

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 825 would allow the creation of satellite facilities outside the premises of a licensed horseracing racetrack for the purpose of conducting satellite parimutuel wagering. Any licensed racetrack conducting live racing may, alone or jointly with other licensed racetracks conducting live racing, own and operate satellite facilities as authorized and regulated by the State Racing Commission. The bill would also allow a licensed racetrack to conduct satellite parimutuel wagering on intrastate simulcasting and interstate simulcasting if otherwise licensed to do so by the State Racing Commission.

The bill provides duties and responsibilities for the State Racing Commission in the regulation of satellite facilities and also requires the local governing body where a satellite facility is to be located to have an ordinance or resolution approving the operation of such a facility within its jurisdiction.

At this time wagering outside a licensed racetrack enclosure is not permitted because the Nebraska Supreme Court has ruled that such wagering violates the provisions of Article III, Section 24 of the Nebraska Constitution. Technically, because the implementation of the provisions of LB 825 is contingent on the future passage of a constitutional amendment, the bill has no fiscal impact for the biennium.

The State Racing Commission has calculated the potential revenue the Commission would receive from thirty such facilities operating 365 days a year. The Commission's estimate is \$54,750 for FY10-11 and FY11-12. We disagree with the Commission's estimate for FY10-11 and believe it would be \$27,300 due to only 182 operating days for the fiscal year, if the constitutional amendment was to be approved in November 2010.