COMMENTS

Doug Gibbs February 03, 2011 471-0051

LB 299

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

	ESTIMATE OF FIS	CAL IMPACT - STAT	TE AGENCIES *		
	FY 201	1-12	FY 2012-13		
_	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE	
GENERAL FUNDS		See Below		See Below	
CASH FUNDS	See Below		See Below		
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS	See Below	See Below	See Below	See Below	

^{*}Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 299 amends Nebraska Revised Statute Section 2-2105, 2-1226, and 2-1228, dealing with horseracing, to allow an existing licensed racetrack to contract with another licensed racetrack to conduct a live race meeting on its behalf.

Over the upcoming biennium there is the potential for a very slight loss of General Fund revenue dependent on how tracks would contract with one another to conduct live racing. For example, if Lincoln Race Course were to contract with Horseman's Park in Omaha the fiscal impact would likely be neutral. If Lincoln were to contract with Fonner Park in Grand Island, home to the State Fair, because of the provisions of Section 2-1208.01, there could be a slight decrease in revenue from the tax levied on the gross sum wagered. This would be dependent on the number of days of racing contracted for and the increase and decrease of the handle at the respective tracks.

However, the Department of Revenue believes, assuming that Lincoln's State Fair Park will lose its race facility in FY 2013-14, and contracts with another facility, the bill will replace lost parimutuel revenue. The Department believes LB 299 will increase revenue by \$50,000 starting in FY2013-14.

The State Racing Commission indicates that if the number of live racing days remains the same, the fiscal impact will be a possible increase in employee's expenses for travel and lodging. For example, if Lincoln Race Course in Lincoln contracts with Fonner Park in Grand Island, the Commission would have to pay for expenses for employees who are based in Lincoln to travel and/or stay in Grand Island.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY Cindy Miserez DATE 1/28/11 PHONE 471-2526

NEBRASKA RACING COMMISSION: I have no basis to disagree with Nebraska State Racing Commission's statement.

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FISCAL NOTE

LB299

JAN 20 2011

Prepared By Sage, Tom
Date Prepared 1/20/2011
Prepared Phone 402-471-4155

Nebraska State Racing Commission

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013		
	Expenditures	Revenue	Expenditures	Revenue	
General Funds					
Cash Funds					
Federal Funds				_	
Other Funds				1.00	
Total Funds					

Explanation of Estimate:

The fiscal impact of LB 299 on the Racing Commission can not be determined at this time. If the number of live racing days stays the same with this bill the only impact on the Commission will be additional expenses for employees.

For example, if Lincoln Race Course in Lincoln would contract with Fonner Park in Grand Island the Commission would have to pay expense for employees, which are based in Lincoln to travel to Grand Island.

Without knowing exactly which track may contract live racing and knowing who they would contract with it is imposable to calculate the finical impact.

Major Objects of Expenditure

	Number of Positions		FY 2011-2012	FY 2012-2013	
Position Title	FY 2011-2012	FY 2011-2012 FY 2012-2013		Expenditures	
	<u> </u>	Benefits			
		Operating	-		
		Travel			
		Capital outlay			
		Aid			
		Capital improvements			
		Total			

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LB 299

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Fiscal Note

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LEGISI	ATTOM GIGTIS		cy Estimate					
State Agency Name: Department of Revenue				Date Due LFA:				
Approved by: Douglas Ewald		Date Prepared:			Phone: 471-5700			
	FY 2011-2012		FY 2012	FY 2012-2013		FY 2013-2014		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds		\$0		\$0		\$50,000		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		\$0		\$0		\$50,000		

LB 299 allows an existing racetrack licensee to contract with another licensee to conduct a live race meeting on its behalf. The bill also provides for the issuance of a simulcast facility license under these circumstances.

Assuming State Fair Park will lose its race facility in FY 2013-14, and contracts with another facility, this bill will replace lost pari-mutuel wagering revenue.

LB 299 will increase revenue to the General Fund by \$50,000 per year starting in FY 2013-14.

Departmental cost to implement this bill is expected to be minimal.

Major Objects of Expenditure								
Class Code	Classification Title	11-12 FTE	12-13 <u>FTE</u>	13-14 FTE	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures	
Benefits								
Aid								
Capital Improvements								