

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$60,000		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$60,000		

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 357 adds language to fingerprinting and criminal history check requirements so that any person between 16 and 75 years of age applying for or holding a license to participate in or be employed at a horserace meeting licensed by the Racing and Gaming Commission, any person between 16 and 75 years of age involved in the administration or management of a racetrack, including the governing body, and persons applying for a gaming operator license pursuant to the Nebraska Racetrack Gaming Act shall be subject to fingerprinting and a check of his or her criminal history record information maintained by the Federal Bureau of Investigation through the Nebraska State Patrol. The applicant, licensee, or person involved in the administration or management of a racetrack shall still pay the actual cost of any fingerprinting or check of his or her criminal history record information under the bill.

The bill adds an application in a manner prescribed by the Commission for a racetrack enclosure license to operate a licensed racetrack enclosure along with an application fee of \$10,000. A racetrack enclosure license shall be valid for a period of 3 years. An individual may renew a racetrack enclosure license in a manner prescribed by the Commission, and such application for renewal shall be accompanied by a fee of \$10,000.

The bill amends that the Commission may issue a license to conduct a race or race meeting for a period of not for than 3 years, a change from 5 years.

The bill makes changes regarding the one-time authorized gaming operator license fee of \$5 million so that the license fee may be paid over a period of five years with \$1 million dollars due at the time the license is issued and \$1 million dollars due each year thereafter until the initial \$5 million dollar license fee is paid in full.

The bill changes the name of the "Racing and Gaming Commission's Racetrack Gaming Fund" to the "Racetrack Gaming Fund." The bill adds for this Fund that the fund shall consist of all license application, and other fees collected under the Nebraska Racetrack Gaming Act and all license fees and gross tax receipts collected by the Commission under sections 2-1203, 2-1203.01, and 2-1208 relating to horseracing but shall not include taxes collected pursuant to section 2-1208. This language would combine the former Racing and Gaming Commission's Racetrack Gaming Fund with the Racing and Gaming Commission's Racing Cash Fund. The Racing and Gaming Commission's Racing Cash Fund is repealed under the bill. The State Treasurer shall transfer any money in the Racing and Gaming Commission's Racing Cash Fund on the effective date of the bill to the Racetrack Gaming Fund.

The Commission estimates a \$60,000 increase in Cash Funds every three years starting in FY26 as a result of this bill. This would be credited to the Racetrack Gaming Fund. There is no basis to disagree with this estimate.

The Nebraska State Patrol estimates no fiscal impact as a result of this bill. There is no basis to disagree with this estimate.

TECHNICAL NOTE: There appears to be a typographical error in changes made to section 9-1107 in the bill regarding the Racetrack Gaming Fund in the cross-reference of taxes not to be included in the Fund as it shows 2-1208 but seems to actually need to be 2-1208.01 based upon current language for what goes into the Racing and Gaming Commission's Racing Cash Fund in section 2-1222.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 357	AM:	AGENCY/POLT. SUB: Racing and Gaming Commission
REVIEWED BY: Jacob Leaver	DATE: 1/24/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the Racing and Gaming Commission's estimated fiscal impact as a result of LB 357.		

2025

LB⁽¹⁾ 357

FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska State Patrol

Prepared by: (3) Carol Aversman Date Prepared: (4) 01/23/2025 Phone: (5) 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

LB 357 requires that any person between 16 and 75 years of age applying for or holding a license to participate in or be employed at a horserace meeting licensed by the State Racing and Gaming Commission shall be subject to fingerprinting and a check of his or her criminal history record information maintained by the Federal Bureau of Investigation through the Nebraska State Patrol. Each applicant shall furnish to the Nebraska State Patrol a full set of legible fingerprints to enable a criminal background investigation to be conducted. The Nebraska State Patrol shall submit the fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The Patrol shall issue a report to the commission that includes the information collected from the national criminal history record information check concerning the individual. This bill includes individuals involved in the administration or management of a racetrack., Additionally, persons applying for a gaming operator license pursuant to the Nebraska Racetrack Gaming Act are subject to the same requirements.

The State Patrol estimates that the number of persons subject to these requirements can be absorbed by the current staff.

Therefore, the State Patrol estimates that there is **NO FISCAL IMPACT** for this bill.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Racing & Gaming Commission

Prepared by: ⁽³⁾ Rita Pracht

Date Prepared: ⁽⁴⁾ 1/17/25

Phone: ⁽⁵⁾ 531-310-4536

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		60,000		0.00
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

The Racing & Gaming Commission will have an increase of Revenue once every three years.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				