

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 252

Introduced by Geist, 25; Arch, 14; Briese, 41; Lowe, 37; Pansing Brooks, 28; Walz, 15.

Read first time January 14, 2019

Committee:

- 1 A BILL FOR AN ACT relating to the state lottery; to amend section 9-823,
- 2 Reissue Revised Statutes of Nebraska; to provide a condition
- 3 relating to advertisements; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-823, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 9-823 The Tax Commissioner shall adopt and promulgate rules and
4 regulations necessary to carry out the State Lottery Act. The rules and
5 regulations shall include provisions relating to the following:

6 (1) The lottery games to be conducted subject to the following
7 conditions:

8 (a) No lottery game shall use the theme of dog racing or
9 horseracing;

10 (b) In any lottery game utilizing tickets, each ticket in such game
11 shall bear a unique number distinguishing it from every other ticket in
12 such lottery game;

13 (c) No name of an elected official shall appear on the tickets of
14 any lottery game; and

15 (d) In any instant-win game, the overall estimated odds of winning
16 some prize shall be printed on each ticket and shall also be available at
17 the office of the division at the time such lottery game is offered for
18 sale to the public;

19 (2) The retail sales price for lottery tickets;

20 (3) The types and manner of payment of prizes to be awarded for
21 winning tickets in lottery games;

22 (4) The method for determining winners, the frequency of drawings,
23 if any, or other selection of winning tickets subject to the following
24 conditions:

25 (a) No lottery game shall be based on the results of a dog race,
26 horserace, or other sports event;

27 (b) If the lottery game utilizes the drawing of winning numbers, a
28 drawing among entries, or a drawing among finalists (i) the drawings
29 shall be witnessed by an independent certified public accountant, (ii)
30 any equipment used in the drawings shall be inspected by the independent
31 certified public accountant and an employee of the division or designated

1 agent both before and after the drawing, and (iii) the drawing shall be
2 recorded on videotape with an audio track; and

3 (c) Drawings in an instant-win game, other than grand prize drawings
4 or other runoff drawings, shall not be held more often than weekly.

5 Drawings or selections in an online game shall not be held more often
6 than daily;

7 (5) The validation and manner of payment of prizes to the holders of
8 winning tickets subject to the following conditions:

9 (a) The prize shall be given to the person who presents a winning
10 ticket, except that for awards in excess of five hundred dollars, the
11 winner shall also provide his or her social security number or tax
12 identification number;

13 (b) A prize may be given to only one person per winning ticket,
14 except that a prize shall be divided between the holders of winning
15 tickets if there is more than one winning ticket per prize;

16 (c) For the convenience of the public, the director may authorize
17 lottery game retailers to pay winners of up to five hundred dollars after
18 performing validation procedures on their premises appropriate to the
19 lottery game involved;

20 (d) No prize shall be paid to any person under nineteen years of
21 age, and any prize resulting from a lottery ticket held by a person under
22 nineteen years of age shall be awarded to the parent or guardian or
23 custodian of the person under the Nebraska Uniform Transfers to Minors
24 Act;

25 (e) No prize shall be paid for tickets that are stolen, counterfeit,
26 altered, fraudulent, unissued, produced or issued in error, unreadable,
27 not received or not recorded by the division by acceptable deadlines,
28 lacking in captions that confirm and agree with the lottery play symbols
29 as appropriate to the lottery game involved, or not in compliance with
30 additional specific rules and regulations and public or confidential
31 validation and security tests appropriate to the particular lottery game

1 involved;

2 (f) No particular prize in any lottery game shall be paid more than
3 once. In the event of a binding determination by the director that more
4 than one claimant is entitled to a particular prize, the sole right of
5 such claimants shall be the award to each of them of an equal share in
6 the prize; and

7 (g) After the expiration of the claim period for prizes for each
8 lottery game, the director shall make available a detailed tabulation of
9 the total number of tickets actually sold in the lottery game and the
10 total number of prizes of each prize denomination that were actually
11 claimed and paid;

12 (6) Requirements for eligibility for participation in grand prize
13 drawings or other runoff drawings, including requirements for submission
14 of evidence of eligibility;

15 (7) The locations at which tickets may be sold except that no ticket
16 may be sold at a retail liquor establishment holding a license for the
17 sale of alcoholic liquor at retail for consumption on the licensed
18 premises unless the establishment holds a Class C liquor license with a
19 sampling designation as provided in subsection (6) of section 53-124;

20 (8) The method to be used in selling tickets;

21 (9) The contracting with persons as lottery game retailers to sell
22 tickets and the manner and amount of compensation to be paid to such
23 retailers;

24 (10)(a) (10) The form and type of marketing of informational and
25 educational material. \div

26 (b) Beginning on the effective date of this act, all lottery
27 advertisements shall disclose the odds of winning the prize with the
28 largest value for any lottery game in a clear and conspicuous manner.
29 Such disclosure shall be in a font size of not less than thirty-five
30 percent of the largest font used in the advertisement, except that for
31 any online advertisement, such disclosure shall be in a font size of at

1 least ten points. This subdivision (b) shall not apply to advertisements
2 printed, distributed, broadcast, or otherwise disseminated or conducted
3 prior to the effective date of this act;

4 (11) Any arrangements or methods to be used in providing proper
5 security in the storage and distribution of tickets or lottery games; and

6 (12) All other matters necessary or desirable for the efficient and
7 economical operation and administration of lottery games and for the
8 convenience of the purchasers of tickets and the holders of winning
9 tickets.

10 Sec. 2. Original section 9-823, Reissue Revised Statutes of
11 Nebraska, is repealed.