

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 224

Introduced by Carlson, 38.

Read first time January 13, 2009

Committee: Agriculture

A BILL

1 FOR AN ACT relating to the Nebraska State Fair; to amend sections
2 2-109, 2-110, 2-111, and 2-1208.01, Reissue Revised
3 Statutes of Nebraska, and section 2-103, Revised Statutes
4 Cumulative Supplement, 2008; to change and eliminate
5 provisions relating to board membership, relocation,
6 reports, studies, and horseracing; to create a fund; to
7 provide operative dates; to repeal the original sections;
8 and to outright repeal section 2-131, Reissue Revised
9 Statutes of Nebraska.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2-103, Revised Statutes Cumulative
2 Supplement, 2008, is amended to read:

3 2-103 (1) The Nebraska State Fair Board shall be a board
4 consisting of the following members:

5 (a) Seven members nominated and selected by district as
6 provided in the constitution and bylaws of the board; and

7 (b) Four members appointed by the Governor and confirmed
8 by the Legislature, three members selected from the business
9 community of the state with one such member residing in each of the
10 three congressional districts, as such districts existed on January
11 1, 2009, and one member selected from the business community of the
12 most populous city within the county in which the Nebraska State
13 Fair is located.

14 (2) The term of office for members of the board shall
15 be for three years. Members selected by gubernatorial appointment
16 pursuant to subdivision (1)(b) of this section as it existed
17 prior to January 1, 2009, who continue to be qualified to serve
18 shall continue their term of appointment and shall be eligible for
19 reappointment subject to the limit of terms served prescribed in
20 subsection (3) of this section. In the event that the Nebraska
21 State Fair is ~~to be~~ relocated to a new host community, the term of
22 the member appointed or designated from the business community of
23 the previous host community shall be vacated on the first day of
24 the calendar year in which the Nebraska State Fair is relocated.
25 The ~~and the~~ Governor shall appoint a new member from the business

1 community of the most populous city within the county in which the
2 Nebraska State Fair is ~~located~~ relocated to fulfill the remainder
3 of the term of the vacating member.

4 (3) No person may serve more than three consecutive terms
5 as a member of the board. No member of the Legislature may serve on
6 the board.

7 (4) The board shall annually elect from its membership
8 a chairperson, a vice-chairperson, a secretary, and such other
9 officers as the board deems necessary. The officers shall be
10 elected at the annual meeting of the board, or any other meeting of
11 the board called for such purpose, and shall hold their offices for
12 one year and until their successors are elected and qualified.

13 (5) The State 4-H Program Administrator of the
14 Cooperative Extension Service of the University of Nebraska, or his
15 or her designee, and the Executive Director of the Nebraska FFA, or
16 his or her designee, shall be ex officio, nonvoting members of the
17 Nebraska State Fair Board.

18 Sec. 2. Section 2-109, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 2-109 The Department of Revenue shall, ~~on a quarterly~~
21 ~~basis,~~ at the conclusion of each calendar quarter, provide to the
22 most populous city within the county in which the state fair is
23 ~~located,~~ held written notification of the amount estimated by the
24 department to equal ten percent of the lottery revenue collected
25 during the calendar quarter to be transferred to the Nebraska

1 State Fair Support and Improvement Cash Fund. If the state fair is
2 scheduled to be held in a different county from that in which the
3 most recent state fair was held, the written notification required
4 by this section shall be made to the most populous city within the
5 county in which the state fair is scheduled to be held beginning
6 with the written notification made at the conclusion of the first
7 calendar quarter during the calendar year in which the state fair
8 is held or scheduled to be held in such county. The department
9 shall provide a copy of the written notification to the Department
10 of Administrative Services.

11 Sec. 3. Section 2-110, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 2-110 The most populous city within the county in
14 which the state fair is located Nebraska State Fair is held
15 or scheduled to be held that calendar year shall remit quarterly
16 payments to the State Treasurer in amounts equal to the matching
17 fund requirement established by the Department of Revenue under
18 section 2-109. The State Treasurer shall credit the matching funds
19 to the Nebraska State Fair Support and Improvement Cash Fund.
20 The city shall provide written notification to the Department
21 of Administrative Services regarding its compliance with the
22 matching fund requirement. Upon verification by the Department
23 of Administrative Services that a quarterly transfer of lottery
24 proceeds to the Nebraska State Fair Support and Improvement Cash
25 Fund has been executed and that the full amount of the matching

1 funds requirement has been received from the city, the Department
2 of Administrative Services shall authorize the expenditure of the
3 fund by the Nebraska State Fair Board. Matching fund requirements
4 shall not apply to investment income accruing to the fund and
5 investment income may be expended by the board.

6 Sec. 4. Section 2-111, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 2-111 ~~(1)~~ The Nebraska State Fair Board shall, no later
9 than November 1 of each year, provide an annual report to the
10 Governor and the Legislature regarding the use of the Nebraska
11 State Fair Support and Improvement Cash Fund. The report shall
12 include ~~(a)~~ (1) a detailed listing of how the proceeds of the
13 fund were expended in the prior fiscal year and ~~(b)~~ (2) any
14 distributions from the fund that remain unexpended and on deposit
15 in Nebraska State Fair accounts.

16 ~~(2)~~ The Nebraska State Fair Board shall cooperate with a
17 study by the Agriculture Committee of the Legislature of capital
18 facilities and infrastructure requirements to serve the purposes
19 and goals of the Nebraska State Fair and other uses of the Nebraska
20 State Fairgrounds as a year-round multipurpose facility sufficient
21 to host and accommodate events and attractions of local, state, and
22 regional interest and attendance. The Nebraska State Fair Board may
23 utilize available funds, not to exceed one hundred fifty thousand
24 dollars, including funds disbursed from the Nebraska State Fair
25 Support and Improvement Cash Fund and other resources, to assist in

1 ~~completion of such study. This subsection terminates on January 1,~~
2 ~~2008.~~

3 Sec. 5. (1) The State Fair Host Facility Maintenance
4 Assistance Fund is created. The State Treasurer shall credit to
5 the fund the amounts remitted to the fund pursuant to section
6 2-1208.01 and any funds appropriated by the Legislature or any
7 other funds received as gifts, grants, or other contributions to
8 such fund received from any source, public or private, for purposes
9 of the fund. The fund shall be expended by the Department of
10 Economic Development as grants in aid to a facility serving as
11 the host facility of the Nebraska State Fair for the maintenance
12 of buildings, streets, utilities, and other improvements upon
13 the premises of such facility. The money in the fund shall not
14 be subject to any fiscal year or biennium limitation requiring
15 reappropriation of the unexpended balance at the end of the fiscal
16 year or biennium. Any money in the fund available for investment
17 shall be invested by the state investment officer pursuant to
18 the Nebraska Capital Expansion Act and the Nebraska State Funds
19 Investment Act.

20 (2) A facility that is the recipient of funds distributed
21 pursuant to subsection (1) of this section shall, no later than
22 November 1 of each year, provide a report to the Governor and the
23 Legislature regarding the use of the funds received from the fund
24 that includes a detailed listing of how the funds were expended in
25 the prior fiscal year.

1 Sec. 6. Section 2-1208.01, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 2-1208.01 (1) There is hereby imposed a tax on the gross
4 sum wagered by the parimutuel method at each race enclosure during
5 a calendar year as follows:

6 ~~(1) For meets conducted on the Nebraska State~~
7 ~~Fairgrounds, no tax shall be imposed, but the licensee shall apply~~
8 ~~two percent of any amount in excess of ten million dollars for the~~
9 ~~purpose of maintenance of buildings, streets, utilities, and other~~
10 ~~existing improvements on the Nebraska State Fairgrounds, and~~

11 ~~(2) For all other meets:~~

12 (a) The first ten million dollars shall not be taxed;

13 (b) Any amount over ten million dollars but less than or
14 equal to seventy-three million dollars shall be taxed at the rate
15 of two and one-half percent; and

16 (c) Any amount in excess of seventy-three million dollars
17 shall be taxed at the rate of four percent. and

18 ~~(d) (2) An amount equal to two percent of the first~~
19 ~~taxable seventy million dollars at each race meeting shall~~
20 ~~be retained by the licensee for capital improvements and for~~
21 ~~maintenance of the premises within the licensed racetrack enclosure~~
22 ~~and shall be a credit against the tax levied in subsection (1) of~~
23 ~~this section.~~

24 (3) A return as required by the Tax Commissioner shall be
25 filed for a racetrack enclosure for each month during which wagers

1 are accepted at the enclosure. The return shall be filed with and
2 the net tax due pursuant to this section shall be paid to the
3 Department of Revenue on the tenth day of the following month.

4 (4) On or before July 1, 2010, and on or before July 1
5 of each year thereafter, the State Treasurer shall remit thirty
6 thousand dollars of the tax collected pursuant to this section to
7 the State Fair Host Facility Maintenance Assistance Fund.

8 Sec. 7. Sections 6 and 9 of this act become operative on
9 January 1, 2010. The other sections of this act become operative on
10 their effective date.

11 Sec. 8. Original sections 2-109, 2-110, and 2-111,
12 Reissue Revised Statutes of Nebraska, and section 2-103, Revised
13 Statutes Cumulative Supplement, 2008, are repealed.

14 Sec. 9. Original section 2-1208.01, Reissue Revised
15 Statutes of Nebraska, is repealed.

16 Sec. 10. The following section is outright repealed:
17 Section 2-131, Reissue Revised Statutes of Nebraska.