

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1120

Introduced by Hansen, 16; Andersen, 49; Holdcroft, 36; Lonowski, 33;
Riepe, 12; Rountree, 3.

Read first time January 16, 2026

Committee: General Affairs

1 A BILL FOR AN ACT relating to gaming; to amend sections 9-401, 9-411,
2 9-415, 9-431, 9-501, 9-507, and 9-509, Reissue Revised Statutes of
3 Nebraska, and sections 9-427 and 9-511, Revised Statutes Cumulative
4 Supplement, 2024; to authorize a progressive jackpot form of lottery
5 and raffle under the Nebraska Lottery and Raffle Act and the
6 Nebraska Small Lottery and Raffle Act as prescribed; to provide
7 powers and duties to the Department of Revenue; to harmonize
8 provisions; and to repeal the original sections.
9 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 9-401, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 9-401 Sections 9-401 to 9-437 and section 4 of this act shall be
4 known and may be cited as the Nebraska Lottery and Raffle Act.

5 **Sec. 2.** Section 9-411, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 9-411 (1) Lottery shall mean a gambling scheme in which (a)
8 participants pay or agree to pay something of value for an opportunity to
9 win, (b) winning opportunities are represented by tickets differentiated
10 by sequential enumeration, and (c) winners are determined by a random
11 drawing of the tickets or by the method set forth in section 9-426.01 or
12 section 4 of this act.

13 (2) Except as provided in section 4 of this act, lottery ~~Lottery~~
14 shall not include (a) any raffle as defined in section 9-415, (b) any
15 gambling scheme which uses any mechanical, computer, electronic, or video
16 gaming device which has the capability of awarding something of value,
17 free games redeemable for something of value, or tickets or stubs
18 redeemable for something of value, (c) any activity which is authorized
19 or regulated under the Nebraska Bingo Act, the Nebraska County and City
20 Lottery Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small
21 Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter
22 2, article 12, or (d) any activity which is prohibited under Chapter 28,
23 article 11.

24 **Sec. 3.** Section 9-415, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 9-415 (1) Raffle shall mean a gambling scheme in which (a)
27 participants pay or agree to pay something of value for an opportunity to
28 win, (b) winning opportunities are represented by tickets differentiated
29 by sequential enumeration, (c) winners are determined by a random drawing
30 of the tickets or by the method set forth in section 9-426.01 or section
31 4 of this act, and (d) at least eighty percent of all of the prizes to be

1 awarded are merchandise prizes which are not directly or indirectly
2 redeemable for cash by the licensed organization conducting the raffle or
3 any agent of the organization.

4 (2) Except as provided in section 4 of this act, raffle Raffle shall
5 not include (a) any gambling scheme which uses any mechanical, computer,
6 electronic, or video gaming device which has the capability of awarding
7 something of value, free games redeemable for something of value, or
8 tickets or stubs redeemable for something of value, (b) any activity
9 which is authorized or regulated under the Nebraska Bingo Act, the
10 Nebraska County and City Lottery Act, the Nebraska Pickle Card Lottery
11 Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act,
12 section 9-701, or Chapter 2, article 12, or (c) activity which is
13 prohibited under Chapter 28, article 11.

14 **Sec. 4.** (1) A licensed organization may conduct a lottery or raffle
15 that includes a progressive jackpot and multiple drawing dates for a game
16 such as, but not limited to, the Queen of Hearts. In order to conduct a
17 lottery or raffle in the method described in this section, such licensee
18 shall (a) register each such lottery or raffle game with the department
19 and (b) post the rules for such lottery or raffle in a visible location
20 where such lottery or raffle is conducted or where tickets for such
21 lottery or raffle are sold.

22 (2) A licensed organization may sell a ticket for a lottery or
23 raffle conducted pursuant to this section through a vending or dispensing
24 device.

25 (3) The department may adopt and promulgate rules and regulations
26 for the conduct of a lottery or raffle utilizing the method authorized
27 pursuant to this section.

28 **Sec. 5.** Section 9-427, Revised Statutes Cumulative Supplement, 2024,
29 is amended to read:

30 9-427 (1) The gross proceeds of any lottery or raffle shall be used
31 solely for lawful purposes, awarding of prizes, and allowable expenses.

1 (2) Except as provided in subsection (3) of this section, not Not
2 less than sixty-five percent of the gross proceeds of any lottery or
3 raffle shall be used for the awarding of prizes, and not more than ten
4 percent of the gross proceeds of a lottery or raffle shall be used to pay
5 the allowable expenses of operating such scheme, except that if prizes
6 are donated to the licensed organization to be awarded in connection with
7 a raffle, the prizes awarded shall have a fair market value equal to at
8 least sixty-five percent of the gross proceeds of the raffle and the
9 licensed organization shall use the proceeds for allowable expenses,
10 optional additional prizes, and a lawful purpose.

11 (3) A lottery or raffle conducted pursuant to section 4 of this act
12 shall only require fifty percent of the gross proceeds of such lottery or
13 raffle to be used for awarding of prizes.

14 **Sec. 6.** Section 9-431, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 9-431 Each licensed organization conducting a lottery or raffle
17 conducted pursuant to the Nebraska Lottery and Raffle Act shall have its
18 name and identification number clearly printed on each lottery or raffle
19 ticket or stub used in such lottery or raffle. No such ticket or stub
20 shall be sold unless such name and identification number is so printed
21 thereon. In addition, all lottery or raffle tickets or stubs shall bear a
22 number, which numbers shall be in sequence and clearly printed on the
23 ticket or stub.

24 Except as provided for a lottery or raffle conducted pursuant to
25 section 4 of this act, each ~~Each~~ ticket or stub shall have an equal
26 chance of being chosen in the drawing. Each ticket or stub shall be
27 constructed of the same material, shall have the same surface, and shall
28 be substantially the same shape, size, form and weight.

29 Each licensed organization conducting a lottery or raffle shall keep
30 a record of all locations where its tickets or stubs are sold. In
31 addition to other authorized sales, a licensed organization conducting a

1 raffle conducted pursuant to the Nebraska Lottery and Raffle Act may also
2 sell tickets or stubs for such raffles on its website and at events, and
3 such tickets or stubs may be purchased using a debit card online on the
4 website and at events in addition to other authorized methods of payment.

5 **Sec. 7.** Section 9-501, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 9-501 Sections 9-501 to 9-513 and section 10 of this act shall be
8 known and may be cited as the Nebraska Small Lottery and Raffle Act.

9 **Sec. 8.** Section 9-507, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 9-507 (1) Lottery shall mean a gambling scheme in which (a)
12 participants pay or agree to pay something of value for an opportunity to
13 win, (b) winning opportunities are represented by tickets differentiated
14 by sequential enumeration, (c) the winners are to be determined by a
15 random drawing of the tickets or by the method set forth in section
16 9-511.01 or section 10 of this act, and (d) the holders of the winning
17 tickets are to receive something of value.

18 (2) Except as provided in section 10 of this act, lottery ~~Lottery~~
19 shall not include (a) any raffle, (b) any gambling scheme which uses any
20 mechanical, computer, electronic, or video gaming device which has the
21 capability of awarding something of value, free games redeemable for
22 something of value, or tickets or stubs redeemable for something of
23 value, (c) any activity authorized or regulated under the Nebraska Bingo
24 Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and
25 Raffle Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act,
26 section 9-701, or Chapter 2, article 12, or (d) any activity prohibited
27 under Chapter 28, article 11.

28 **Sec. 9.** Section 9-509, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 9-509 (1) Raffle shall mean a gambling scheme in which (a)
31 participants pay or agree to pay something of value for an opportunity to

1 win, (b) winning opportunities are represented by tickets differentiated
2 by sequential enumeration, (c) winners are to be determined by a random
3 drawing of tickets or by the method set forth in section 9-511.01 or
4 section 10 of this act, and (d) at least eighty percent of all of the
5 prizes to be awarded are merchandise prizes which are not directly or
6 indirectly redeemable for cash by the qualifying nonprofit organization
7 conducting the raffle or any agent of the organization.

8 (2) Except as provided in section 10 of this act, raffle Raffle
9 shall not include (a) any gambling scheme which uses any mechanical,
10 computer, electronic, or video gaming device which has the capability of
11 awarding something of value, free games redeemable for something of
12 value, or tickets or stubs redeemable for something of value, (b) any
13 activity authorized or regulated under the Nebraska Bingo Act, the
14 Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle
15 Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act, section
16 9-701, or Chapter 2, article 12, or (c) any activity prohibited under
17 Chapter 28, article 11.

18 **Sec. 10.** (1) A qualifying nonprofit organization may conduct a
19 lottery or raffle that includes a progressive jackpot and multiple
20 drawing dates for a game such as, but not limited to, the Queen of
21 Hearts. In order to conduct a lottery or raffle in the method described
22 in this section, such organization shall (a) register each such lottery
23 or raffle game with the department and (b) post the rules for such
24 lottery or raffle in a visible location where such lottery or raffle is
25 conducted or where tickets for such lottery or raffle are sold.

26 (2) A qualifying nonprofit organization may sell a ticket for a
27 lottery or raffle conducted pursuant to this section through a vending or
28 dispensing device.

29 (3) The department may adopt and promulgate rules and regulations
30 for the conduct of a lottery or raffle utilizing the method authorized
31 pursuant to this section.

1 **Sec. 11.** Section 9-511, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 9-511 Any qualifying nonprofit organization may conduct a lottery or
4 raffle that has gross proceeds not greater than fifteen thousand dollars.
5 Except as provided for a lottery or raffle conducted pursuant to section
6 10 of this act, each ~~Each~~ chance in such lottery or raffle shall have an
7 equal likelihood of being a winning chance. The gross proceeds shall be
8 used solely for charitable or community betterment purposes, awarding of
9 prizes, and expenses. Any qualifying nonprofit organization may conduct
10 one lottery per calendar month that has gross proceeds not greater than
11 fifteen thousand dollars. Any qualifying nonprofit organization may
12 conduct one or more raffles in a calendar month if the total gross
13 proceeds from such raffles do not exceed fifteen thousand dollars during
14 such month.

15 **Sec. 12.** Original sections 9-401, 9-411, 9-415, 9-431, 9-501,
16 9-507, and 9-509, Reissue Revised Statutes of Nebraska, and sections
17 9-427 and 9-511, Revised Statutes Cumulative Supplement, 2024, are
18 repealed.