

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 545**

Introduced by Wayne, 13.

Read first time January 19, 2021

Committee: General Affairs

1 A BILL FOR AN ACT relating to gaming; to amend sections 77-3004, 77-3005,  
2 and 77-3009, Reissue Revised Statutes of Nebraska, sections 9-1,101,  
3 77-3007, 77-3011, 77-3442, and 79-1001, Revised Statutes Cumulative  
4 Supplement, 2020, sections 28-1101, 28-1105, 28-1113, and 77-3001,  
5 Reissue Revised Statutes of Nebraska, as amended by sections 8, 9,  
6 10, and 12, respectively, Initiative Law 2020, No. 430, and section  
7 3, Initiative Law 2020, No. 430; to adopt the Games of Skill Act; to  
8 redefine duties for the Department of Revenue; to provide a gambling  
9 exception for operating or participating in games of skill; to  
10 change a provision relating to the possession of gambling records;  
11 to correlate provisions with Laws 2019, LB538, section 2; to provide  
12 for excise taxes as prescribed; to change provisions relating to  
13 property tax levies; to change the Tax Equity and Educational  
14 Opportunities Support Act; to redefine a term under the Nebraska  
15 Racetrack Gaming Act; to harmonize provisions; to provide an  
16 operative date; and to repeal the original sections.  
17 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 10 of this act shall be known and may be  
2 cited as the Games of Skill Act.

3           Sec. 2. (1) The Legislature finds that:

4           (a) Sports betting requires knowledge and skill. Knowledge of a  
5 sport and skill in analyzing and predicting the performance of athletes  
6 and the outcomes of sporting events is essential for a participant in  
7 sports betting to be successful; and

8           (b) Certain poker games also require knowledge and skill. While  
9 poker does have a random component in the cards that are dealt to  
10 participants, there is more skill than chance necessary for successful  
11 participation in a game where strategic decisions influence the other  
12 participants and ultimately the outcome of the game.

13           (2) It is the intent of the Legislature to recognize sports betting  
14 and various forms of poker as games of skill and not as games of chance.

15           Sec. 3. For purposes of the Games of Skill Act:

16           (1) Athlete means a person who competes in a sport or sporting  
17 event;

18           (2) Confidential information means information related to  
19 participation in a game of skill obtained by an operator or by an  
20 employee of such operator;

21           (3) Department means the Charitable Gaming Division of the  
22 Department of Revenue;

23           (4) Entry fee means cash or a cash equivalent required to be paid to  
24 an operator by a participant in a game of skill in order to participate  
25 in such game of skill;

26           (5) Game of skill means sports betting or poker;

27           (6) Gross revenue means the total entry fees that an operator  
28 collects from participants less the total of sums paid out as prizes to  
29 participants with such difference multiplied by the location percentage;

30           (7) Location percentage means, for each game of skill, the  
31 percentage rounded to the nearest tenth of a percent of the total entry

1 fees collected from participants located in Nebraska at the time of entry  
2 into the game of skill divided by the total entry fees collected from  
3 participants in all locations for such game of skill;

4 (8) Operator means a person that offers an opportunity for  
5 participants to engage in a game of skill, collects an entry fee from  
6 each participant, administers such game of skill, and awards prizes;

7 (9) Participant means a person who pays an entry fee to engage in a  
8 game of skill offered by an operator;

9 (10) Poker means a draw or community card game in which a  
10 participant bets that the value of the participant's hand is greater than  
11 the value of the hands held by other participants in such game, and each  
12 subsequent participant in such game must either equal or raise the bet or  
13 drop out. Poker includes draw poker, such as five-card draw in which the  
14 participant determines whether to discard and then receive new cards from  
15 the dealer, and community card poker such as Texas Hold'em and Omaha  
16 Hold'em in which the participant combines the cards the participant is  
17 holding along with the community cards that all participants in such game  
18 share and the participant with the highest hand at the end of the betting  
19 wins the pot unless the participant is the only participant playing once  
20 the other participants in such game have dropped out; and

21 (11) Sports betting means the placement of a wager on the outcome of  
22 a sporting event where a winning wager is based on the score, point  
23 total, point spread, or performance of a team in a team sport or on the  
24 score, point total, point spread, or performance of an individual athlete  
25 in a nonteam sport.

26 Sec. 4. (1) No operator shall offer any game of skill in this state  
27 without a current registration with the department. An application for  
28 registration or renewal shall be in electronic or paper form prescribed  
29 by the department and shall, for initial registration, include submission  
30 of the applicant's fingerprints pursuant to subsection (2) of this  
31 section. To be eligible for registration to offer a game of skill in this

1 state, an operator shall (a) be authorized to transact business in  
2 Nebraska, (b) pay an initial registration fee of ten thousand dollars to  
3 the department for the first year of operation, (c) pass a national  
4 criminal history record information check pursuant to subsection (2) of  
5 this section, and (d) comply with any other applicable provisions of the  
6 Games of Skill Act.

7 (2)(a) To become a registered operator, an applicant shall provide a  
8 full legible set of the applicant's fingerprints to the Nebraska State  
9 Patrol. The Nebraska State Patrol shall undertake a search for criminal  
10 history record information relating to the applicant, including  
11 transmittal of the applicant's fingerprints to the Federal Bureau of  
12 Investigation for a national criminal history record information check.  
13 The criminal history record information shall include information  
14 concerning the applicant from federal repositories of such information  
15 and repositories of such information in other states if authorized by  
16 federal law. The Nebraska State Patrol shall issue a report to the  
17 department that includes the criminal history record information  
18 concerning the applicant. The applicant shall pay the actual cost of the  
19 fingerprinting and criminal history record information check. The  
20 department shall maintain a record of the results of the criminal history  
21 record information check. The criteria for failing the criminal history  
22 record information check shall include, at a minimum, any felony  
23 conviction within the last ten years or any conviction involving  
24 fraudulent activities.

25 (b) For purposes of this subsection, an applicant includes (i) each  
26 officer, director, and shareholder owning a beneficial interest in ten  
27 percent or more of an applicant corporation, (ii) each partner or joint  
28 venturer of an applicant partnership or joint venture, and (iii) each  
29 member and manager of an applicant limited liability company.

30 (3) After the initial registration year, an operator shall annually  
31 apply for renewal of such registration and pay a renewal fee of five

1 thousand dollars.

2 (4) Registration and renewal fees shall be paid in a manner  
3 prescribed by the department. No refunds shall be allowed of any  
4 registration or renewal fees collected by the department. Any operator  
5 that allows a registration to lapse without requesting an extension of  
6 time to file an application for renewal shall be required to resubmit a  
7 new initial registration application. The department may grant an  
8 extension upon receipt of a request from an operator.

9 (5) The department shall remit all registration and renewal fees  
10 collected under this section, after payment of all reasonable and  
11 necessary operating expenses, to the State Treasurer for credit to the  
12 Games of Skill School Property Tax Reduction Fund.

13 Sec. 5. (1) The department shall issue a valid registration or  
14 renewal to any applicant who meets the criteria set forth in the Games of  
15 Skill Act. The department shall deny registration or renewal to any  
16 applicant who does not meet such criteria.

17 (2) The department shall approve or deny a registration or renewal  
18 application within thirty days after receipt of the completed application  
19 or, if applicable, the report from the Nebraska State Patrol pursuant to  
20 subsection (2) of section 4 of this act, whichever is later. If the  
21 registration is not issued or renewed, the department shall provide the  
22 operator with the specific justification for not issuing or renewing such  
23 registration.

24 (3) The department shall maintain and publish a list of all  
25 registered operators on the department's web site. Any pending  
26 application made under the Games of Skill Act shall not be considered a  
27 public record for purposes of sections 84-712 to 84-712.09 until such  
28 application has been approved by the department.

29 Sec. 6. (1) As a condition of registration, an operator shall  
30 submit evidence, deemed satisfactory to the department, that the operator  
31 has established and implemented, or has the ability to implement, prior

1 to conducting operations, commercially reasonable procedures for a game  
2 of skill that:

3 (a) Prevent such operator, any employee of such operator, or any  
4 relative living in the same household as such operator or any employee of  
5 such operator from engaging as a participant in any game of skill offered  
6 by such operator. For purposes of this subdivision, relative means the  
7 parent, child, sibling, or spouse of the operator or employee;

8 (b) Prevent the sharing of confidential information with third  
9 parties that could affect game-of-skill play until such information is  
10 made publicly available;

11 (c) Prohibit the following persons from engaging as a participant in  
12 any game of skill:

13 (i) A referee, umpire, coach, trainer, or other individual who  
14 officials or participates in or prepares athletes for a sporting event  
15 that is the subject of a game of skill; or

16 (ii) Any sports agent, team employee, or league official associated  
17 with a sport or sporting event that is the subject of a game of skill;

18 (d) Verify that a participant in a game of skill is nineteen years  
19 of age or older;

20 (e) Provide a participant with access to information on responsible  
21 play and access to information on seeking assistance for compulsive  
22 gambling behavior;

23 (f) Provide a participant with information regarding the  
24 participant's play history and account details;

25 (g) Ensure that any athlete in a real-world sporting event is  
26 restricted from participating in a game of skill that is determined, in  
27 whole or in part, on the results of such athlete, such athlete's real-  
28 world team, or the sport or sporting event in which such athlete is  
29 participating as an athlete;

30 (h) Allow a person to be restricted, at the request of such person,  
31 from participating in a game of skill and provide reasonable steps to

1 prevent the person from participating in any game of skill offered by  
2 such operator;

3 (i) Disclose the number of entries or wagers that a participant may  
4 submit to each game of skill and provide reasonable steps to prevent a  
5 participant from submitting more than the allowable number;

6 (j) Segregate participant funds from operational funds or maintain a  
7 reserve that exceeds the amount of participant funds on deposit, which  
8 reserve may not be used for operational activities. The reserve funds may  
9 be in the form of cash, cash equivalents, payment-processor reserves,  
10 payment-processor receivables, an irrevocable letter of credit, a bond,  
11 or any combination thereof, in the amount that must exceed the total  
12 balances of the accounts of all participants; and

13 (k) Prohibit the use of unauthorized third-party computer scripts.

14 (2) An operator shall not offer a game of skill based on the  
15 performance of a participant in a collegiate, high school, or youth  
16 sporting event.

17 (3) An operator shall:

18 (a) Contract annually with a certified public accountant to conduct  
19 an independent financial audit consistent with the standards accepted by  
20 the American Institute of Certified Public Accountants; and

21 (b) Submit a copy of the audit report prepared pursuant to  
22 subdivision (a) of this subsection to the department.

23 Sec. 7. In addition to the registration and renewal fees imposed  
24 pursuant to section 4 of this act and any other taxes or fees, of any  
25 form whatsoever, imposed by the State of Nebraska or any of its  
26 subdivisions, upon the business of operating games of skill as defined in  
27 section 3 of this act, an excise tax of twenty-five percent shall be  
28 levied and collected by the Tax Commissioner on the gross receipts for  
29 each game of skill conducted pursuant to the Games of Skill Act. All  
30 excise taxes collected pursuant to this section shall be remitted to the  
31 State Treasurer for credit to the Games of Skill Property Tax Reduction

1 Fund.

2       Sec. 8. Any person who knowingly violates any provision of the  
3 Games of Skill Act shall be subject to payment of a civil penalty of not  
4 more than one thousand dollars for each violation, not to exceed five  
5 thousand dollars for violations arising out of the same transaction or  
6 occurrence. Such penalty may be recovered in a civil action brought by  
7 the department. All penalty money collected by the department pursuant to  
8 this section shall be remitted to the State Treasurer for distribution in  
9 accordance with Article VII, section 5, of the Constitution of Nebraska.

10       Sec. 9. The Games of Skill School Property Tax Reduction Fund is  
11 hereby created. The fund shall consist of all registration and renewal  
12 fees collected by the department under section 4 of this act, after  
13 payment of reasonable and necessary operating expenses, and all excise  
14 tax receipts collected pursuant to section 7 of this act. The fund shall  
15 be used solely for games of skill school property tax reduction aid  
16 pursuant to section 24 of this act. Any money in the fund available for  
17 investment 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       Sec. 10. (1) The department shall adopt and promulgate rules and  
21 regulations to implement and administer the Games of Skill Act,  
22 including, but not limited to, rules and regulations:

23       (a) To provide for the prevention of practices detrimental to the  
24 public interest and to safeguard the integrity of games of skill;

25       (b) To establish the necessary scope of review of registration and  
26 renewal applications filed by operators; and

27       (c) To establish criteria for failing the criminal history record  
28 information check and updating criminal history record information for  
29 renewals.

30       (2) The department shall not adopt and promulgate rules and  
31 regulations limiting or regulating:



- 1        (a) Game rules governing the play of an individual game of skill;
- 2        (b) The statistical components of a game of skill; or
- 3        (c) Any digital platform to be used by an operator.

4        Sec. 11. Section 9-1,101, Revised Statutes Cumulative Supplement,  
5        2020, is amended to read:

6            9-1,101 (1) The Games of Skill Act, Nebraska Bingo Act, the Nebraska  
7        County and City Lottery Act, the Nebraska Lottery and Raffle Act, the  
8        Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle  
9        Act, and section 9-701 shall be administered and enforced by the  
10       Charitable Gaming Division of the Department of Revenue, which division  
11       is hereby created. The Department of Revenue shall make annual reports to  
12       the Governor, Legislature, Auditor of Public Accounts, and Attorney  
13       General on all tax revenue received, expenses incurred, and other  
14       activities relating to the administration and enforcement of such acts.  
15       The report submitted to the Legislature shall be submitted  
16       electronically.

17            (2) The Charitable Gaming Operations Fund is hereby created. Any  
18        money in the fund available for investment shall be invested by the state  
19        investment officer pursuant to the Nebraska Capital Expansion Act and the  
20        Nebraska State Funds Investment Act.

21            (3)(a) Forty percent of the taxes collected pursuant to sections  
22        9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable  
23        Gaming Division for administering and enforcing the acts listed in  
24        subsection (1) of this section and providing administrative support for  
25        the Nebraska Commission on Problem Gambling. The remaining sixty percent  
26        shall be transferred to the General Fund. Any portion of the forty  
27        percent not used by the division in the administration and enforcement of  
28        such acts and section shall be distributed as provided in this  
29        subsection.

30            (b) Beginning July 1, 2019, through June 30, 2021, on or before the  
31        last day of the last month of each calendar quarter, the State Treasurer

1 shall transfer one hundred thousand dollars from the Charitable Gaming  
2 Operations Fund to the Compulsive Gamblers Assistance Fund.

3 (c) Any money remaining in the Charitable Gaming Operations Fund  
4 after the transfer pursuant to subdivision (b) of this subsection not  
5 used by the Charitable Gaming Division in its administration and  
6 enforcement duties pursuant to this section may be transferred to the  
7 General Fund and the Compulsive Gamblers Assistance Fund at the direction  
8 of the Legislature.

9 (4) The Tax Commissioner shall employ investigators who shall be  
10 vested with the authority and power of a law enforcement officer to carry  
11 out the laws of this state administered by the Tax Commissioner or the  
12 Department of Revenue and to enforce sections 28-1101 to 28-1117 relating  
13 to possession of a gambling device. For purposes of enforcing sections  
14 28-1101 to 28-1117, the authority of the investigators shall be limited  
15 to investigating possession of a gambling device, notifying local law  
16 enforcement authorities, and reporting suspected violations to the county  
17 attorney for prosecution.

18 (5) The Charitable Gaming Division may charge a fee for publications  
19 and listings it produces. The fee shall not exceed the cost of  
20 publication and distribution of such items. The division may also charge  
21 a fee for making a copy of any record in its possession equal to the  
22 actual cost per page. The division shall remit the fees to the State  
23 Treasurer for credit to the Charitable Gaming Operations Fund.

24 (6) For administrative purposes only, the Nebraska Commission on  
25 Problem Gambling shall be located within the Charitable Gaming Division.  
26 The division shall provide office space, furniture, equipment, and  
27 stationery and other necessary supplies for the commission. Commission  
28 staff shall be appointed, supervised, and terminated by the director of  
29 the Gamblers Assistance Program pursuant to section 9-1004.

30 Sec. 12. Section 28-1101, Reissue Revised Statutes of Nebraska, as  
31 amended by section 8, Initiative Law 2020, No. 430, is amended to read:

1           28-1101 As used in this article, unless the context otherwise  
2 requires:

3           (1) A person advances gambling activity if, acting other than as a  
4 player, he or she engages in conduct that materially aids any form of  
5 gambling activity. Conduct of this nature includes, but shall not be  
6 limited to, conduct directed toward (a) the creation or establishment of  
7 the particular game, contest, scheme, device, or activity involved, (b)  
8 the acquisition or maintenance of premises, paraphernalia, equipment, or  
9 apparatus therefor, or (c) engaging in the procurement, sale, or offering  
10 for sale within this state of any chance, share, or interest in a lottery  
11 of another state or government whether or not such chance, share, or  
12 interest is an actual lottery ticket, receipt, contingent promise to pay,  
13 order to purchase, or other record of such interest except as provided in  
14 the Games of Skill Act, the Nebraska County and City Lottery Act, the  
15 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,  
16 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, the  
17 Nebraska Racetrack Gaming Act, or section 9-701;

18           (2) Bookmaking means ~~shall mean~~ advancing gambling activity by  
19 unlawfully accepting bets from members of the public as a business upon  
20 the outcome of future contingent events. Bookmaking does not include a  
21 wager placed in a game of skill conducted under the Games of Skill Act;

22           (3) A person profits from gambling activity if, other than as a  
23 player, he or she accepts or receives money or other property pursuant to  
24 an agreement or understanding with any person whereby he or she  
25 participates or is to participate in the proceeds of gambling activity;

26           (4) A person engages in gambling if he or she bets something of  
27 value upon the outcome of a future event, which outcome is determined by  
28 an element of chance, or upon the outcome of a game, contest, or  
29 election, or conducts or participates in any bingo, lottery by the sale  
30 of pickle cards, lottery, raffle, gift enterprise, or other scheme not  
31 authorized or conducted in accordance with the Games of Skill Act, the

1 Nebraska Bingo Act, the Nebraska County and City Lottery Act, the  
2 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,  
3 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, the  
4 Nebraska Racetrack Gaming Act, or section 9-701, but a person does not  
5 engage in gambling by:

6 (a) Entering into a lawful business transaction;

7 (b) Playing an amusement device or a coin-operated mechanical game  
8 which confers as a prize an immediate, unrecorded right of replay not  
9 exchangeable for something of value;

10 (c) Conducting or participating in a prize contest; or

11 (d) Conducting or participating in any game of skill, bingo, lottery  
12 by the sale of pickle cards, lottery, raffle, game of chance, or gift  
13 enterprise conducted in accordance with the Games of Skill Act, the  
14 Nebraska Bingo Act, the Nebraska County and City Lottery Act, the  
15 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,  
16 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, the  
17 Nebraska Racetrack Gaming Act, or section 9-701;

18 (5) Gambling device shall mean any device, machine, paraphernalia,  
19 writing, paper, instrument, article, or equipment that is used or usable  
20 for engaging in gambling, whether that activity consists of gambling  
21 between persons or gambling by a person involving the playing of a  
22 machine. Gambling device ~~shall~~ also includes ~~include~~ any mechanical  
23 gaming device, computer gaming device, electronic gaming device, or video  
24 gaming device which has the capability of awarding something of value,  
25 free games redeemable for something of value, instant-win tickets which  
26 also provide the possibility of participating in a subsequent drawing or  
27 event, or tickets or stubs redeemable for something of value, except as  
28 authorized in the furtherance of parimutuel wagering. Supplies,  
29 equipment, cards, tickets, stubs, and other items used in any game of  
30 skill, bingo, lottery by the sale of pickle cards, other lottery, raffle,  
31 game of chance, or gift enterprise conducted in accordance with the Games

1 of Skill Act, the Nebraska Bingo Act, the Nebraska County and City  
2 Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle  
3 Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State  
4 Lottery Act, the Nebraska Racetrack Gaming Act, or section 9-701 are not  
5 gambling devices within this definition;

6 (6) Something of value shall mean any money or property, any token,  
7 object, or article exchangeable for money or property, or any form of  
8 credit or promise directly or indirectly contemplating transfer of money  
9 or property or of any interest therein, or involving extension of a  
10 service or entertainment; and

11 (7) Prize contest shall mean any competition in which one or more  
12 competitors are awarded something of value as a consequence of winning or  
13 achieving a certain result in the competition and (a) the value of such  
14 awards made to competitors participating in the contest does not depend  
15 upon the number of participants in the contest or upon the amount of  
16 consideration, if any, paid for the opportunity to participate in the  
17 contest or upon chance and (b) the value or identity of such awards to be  
18 made to competitors is published before the competition begins.

19 Sec. 13. Section 28-1105, Reissue Revised Statutes of Nebraska, as  
20 amended by section 9, Initiative Law 2020, No. 430, is amended to read:

21 28-1105 (1) A person commits the offense of possession of gambling  
22 records if, other than as a player, he or she knowingly possesses any  
23 writing, paper, instrument, or article which is:

24 (a) Of a kind commonly used in the operation or promotion of a  
25 bookmaking scheme or enterprise and such writing, paper, instrument, or  
26 article has been used for the purpose of recording, memorializing, or  
27 registering any bet, wager, or other gambling information; or

28 (b) Of a kind commonly used in the operation, promotion, or playing  
29 of a lottery or mutuel scheme or enterprise or other scheme not conducted  
30 pursuant to the Games of Skill Act, the Nebraska Bingo Act, the Nebraska  
31 County and City Lottery Act, the Nebraska Lottery and Raffle Act, the

1 Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle  
2 Act, the State Lottery Act, the Nebraska Racetrack Gaming Act, or section  
3 9-701 and such writing, paper, instrument, or article has been used for  
4 the purpose of recording, memorializing, or registering any bet, wager,  
5 or other gambling information not permitted by such acts or section.

6 (2) Possession of gambling records in the first degree is a Class II  
7 misdemeanor.

8 Sec. 14. Section 28-1113, Reissue Revised Statutes of Nebraska, as  
9 amended by section 10, Initiative Law 2020, No. 430, is amended to read:

10 28-1113 Nothing in this article shall be construed to:

11 (1) Apply to or prohibit wagering on the results of horseraces by  
12 the parimutuel or certificate method when conducted by licensees within  
13 the racetrack enclosure at licensed horserace meetings;

14 (2) Prohibit or punish the conducting or participating in any game  
15 of skill, bingo, lottery by the sale of pickle cards, lottery, raffle, or  
16 gift enterprise when conducted in accordance with the Games of Skill Act,  
17 the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the  
18 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,  
19 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or  
20 section 9-701; or

21 (3) Apply to or prohibit the operation of games of chance, whether  
22 using a gambling device or otherwise, by authorized gaming operators  
23 within licensed racetrack enclosures or the participation or playing of  
24 such games of chance, whether participated in or played using a gambling  
25 device or otherwise, by individuals twenty-one years of age or older  
26 within licensed racetrack enclosures as provided in the Nebraska  
27 Racetrack Gaming Act.

28 Sec. 15. Section 77-3001, Reissue Revised Statutes of Nebraska, as  
29 amended by section 12, Initiative Law 2020, No. 430, is amended to read:

30 77-3001 For purposes of the Mechanical Amusement Device Tax Act,  
31 unless the context otherwise requires:

1       (1) Cash device means any mechanical amusement device capable of  
2 awarding (a) cash, (b) anything redeemable for cash, (c) gift cards,  
3 credit, or other instruments which have a value denominated by reference  
4 to an amount of currency, or (d) anything redeemable for anything  
5 described in subdivision (c) of this subdivision;

6       (2) Department means the Department of Revenue;

7       (3) Distributor means any person who sells, leases, or delivers  
8 possession or custody of a machine or mechanical device to operators  
9 thereof for a consideration either directly or indirectly received;

10       (4) Mechanical amusement device means any machine which, upon  
11 insertion of a coin, currency, credit card, or substitute into the  
12 machine, operates or may be operated or used for a game, contest, or  
13 amusement of any description, such as, by way of example, but not by way  
14 of limitation, pinball games, shuffleboard, bowling games, radio-ray  
15 rifle games, baseball, football, racing, boxing games, electronic video  
16 games of skill, and coin-operated pool tables. Mechanical amusement  
17 device also includes game and draw lotteries and coin-operated automatic  
18 musical devices. Mechanical amusement device does not mean vending  
19 machines which dispense tangible personal property, devices located in  
20 private homes for private use, pickle card dispensing devices which are  
21 required to be registered with the department pursuant to section  
22 9-345.03, gaming devices or limited gaming devices as defined in and  
23 operated pursuant to the Nebraska Racetrack Gaming Act, or devices which  
24 are mechanically constructed in a manner that would render their  
25 operation illegal under the laws of the State of Nebraska;

26       (5) Operator means any person who operates a place of business in  
27 which a machine or device owned by him or her is physically located or  
28 any person who places and who either directly or indirectly controls or  
29 manages any machine or device;

30       (6) ~~(1)~~ Person means an individual, partnership, limited liability  
31 company, society, association, joint-stock company, corporation, estate,

1 receiver, lessee, trustee, assignee, referee, or other person acting in a  
2 fiduciary or representative capacity, whether appointed by a court or  
3 otherwise, and any combination of individuals;

4 ~~(2) Mechanical amusement device means any machine which, upon~~  
5 ~~insertion of a coin, currency, credit card, or substitute into the~~  
6 ~~machine, operates or may be operated or used for a game, contest, or~~  
7 ~~amusement of any description, such as, by way of example, but not by way~~  
8 ~~of limitation, pinball games, shuffleboard, bowling games, radio ray~~  
9 ~~rifle games, baseball, football, racing, boxing games, and coin-operated~~  
10 ~~pool tables. Mechanical amusement device also includes game and draw~~  
11 ~~lotteries and coin-operated automatic musical devices. The term does not~~  
12 ~~mean vending machines which dispense tangible personal property, devices~~  
13 ~~located in private homes for private use, pickle card dispensing devices~~  
14 ~~which are required to be registered with the Department of Revenue~~  
15 ~~pursuant to section 9-345.03, gaming devices or limited gaming devices as~~  
16 ~~defined in and operated pursuant to the Nebraska Racetrack Gaming Act, or~~  
17 ~~devices which are mechanically constructed in a manner that would render~~  
18 ~~their operation illegal under the laws of the State of Nebraska;~~

19 ~~(3) Operator means any person who operates a place of business in~~  
20 ~~which a machine or device owned by him or her is physically located or~~  
21 ~~any person who places and who either directly or indirectly controls or~~  
22 ~~manages any machine or device;~~

23 ~~(4) Distributor means any person who sells, leases, or delivers~~  
24 ~~possession or custody of a machine or mechanical device to operators~~  
25 ~~thereof for a consideration either directly or indirectly received;~~

26 ~~(7) (5) Whenever in the act, the words machine or device are used,~~  
27 ~~they refer to mechanical amusement device;—and~~

28 ~~(8) Whenever in the act, the words electronic video games of skill,~~  
29 ~~games of skill, or skill-based devices are used, they refer to mechanical~~  
30 ~~amusement devices which produce an outcome predominantly caused by skill~~  
31 ~~and not chance; and~~



1           (9) ~~(6)~~ Whenever in the act, the words machine, device, person,  
2 operator, or distributor are used, the words in the singular include the  
3 plural and in the plural include the singular.

4           Sec. 16. In addition to the occupation tax levied and imposed by  
5 the Mechanical Amusement Device Tax Act and any other taxes or fees, of  
6 any form whatsoever, imposed by the State of Nebraska or any of its  
7 subdivisions, upon the business of operating or distributing an  
8 electronic video game of skill, an excise tax of twenty-five percent  
9 shall be levied and collected by the Tax Commissioner on the gross  
10 receipts from each electronic video game of skill. All excise taxes  
11 collected pursuant to this section shall be remitted to the State  
12 Treasurer for credit to the Games of Skill Property Tax Reduction Fund.

13           Sec. 17. Section 77-3004, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15           77-3004 (1) An occupation tax is hereby imposed and levied, in the  
16 amount and in accordance with the terms and conditions hereafter stated,  
17 upon the business of operating mechanical amusement devices within the  
18 State of Nebraska for profit or gain either directly or indirectly  
19 received. Every person who now or hereafter engages in the business of  
20 operating such devices in the State of Nebraska shall pay such tax in the  
21 amount and manner specified in this section.

22           (2) Any operator of a mechanical amusement device within the State  
23 of Nebraska shall pay an occupation tax for each machine or device which  
24 he or she operates during all of the taxable year. The occupation tax  
25 shall be due and payable on January 1 of each year on each machine or  
26 device in operation on that date, except that it shall be unlawful to pay  
27 any such occupation tax unless the sales or use tax has been paid on such  
28 mechanical amusement devices. For every machine or device put into  
29 operation on a date subsequent to January 1, and which has not been  
30 included in computing the tax imposed and levied by the Mechanical  
31 Amusement Device Tax Act, the occupation tax shall be due and payable

1 therefor prior to the time the machine or device is placed in operation.  
2 All occupation taxes collected pursuant to the act shall be remitted to  
3 the State Treasurer for credit to the General Fund.

4 (3) The amount of the occupation tax shall be fifty dollars for each  
5 machine or device for the period from July 1, 1998, through December 31,  
6 1999, except that for machines placed in operation after April 1, 1999,  
7 and before January 1, 2000, the occupation tax shall be twenty-five  
8 dollars for each machine or device.

9 (4) The amount of the occupation tax shall be thirty-five dollars  
10 for each machine or device for any period beginning on or after January  
11 1, 2000, except that for machines placed in operation after July 1, and  
12 before January 1 of each year, the occupation tax shall be twenty dollars  
13 for each machine or device.

14 Sec. 18. Section 77-3005, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 77-3005 The occupation tax levied and imposed by the Mechanical  
17 Amusement Device Tax Act shall be in addition to the excise tax imposed  
18 by the act and any and all other taxes or fees, of any form whatsoever,  
19 now imposed by the State of Nebraska or any of its subdivisions, upon the  
20 business of operating or distributing mechanical amusement devices as  
21 defined in section 77-3001, or otherwise defined by the subdivisions and  
22 municipalities of the State of Nebraska, except that payment of the tax  
23 and license fees due and owing on or before the licensing date of each  
24 year shall exempt any such mechanical amusement device from the  
25 application of the sales tax which would or could otherwise be imposed  
26 under the Nebraska Revenue Act of 1967. Nonpayment of the taxes or fees  
27 due and owing on or before the licensing date of each year shall render  
28 the exemption provided by this section inapplicable and the particular  
29 machines or devices shall then be subject to all the provisions of the  
30 Nebraska Revenue Act of 1967, including the penalty provisions pertaining  
31 to the owner or operator of such machines or devices.

1           Sec. 19. Section 77-3007, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3           77-3007 (1) The payment of the occupation tax imposed by the  
4 Mechanical Amusement Device Tax Act shall be evidenced by a separate  
5 decal for each device signifying payment of the occupation tax, in a form  
6 prescribed by the Tax Commissioner.

7           (2) Every operator shall place such decal in a conspicuous place on  
8 each device to denote payment of the tax for each device for the current  
9 year.

10          Sec. 20. Section 77-3009, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12          77-3009 (1) Any person who places a mechanical amusement device in  
13 operation in the State of Nebraska without the necessary decal being  
14 placed conspicuously upon it or without having obtained the necessary  
15 license shall be subject to an administrative penalty of seventy-five  
16 dollars for each violation.

17          (2) Any mechanical amusement device which does not have the  
18 necessary decal conspicuously displayed upon it shall be subject to being  
19 sealed by the Tax Commissioner or his or her delegate. If such seal is  
20 broken prior to payment of the occupation tax upon such device, the  
21 device shall be subject to forfeiture and sale by the Tax Commissioner.

22          (3) Any person violating the Mechanical Amusement Device Tax Act  
23 shall be guilty of a Class II misdemeanor. Each day on which any person  
24 engages in or conducts the business of operating or distributing the  
25 machines or devices subject to the Mechanical Amusement Device Tax Act,  
26 without having paid the occupation tax or obtained the required license  
27 as provided, shall constitute a separate offense.

28          Sec. 21. Section 77-3011, Revised Statutes Cumulative Supplement,  
29 2020, is amended to read:

30          77-3011 Sections 77-3001 to 77-3011 and section 16 of this act shall  
31 be known and may be cited as the Mechanical Amusement Device Tax Act.

1           Sec. 22. Section 77-3442, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3           77-3442 (1) Property tax levies for the support of local governments  
4 for fiscal years beginning on or after July 1, 1998, shall be limited to  
5 the amounts set forth in this section except as provided in section  
6 77-3444.

7           (2)(a) Except as provided in subdivisions (2)(b) and (2)(e) of this  
8 section, school districts and multiple-district school systems may levy a  
9 maximum levy of (i) for fiscal years prior to fiscal year 2023-24, one  
10 dollar and five cents per one hundred dollars of taxable valuation of  
11 property subject to the levy and (ii) for fiscal year 2023-24 and each  
12 fiscal year thereafter, one dollar and five cents less any games of skill  
13 school property tax reduction factor calculated for such fiscal year  
14 pursuant to section 24 of this act per one hundred dollars of taxable  
15 valuation of property subject to the levy.

16           (b) For each fiscal year prior to fiscal year 2017-18, learning  
17 communities may levy a maximum levy for the general fund budgets of  
18 member school districts of ninety-five cents per one hundred dollars of  
19 taxable valuation of property subject to the levy. The proceeds from the  
20 levy pursuant to this subdivision shall be distributed pursuant to  
21 section 79-1073.

22           (c) Except as provided in subdivision (2)(e) of this section, for  
23 each fiscal year prior to fiscal year 2017-18, school districts that are  
24 members of learning communities may levy for purposes of such districts'  
25 general fund budget and special building funds a maximum combined levy of  
26 the difference of one dollar and five cents on each one hundred dollars  
27 of taxable property subject to the levy minus the learning community levy  
28 pursuant to subdivision (2)(b) of this section for such learning  
29 community.

30           (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)  
31 of this section are (i) amounts levied to pay for current and future sums

1 agreed to be paid by a school district to certificated employees in  
2 exchange for a voluntary termination of employment occurring prior to  
3 September 1, 2017, (ii) amounts levied by a school district otherwise at  
4 the maximum levy pursuant to subdivision (2)(a) of this section to pay  
5 for current and future qualified voluntary termination incentives for  
6 certificated teachers pursuant to subsection (3) of section 79-8,142 that  
7 are not otherwise included in an exclusion pursuant to subdivision (2)(d)  
8 of this section, (iii) amounts levied by a school district otherwise at  
9 the maximum levy pursuant to subdivision (2)(a) of this section to pay  
10 for seventy-five percent of the current and future sums agreed to be paid  
11 to certificated employees in exchange for a voluntary termination of  
12 employment occurring between September 1, 2017, and August 31, 2018, as a  
13 result of a collective-bargaining agreement in force and effect on  
14 September 1, 2017, that are not otherwise included in an exclusion  
15 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a  
16 school district otherwise at the maximum levy pursuant to subdivision (2)  
17 (a) of this section to pay for fifty percent of the current and future  
18 sums agreed to be paid to certificated employees in exchange for a  
19 voluntary termination of employment occurring between September 1, 2018,  
20 and August 31, 2019, as a result of a collective-bargaining agreement in  
21 force and effect on September 1, 2017, that are not otherwise included in  
22 an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts  
23 levied by a school district otherwise at the maximum levy pursuant to  
24 subdivision (2)(a) of this section to pay for twenty-five percent of the  
25 current and future sums agreed to be paid to certificated employees in  
26 exchange for a voluntary termination of employment occurring between  
27 September 1, 2019, and August 31, 2020, as a result of a collective-  
28 bargaining agreement in force and effect on September 1, 2017, that are  
29 not otherwise included in an exclusion pursuant to subdivision (2)(d) of  
30 this section, (vi) amounts levied in compliance with sections 79-10,110  
31 and 79-10,110.02, and (vii) amounts levied to pay for special building

1 funds and sinking funds established for projects commenced prior to April  
2 1, 1996, for construction, expansion, or alteration of school district  
3 buildings. For purposes of this subsection, commenced means any action  
4 taken by the school board on the record which commits the board to expend  
5 district funds in planning, constructing, or carrying out the project.

6 (e) Federal aid school districts may exceed the maximum levy  
7 prescribed by subdivision (2)(a) or (2)(c) of this section only to the  
8 extent necessary to qualify to receive federal aid pursuant to Title VIII  
9 of Public Law 103-382, as such title existed on September 1, 2001. For  
10 purposes of this subdivision, federal aid school district means any  
11 school district which receives ten percent or more of the revenue for its  
12 general fund budget from federal government sources pursuant to Title  
13 VIII of Public Law 103-382, as such title existed on September 1, 2001.

14 (f) For each fiscal year, learning communities may levy a maximum  
15 levy of one-half cent on each one hundred dollars of taxable property  
16 subject to the levy for elementary learning center facility leases, for  
17 remodeling of leased elementary learning center facilities, and for up to  
18 fifty percent of the estimated cost for focus school or program capital  
19 projects approved by the learning community coordinating council pursuant  
20 to section 79-2111.

21 (g) For each fiscal year, learning communities may levy a maximum  
22 levy of one and one-half cents on each one hundred dollars of taxable  
23 property subject to the levy for early childhood education programs for  
24 children in poverty, for elementary learning center employees, for  
25 contracts with other entities or individuals who are not employees of the  
26 learning community for elementary learning center programs and services,  
27 and for pilot projects, except that no more than ten percent of such levy  
28 may be used for elementary learning center employees.

29 (3) For each fiscal year, community college areas may levy the  
30 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in  
31 accordance with the provisions of such subdivisions. A community college

1 area may exceed the levy provided in subdivision (2)(b) of section  
2 85-1517 by the amount necessary to retire general obligation bonds  
3 assumed by the community college area or issued pursuant to section  
4 85-1515 according to the terms of such bonds or for any obligation  
5 pursuant to section 85-1535 entered into prior to January 1, 1997.

6 (4)(a) Natural resources districts may levy a maximum levy of four  
7 and one-half cents per one hundred dollars of taxable valuation of  
8 property subject to the levy.

9 (b) Natural resources districts shall also have the power and  
10 authority to levy a tax equal to the dollar amount by which their  
11 restricted funds budgeted to administer and implement ground water  
12 management activities and integrated management activities under the  
13 Nebraska Ground Water Management and Protection Act exceed their  
14 restricted funds budgeted to administer and implement ground water  
15 management activities and integrated management activities for FY2003-04,  
16 not to exceed one cent on each one hundred dollars of taxable valuation  
17 annually on all of the taxable property within the district.

18 (c) In addition, natural resources districts located in a river  
19 basin, subbasin, or reach that has been determined to be fully  
20 appropriated pursuant to section 46-714 or designated as overappropriated  
21 pursuant to section 46-713 by the Department of Natural Resources shall  
22 also have the power and authority to levy a tax equal to the dollar  
23 amount by which their restricted funds budgeted to administer and  
24 implement ground water management activities and integrated management  
25 activities under the Nebraska Ground Water Management and Protection Act  
26 exceed their restricted funds budgeted to administer and implement ground  
27 water management activities and integrated management activities for  
28 FY2005-06, not to exceed three cents on each one hundred dollars of  
29 taxable valuation on all of the taxable property within the district for  
30 fiscal year 2006-07 and each fiscal year thereafter through fiscal year  
31 2017-18.

1           (5) Any educational service unit authorized to levy a property tax  
2 pursuant to section 79-1225 may levy a maximum levy of one and one-half  
3 cents per one hundred dollars of taxable valuation of property subject to  
4 the levy.

5           (6)(a) Incorporated cities and villages which are not within the  
6 boundaries of a municipal county may levy a maximum levy of forty-five  
7 cents per one hundred dollars of taxable valuation of property subject to  
8 the levy plus an additional five cents per one hundred dollars of taxable  
9 valuation to provide financing for the municipality's share of revenue  
10 required under an agreement or agreements executed pursuant to the  
11 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum  
12 levy shall include amounts levied to pay for sums to support a library  
13 pursuant to section 51-201, museum pursuant to section 51-501, visiting  
14 community nurse, home health nurse, or home health agency pursuant to  
15 section 71-1637, or statue, memorial, or monument pursuant to section  
16 80-202.

17           (b) Incorporated cities and villages which are within the boundaries  
18 of a municipal county may levy a maximum levy of ninety cents per one  
19 hundred dollars of taxable valuation of property subject to the levy. The  
20 maximum levy shall include amounts paid to a municipal county for county  
21 services, amounts levied to pay for sums to support a library pursuant to  
22 section 51-201, a museum pursuant to section 51-501, a visiting community  
23 nurse, home health nurse, or home health agency pursuant to section  
24 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

25           (7) Sanitary and improvement districts which have been in existence  
26 for more than five years may levy a maximum levy of forty cents per one  
27 hundred dollars of taxable valuation of property subject to the levy, and  
28 sanitary and improvement districts which have been in existence for five  
29 years or less shall not have a maximum levy. Unconsolidated sanitary and  
30 improvement districts which have been in existence for more than five  
31 years and are located in a municipal county may levy a maximum of eighty-



1 five cents per hundred dollars of taxable valuation of property subject  
2 to the levy.

3 (8) Counties may levy or authorize a maximum levy of fifty cents per  
4 one hundred dollars of taxable valuation of property subject to the levy,  
5 except that five cents per one hundred dollars of taxable valuation of  
6 property subject to the levy may only be levied to provide financing for  
7 the county's share of revenue required under an agreement or agreements  
8 executed pursuant to the Interlocal Cooperation Act or the Joint Public  
9 Agency Act. The maximum levy shall include amounts levied to pay for sums  
10 to support a library pursuant to section 51-201 or museum pursuant to  
11 section 51-501. The county may allocate up to fifteen cents of its  
12 authority to other political subdivisions subject to allocation of  
13 property tax authority under subsection (1) of section 77-3443 and not  
14 specifically covered in this section to levy taxes as authorized by law  
15 which do not collectively exceed fifteen cents per one hundred dollars of  
16 taxable valuation on any parcel or item of taxable property. The county  
17 may allocate to one or more other political subdivisions subject to  
18 allocation of property tax authority by the county under subsection (1)  
19 of section 77-3443 some or all of the county's five cents per one hundred  
20 dollars of valuation authorized for support of an agreement or agreements  
21 to be levied by the political subdivision for the purpose of supporting  
22 that political subdivision's share of revenue required under an agreement  
23 or agreements executed pursuant to the Interlocal Cooperation Act or the  
24 Joint Public Agency Act. If an allocation by a county would cause another  
25 county to exceed its levy authority under this section, the second county  
26 may exceed the levy authority in order to levy the amount allocated.

27 (9) Municipal counties may levy or authorize a maximum levy of one  
28 dollar per one hundred dollars of taxable valuation of property subject  
29 to the levy. The municipal county may allocate levy authority to any  
30 political subdivision or entity subject to allocation under section  
31 77-3443.

1           (10) Beginning July 1, 2016, rural and suburban fire protection  
2 districts may levy a maximum levy of ten and one-half cents per one  
3 hundred dollars of taxable valuation of property subject to the levy if  
4 (a) such district is located in a county that had a levy pursuant to  
5 subsection (8) of this section in the previous year of at least forty  
6 cents per one hundred dollars of taxable valuation of property subject to  
7 the levy or (b) such district had a levy request pursuant to section  
8 77-3443 in any of the three previous years and the county board of the  
9 county in which the greatest portion of the valuation of such district is  
10 located did not authorize any levy authority to such district in such  
11 year.

12           (11) A regional metropolitan transit authority may levy a maximum  
13 levy of ten cents per one hundred dollars of taxable valuation of  
14 property subject to the levy for each fiscal year that commences on the  
15 January 1 that follows the effective date of the conversion of the  
16 transit authority established under the Transit Authority Law into the  
17 regional metropolitan transit authority.

18           (12) Property tax levies (a) for judgments, except judgments or  
19 orders from the Commission of Industrial Relations, obtained against a  
20 political subdivision which require or obligate a political subdivision  
21 to pay such judgment, to the extent such judgment is not paid by  
22 liability insurance coverage of a political subdivision, (b) for  
23 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)  
24 for bonds as defined in section 10-134 approved according to law and  
25 secured by a levy on property except as provided in section 44-4317 for  
26 bonded indebtedness issued by educational service units and school  
27 districts, and (d) for payments by a public airport to retire interest-  
28 free loans from the Division of Aeronautics of the Department of  
29 Transportation in lieu of bonded indebtedness at a lower cost to the  
30 public airport are not included in the levy limits established by this  
31 section.

1 (13) The limitations on tax levies provided in this section are to  
2 include all other general or special levies provided by law.  
3 Notwithstanding other provisions of law, the only exceptions to the  
4 limits in this section are those provided by or authorized by sections  
5 77-3442 to 77-3444.

6 (14) Tax levies in excess of the limitations in this section shall  
7 be considered unauthorized levies under section 77-1606 unless approved  
8 under section 77-3444.

9 (15) For purposes of sections 77-3442 to 77-3444, political  
10 subdivision means a political subdivision of this state and a county  
11 agricultural society.

12 (16) For school districts that file a binding resolution on or  
13 before May 9, 2008, with the county assessors, county clerks, and county  
14 treasurers for all counties in which the school district has territory  
15 pursuant to subsection (7) of section 79-458, if the combined levies,  
16 except levies for bonded indebtedness approved by the voters of the  
17 school district and levies for the refinancing of such bonded  
18 indebtedness, are in excess of the greater of (a) one dollar and twenty  
19 cents per one hundred dollars of taxable valuation of property subject to  
20 the levy or (b) the maximum levy authorized by a vote pursuant to section  
21 77-3444, all school district levies, except levies for bonded  
22 indebtedness approved by the voters of the school district and levies for  
23 the refinancing of such bonded indebtedness, shall be considered  
24 unauthorized levies under section 77-1606.

25 Sec. 23. Section 79-1001, Revised Statutes Cumulative Supplement,  
26 2020, is amended to read:

27 79-1001 Sections 79-1001 to 79-1033 and section 24 of this act shall  
28 be known and may be cited as the Tax Equity and Educational Opportunities  
29 Support Act.

30 Sec. 24. (1) For school fiscal years 2023-24 and each school fiscal  
31 year thereafter, each school district shall receive games of skill school

1 property tax reduction aid in an amount calculated by:

2 (a) Dividing the balance in the Games of Skill School Property Tax  
3 Reduction Fund as of the October 1 immediately preceding the  
4 certification of aid pursuant to section 79-1022 for such school fiscal  
5 year by the statewide adjusted valuation to arrive at the games of skill  
6 school property tax reduction factor; and

7 (b) Multiplying the adjusted valuation for such school district by  
8 the games of skill school property tax reduction factor to arrive at  
9 games of skill school property tax reduction aid for such school  
10 district.

11 (2) Games of skill school property tax reduction aid shall not be  
12 included in the calculation of either formula needs or formula resources.

13 Sec. 25. Section 3, Initiative Law 2020, No. 430, is amended to  
14 read:

15 Sec. 3. For purposes of the Nebraska Racetrack Gaming Act:

16 (1) Authorized gaming operator means a person or entity licensed  
17 pursuant to the act to operate games of chance within a licensed  
18 racetrack enclosure;

19 (2) Authorized gaming operator license means a license to operate  
20 games of chance as an authorized gaming operator at a licensed racetrack  
21 enclosure;

22 (3) Game of chance means, except as otherwise provided in this  
23 subdivision, any game which has the elements of chance, prize, and  
24 consideration, including any wager on a slot machine, table game, counter  
25 game, or card game. Game of chance does not include any game the  
26 operation of which is regulated under the Games of Skill Act or the  
27 Mechanical Amusement Device Tax Act as a game of skill or which is  
28 prohibited at a casino by federal law;

29 (4) Gaming device means an electronic, mechanical, or other device  
30 which plays a game of chance when activated by a player using currency, a  
31 token, or other item of value;

1           (5) Licensed racetrack enclosure means premises at which licensed  
2 live horseracing is conducted in accordance with the Constitution of  
3 Nebraska and applicable Nebraska law;

4           (6) Limited gaming device means an electronic gaming device which  
5 (a) offers games of chance, (b) does not dispense currency, tokens, or  
6 other items of value, and (c) does not have a cash winnings hopper,  
7 mechanical or simulated spinning reel, or side handle; and

8           (7) Racing license means a license issued by the State Racing  
9 Commission.

10          Sec. 26. This act becomes operative on January 1, 2022.

11          Sec. 27. Original sections 77-3004, 77-3005, and 77-3009, Reissue  
12 Revised Statutes of Nebraska, sections 9-1,101, 77-3007, 77-3011,  
13 77-3442, and 79-1001, Revised Statutes Cumulative Supplement, 2020,  
14 sections 28-1101, 28-1105, 28-1113, and 77-3001, Reissue Revised Statutes  
15 of Nebraska, as amended by sections 8, 9, 10, and 12, respectively,  
16 Initiative Law 2020, No. 430, and section 3, Initiative Law 2020, No.  
17 430, are repealed.