

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 923

Introduced by Cavanaugh, J., 9; Blood, 3; Lathrop, 12.

Read first time January 10, 2022

Committee:

- 1 A BILL FOR AN ACT relating to the Nebraska County and City Lottery Act;
- 2 to amend sections 9-607, 9-646.01, and 9-651, Reissue Revised
- 3 Statutes of Nebraska, and sections 9-601 and 9-603, Revised Statutes
- 4 Cumulative Supplement, 2020; to change provisions relating to the
- 5 game of keno; to provide for the sale of digital-on-premises
- 6 tickets; to harmonize provisions; and to repeal the original
- 7 sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-601, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 9-601 Sections 9-601 to 9-653 and sections 3 and 7 of this act shall
4 be known and may be cited as the Nebraska County and City Lottery Act.

5 Sec. 2. Section 9-603, Revised Statutes Cumulative Supplement, 2020,
6 is amended to read:

7 9-603 For purposes of the Nebraska County and City Lottery Act, the
8 definitions found in sections 9-603.02 to 9-618 and section 3 of this act
9 shall be used.

10 Sec. 3. Digital-on-premises ticket means a digital ticket purchased
11 in person on a mobile or other electronic device verified to be present
12 at the location of the lottery operator or a licensed sales outlet
13 location in accordance with subdivision (3)(b) of section 7 of this act.

14 Sec. 4. Section 9-607, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 9-607 (1) Lottery shall mean a gambling scheme in which:

17 (a) The players pay or agree to pay something of value for an
18 opportunity to win;

19 (b) Winning opportunities are represented by tickets;

20 (c) Winners are solely determined by one of the following two
21 methods:

22 (i) By a random drawing of tickets differentiated by sequential
23 enumeration from a receptacle by hand whereby each ticket has an equal
24 chance of being chosen in the drawing; or

25 (ii) By use of a game known as keno in which a player selects up to
26 twenty numbers from a total of eighty numbers on a ~~paper~~ ticket and a
27 computer, other electronic selection device, or electrically operated
28 blower machine which is not player-activated randomly selects up to
29 twenty numbers from the same pool of eighty numbers and the winning
30 players are determined by the correct matching of the numbers on the
31 ~~paper~~ ticket selected by the players with the numbers randomly selected

1 by the computer, other electronic selection device, or electrically
2 operated blower machine, except that (A) no keno game shall permit or
3 require player activation of lottery equipment and (B) the random
4 selection of numbers by the computer, other electronic selection device,
5 or electrically operated blower machine shall not occur within five
6 minutes of the completion of the previous selection of random numbers;
7 and

8 (d) The holders of the winning ~~paper~~ tickets are to receive cash or
9 prizes redeemable for cash. Selection of a winner or winners shall be
10 predicated solely on chance; and -

11 (e) Tickets shall be issued either (i) on paper or (ii) digitally to
12 a mobile or other device of a person verified to be present at the
13 location of the lottery operator or a licensed sales outlet location in
14 accordance with subdivision (3)(b) of section 7 of this act.

15 (2) Lottery shall not include:

16 (a) Any gambling scheme which uses any mechanical gaming device,
17 computer gaming device, electronic gaming device, or video gaming device
18 which has the capability of awarding something of value, free games
19 redeemable for something of value, or tickets or stubs redeemable for
20 something of value;

21 (b) Any activity authorized or regulated under the Nebraska Bingo
22 Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card
23 Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery
24 Act, section 9-701, or Chapter 2, article 12; or

25 (c) Any activity prohibited under Chapter 28, article 11.

26 (3) Notwithstanding the requirement in subdivision (1)(c)(ii) of
27 this section that a player select up to twenty numbers, a player may
28 select more than twenty numbers on a ~~paper~~ ticket when a top or bottom,
29 left or right, edge, or way ticket is played. For a top or bottom ticket,
30 the player shall select all numbers from one through forty or all numbers
31 from forty-one through eighty. For a left or right ticket, the player

1 shall select all numbers ending in one through five or all numbers ending
2 in six through zero. For an edge ticket, the player shall select all of
3 the numbers comprising the outside edge of the ticket. For a way ticket,
4 the player shall select a combination of groups of numbers in multiple
5 ways on a single ticket.

6 (4) A county, city, or village conducting a keno lottery shall
7 designate the method of winning number selection to be used in the
8 lottery and submit such designation in writing to the department prior to
9 conducting a keno lottery. Only those methods of winning number selection
10 described in subdivision (1)(c)(ii) of this section shall be permitted,
11 and the method of winning number selection initially utilized may only be
12 changed once during that business day as set forth in the designation. A
13 county, city, or village shall not change the method or methods of
14 winning number selection filed with the department or allow it to be
15 changed once such initial designation has been made unless (a) otherwise
16 authorized in writing by the department based upon a written request from
17 the county, city, or village or (b) an emergency arises in which case a
18 ball draw method of number selection would be switched to a number
19 selection by a random number generator. An emergency situation shall be
20 reported by the county, city, or village to the department within twenty-
21 four hours of its occurrence.

22 Sec. 5. Section 9-646.01, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 9-646.01 No person or licensee, or any employee or agent thereof,
25 accepting wagers on a lottery conducted pursuant to the Nebraska County
26 and City Lottery Act shall extend credit from the gross proceeds of a
27 lottery to participants in the lottery for the purchase of lottery
28 tickets. No person shall purchase or be allowed to purchase any lottery
29 ticket or make or be allowed to make any wager pursuant to the act unless
30 he or she pays for such ticket or wager with cash, coins, a debit card,
31 or a direct link to an account with a financial institution in the name

1 of the player. For purposes of this section, cash shall mean United
2 States currency having the same face value as the price of the ticket or
3 wager. A credit card shall not be accepted as payment for any wager on
4 keno.

5 Sec. 6. Section 9-651, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 9-651 Each county, city, or village conducting a lottery shall have
8 its name clearly associated with ~~printed on~~ each ticket used in the
9 lottery. No such ticket shall be sold unless the name of the county,
10 city, or village is clearly identified with such ticket ~~printed thereon.~~

11 Sec. 7. (1) Any purchase of a ticket for a keno game shall be made
12 in person at the location of the lottery operator or a licensed sales
13 outlet location.

14 (2) The lottery operator shall file with the department the address
15 of each location where digital-on-premises tickets are sold. The lottery
16 operator shall use reasonable safeguards approved by the department to
17 ensure that digital-on-premises tickets are only accessible to
18 individuals nineteen years of age or older.

19 (3) The lottery operator shall submit controls, for approval by the
20 department, that include the following at the location of the lottery
21 operator or its associated licensed sales outlet locations at which
22 digital-on-premises tickets are sold:

23 (a) Any specific procedure and any technology partner used to
24 fulfill the requirements set forth by the department;

25 (b) Any location detection procedure to reasonably detect and
26 dynamically monitor the location of a player attempting to purchase a
27 digital-on-premises ticket for a keno game. A player outside the
28 permitted boundary shall be rejected, and the player shall be notified.
29 The permitted boundary shall be established such that access is not
30 regularly available outside the property on which the licensed premises
31 is situated and as closely limited to the precise boundaries of the

1 licensed premises as reasonably possible;

2 (c) Any other specific controls as designated by the department;

3 (d) A process to prominently display and easily impose any

4 limitation parameters relating to the purchase of a digital-on-premises

5 ticket for a keno game; and

6 (e) An easy and obvious method for a player to make a complaint and

7 to enable the player to notify the department if such complaint has not

8 been or cannot be addressed by the lottery operator.

9 Sec. 8. Original sections 9-607, 9-646.01, and 9-651, Reissue
10 Revised Statutes of Nebraska, and sections 9-601 and 9-603, Revised
11 Statutes Cumulative Supplement, 2020, are repealed.