive any

1 other compensation or payment for working at a bingo occasion
2 from any other source. Such wages shall be at an hourly or
3 occasion rate and shall be included in the amount allowed by the
4 expense limitation provided in subsection (2) of this section. No
5 person shall receive any compensation or payment from a licensed
6 organization based upon a percentage of the organization's bingo
7 gross receipts or profit.

8 (6) No expenses associated with the conduct of bingo
9 may be paid directly from the licensed organization's pickle card
10 checking account. A licensed organization may transfer funds from
11 its pickle card checking account to its bingo checking account as
12 permitted by subsection (3) of this section by a check drawn on
13 the pickle card checking account or by electronic funds transfer as
14 provided only by section 9-347.

15 Sec. 2. Section 9-347, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 9-347 (1) The gross proceeds of any lottery by the sale
18 of pickle cards shall be used solely for lawful purposes, awarding
19 of prizes, payment of the unit cost, any commission paid to a
20 pickle card operator, allowable expenses, and allocations for bingo
21 expenses as provided by subsection (5) of this section.

22 (2) Not less than sixty-five percent or more than eighty
23 percent of the gross proceeds of any lottery by the sale of pickle
24 cards shall be used for the awarding of prizes.

25 (3) Not more than ~~eight~~ twelve percent of the definite
26 profit of a pickle card unit shall be used by the licensed
27 organization to pay the allowable expenses of operating a lottery

1 by the sale of pickle cards, except that license fees paid to the
2 department to license the organization, each utilization-of-funds
3 member, and any sales agent and pickle card dispensing device
4 registration fees shall not be included in determining the
5 ~~eight-percent~~ twelve-percent limitation on expenses and no portion
6 of such ~~eight~~ twelve percent shall be used to pay any expenses
7 associated with the sale of pickle cards at a bingo occasion
8 conducted pursuant to the Nebraska Bingo Act, and of such ~~eight~~
9 twelve percent not more than ~~four~~ six percent of the definite
10 profit may be used by the licensed organization for the payment
11 of any commission, salary, or fee to a sales agent in connection
12 with the marketing, sale, and delivery of a pickle card unit. When
13 determining the ~~eight~~ twelve percent of definite profit that is
14 permitted to pay the allowable expenses of operating a lottery by
15 the sale of pickle cards, the definite profit from the sale of
16 pickle cards at the organization's bingo occasions shall not be
17 included.

18 (4) Not more than thirty percent of the definite profit
19 of a pickle card unit shall be used by a licensed organization
20 to pay a pickle card operator a commission, fee, or salary for
21 selling individual pickle cards as opportunities for participation
22 in a lottery by the sale of pickle cards on behalf of the licensed
23 organization.

24 (5) An organization licensed to conduct bingo pursuant
25 to the Nebraska Bingo Act may allocate a portion of the expenses
26 associated with the conduct of its bingo occasions to its lottery
27 by the sale of pickle cards conducted at such bingo occasions.

1 Such allocation shall be based upon the percentage that pickle
2 card gross proceeds derived from the sale of pickle cards at the
3 bingo occasions represents to the total of bingo gross receipts
4 and pickle card gross proceeds derived from such bingo occasions
5 for the previous annual reporting period. An organization licensed
6 to conduct bingo that has not been previously licensed shall
7 determine such allocation based upon the percentage that pickle
8 card gross proceeds derived from the sale of pickle cards at the
9 bingo occasions represents to the total of bingo gross receipts
10 and pickle card gross proceeds derived from such bingo occasions
11 for the initial three consecutive calendar months of operation.
12 The total amount of expenses that may be allocated to the
13 organization's lottery by the sale of pickle cards shall be
14 subject to the limitations on bingo expenses as provided for in
15 the Nebraska Bingo Act with respect to the fourteen-percent expense
16 limitation and the fair-market-value limitation on the purchase,
17 rental, or lease of bingo equipment and the rental or lease of
18 personal property or of a premises for the conduct of bingo. No
19 expenses associated with the conduct of bingo may be paid directly
20 from the pickle card checking account. A licensed organization
21 which needs to allocate a portion of the expenses associated with
22 the conduct of its bingo occasions to its lottery by the sale
23 of pickle cards conducted at such bingo occasions to pay bingo
24 expenses as provided by this section shall transfer funds from the
25 pickle card checking account to the bingo checking account by a
26 check drawn on the pickle card checking account or by electronic
27 funds transfer.

1 Sec. 3. Section 9-347.01, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 9-347.01 (1) For each type of pickle card unit marketed
4 in this state, the department shall determine the following: (a)
5 When a licensed organization sells pickle cards through pickle card
6 operators, the portion of the definite profit from that pickle card
7 unit which shall go to the licensed organization, such amount to
8 be not less than seventy percent of the definite profit from such
9 pickle card unit; (b) the maximum amount of the definite profit
10 from the sale of a pickle card unit that a licensed organization
11 may pay a pickle card operator as a commission, fee, or salary to
12 sell its pickle cards, such amount not to exceed thirty percent of
13 the definite profit from such pickle card unit; (c) the portion of
14 the definite profit from the sale of a pickle card unit which may
15 be expended by a licensed organization for allowable expenses, such
16 amount not to exceed ~~eight~~ twelve percent of the definite profit
17 from such pickle card unit; and (d) the portion of the definite
18 profit from the sale of a pickle card unit which may be utilized
19 by a licensed organization for payment of the organization's sales
20 agent, such amount to be a portion of the allowable expenses and
21 not to exceed ~~four~~ six percent of the definite profit from such
22 pickle card unit.

23 (2) The licensed organization's net profit from the sale
24 of a pickle card unit shall be used exclusively for a lawful
25 purpose. A licensed organization shall not donate or promise to
26 donate its net profit or any portion of the net profit to a
27 recipient outside of its organization as an inducement for or

1 in exchange for (a) a payment, gift, or other thing of value
2 from the recipient to any person, organization, or corporation,
3 including, but not limited to, the licensed organization or any
4 of its members, employees, or agents, or (b) a pickle card
5 operator's agreement to sell pickle cards on behalf of the licensed
6 organization.

7 Sec. 4. Original sections 9-255.04, 9-347, and 9-347.01,
8 Reissue Revised Statutes of Nebraska, are repealed.