

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 168

Introduced by Bostar, 29.

Read first time January 09, 2023

Committee:

- 1 A BILL FOR AN ACT relating to gaming; to amend sections 9-1103, 9-1110,
2 and 9-1204, Reissue Revised Statutes of Nebraska, and section
3 85-1920, Revised Statutes Cumulative Supplement, 2022; to redefine a
4 term; to change provisions relating to sports wagering; to provide
5 for distribution of taxes collected from sports wagering on instate
6 collegiate sporting events to the Nebraska Opportunity Grant Fund as
7 prescribed; to harmonize provisions; and to repeal the original
8 sections.
- 9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-1103, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 9-1103 For purposes of the Nebraska Racetrack Gaming Act:

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

7 (2) Authorized gaming operator license means a license to operate
8 games of chance as an authorized gaming operator at a licensed racetrack
9 enclosure;

10 (3)(a) ~~Authorized~~ ~~Except as otherwise provided in subdivision (b) of~~
11 ~~this subdivision, authorized~~ sporting event means a professional sporting
12 event, a collegiate sporting event, an international sporting event, a
13 professional motor race event, a professional sports draft, an individual
14 sports award, an electronic sport, or a simulated game; and

15 (b) Authorized sporting event does not include ~~an in-state collegiate~~
16 ~~sporting event in which an in-state collegiate or university team is a~~
17 ~~participant~~, a parimutuel wager, a fantasy sports contest, a minor league
18 sporting event, a sporting event at the high school level or below
19 regardless of the age of any individual participant, or any sporting
20 event excluded by the commission;

21 (4) Collegiate sporting event means an athletic event or competition
22 of an intercollegiate sport played at the collegiate level for which
23 eligibility requirements for participation by a student athlete are
24 established by a national association for the promotion or regulation of
25 collegiate athletics;

26 (5) Commission means the State Racing and Gaming Commission;

27 (6) Designated sports wagering area means an area, as approved by
28 the commission, in which sports wagering is conducted;

29 (7) Game of chance means any game which has the elements of chance,
30 prize, and consideration, including any wager on a slot machine, table
31 game, counter game, or card game, a keno lottery conducted in accordance

1 with the Nebraska County and City Lottery Act, or sports wagering. Game
2 of chance does not include any game the operation of which is prohibited
3 at a casino by federal law;

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

7 (9) International sporting event means an international team or
8 individual sporting event governed by an international sports federation
9 or sports governing body, including sporting events governed by the
10 International Olympic Committee and the International Federation of
11 Association Football;

12 (10) Licensed racetrack enclosure means premises at which licensed
13 live horseracing is conducted in accordance with the Constitution of
14 Nebraska and applicable Nebraska law;

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

19 (12) Prohibited participant means any individual whose participation
20 may undermine the integrity of the wagering or the sporting event or any
21 person who is prohibited from sports wagering for other good cause shown
22 as determined by the commission, including, but not limited to: (a) Any
23 individual placing a wager as an agent or proxy; (b) any person who is an
24 athlete, a coach, a referee, or a player in any sporting event overseen
25 by the sports governing body of such person based on publicly available
26 information; (c) a person who holds a paid position of authority or
27 influence sufficient to exert influence over the participants in a
28 sporting event, including, but not limited to, any coach, manager,
29 handler, or athletic trainer, or a person with access to certain types of
30 exclusive information, on any sporting event overseen by the sports
31 governing body of such person based on publicly available information; or

1 (d) a person identified as prohibited from sports wagering by any list
2 provided by a sports governing body to the commission;

3 (13) Racing license means a license issued for a licensed racetrack
4 enclosure by the commission; and

5 (14) Sports wagering means the acceptance of wagers on an authorized
6 sporting event by any system of wagering as authorized by the commission.
7 Sports wagering does not include (a) placing a wager on the performance
8 or nonperformance of any individual athlete participating in a single
9 game or match of a collegiate sporting event in which a collegiate team
10 from this state is participating, (b) placing an in-game wager on any
11 game or match of a collegiate sporting event in which a collegiate team
12 from this state is participating, (c) placing a wager on the performance
13 or nonperformance of any individual athlete under eighteen years of age
14 participating in a professional or international sporting event, or (d)
15 placing a wager on the performance of athletes in an individual sporting
16 event excluded by the commission.

17 Sec. 2. Section 9-1110, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 9-1110 (1) The commission may permit an authorized gaming operator
20 to conduct sports wagering. Any sports wager shall be placed in person or
21 at a wagering kiosk in the designated sports wagering area at the
22 licensed racetrack enclosure. An authorized gaming operator shall provide
23 for separate accounting of sports wagers on instate collegiate sporting
24 events in which an instate collegiate or university team is a participant
25 from other sports wagers for purposes of the tax imposed pursuant to
26 section 9-1203. A parimutuel wager in accordance with sections 2-1201 to
27 2-1218 may be placed in the designated sports wagering area at the
28 licensed racetrack enclosure.

29 (2) A floor plan identifying the designated sports wagering area,
30 including the location of any wagering kiosks, shall be filed with the
31 commission for review and approval. Modification to a previously approved

1 plan must be submitted for approval at least ten days prior to
2 implementation. The area shall not be accessible to persons under twenty-
3 one years of age and shall have a sign posted to restrict access.
4 Exceptions to this subsection must be approved in writing by the
5 commission.

6 (3) The authorized gaming operator shall submit controls for
7 approval by the commission, that include the following for operating the
8 designated sports wagering area:

9 (a) Specific procedures and technology partners to fulfill the
10 requirements set forth by the commission;

11 (b) Other specific controls as designated by the commission;

12 (c) A process to easily and prominently impose limitations or
13 notification for wagering parameters, including, but not limited to,
14 deposits and wagers; and

15 (d) An easy and obvious method for a player to make a complaint and
16 to enable the player to notify the commission if such complaint has not
17 been or cannot be addressed by the sports wagering operator.

18 (4) The commission shall develop policies and procedures to ensure a
19 prohibited participant is unable to place a sports wager or parimutuel
20 wager.

21 Sec. 3. Section 9-1204, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 9-1204 (1) The tax imposed by section 9-1203 on gross gaming
24 revenue generated by sports wagering on any instate collegiate sporting
25 event in which an instate collegiate or university team is a participant
26 shall be remitted to the State Treasurer for credit to the Nebraska
27 Opportunity Grant Fund.

28 (2) Of the rest of the tax imposed by section 9-1203, seventy-five
29 percent shall be remitted to the State Treasurer for credit as follows:
30 Two and one-half percent to the Compulsive Gamblers Assistance Fund, two
31 and one-half percent to the General Fund, and seventy percent to the

1 Property Tax Credit Cash Fund. The remaining twenty-five percent of the
2 tax shall be remitted to the county treasurer of the county in which the
3 licensed racetrack enclosure is located to be distributed as follows: (a)
4 ~~(1)~~ If the licensed racetrack enclosure is located completely within an
5 unincorporated area of a county, the remaining twenty-five percent shall
6 be distributed to the county in which such licensed racetrack enclosure
7 is located; or (b) ~~(2)~~ if the licensed racetrack enclosure is located at
8 least partially within the limits of a city or village in such county,
9 one-half of the remaining twenty-five percent shall be distributed to
10 such county and one-half of the remaining twenty-five percent to the city
11 or village in which such licensed racetrack enclosure is at least
12 partially located.

13 Sec. 4. Section 85-1920, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 85-1920 The Nebraska Opportunity Grant Fund is created. Money in the
16 fund shall include amounts transferred from the State Lottery Operation
17 Trust Fund pursuant to section 9-812 until June 30, 2016, or the Nebraska
18 Education Improvement Fund pursuant to section 9-812 until June 30, 2024,
19 and amounts credited pursuant to subsection (1) of section 9-1204. All
20 amounts accruing to the Nebraska Opportunity Grant Fund shall be used to
21 carry out the Nebraska Opportunity Grant Act. Any money in the fund
22 available for investment shall be invested by the state investment
23 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
24 State Funds Investment Act.

25 Sec. 5. Original sections 9-1103, 9-1110, and 9-1204, Reissue
26 Revised Statutes of Nebraska, and section 85-1920, Revised Statutes
27 Cumulative Supplement, 2022, are repealed.