

ONE HUNDRED THIRD LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 34CA

PROPOSED CONSTITUTIONAL AMENDMENT

Introduced by Schumacher, 22; Conrad, 46; Davis, 43; Haar, 21;
Karpisek, 32; McGill, 26; Schilz, 47; Wallman, 30.

Read first time January 22, 2013

Committee:

1 THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF
2 NEBRASKA, FIRST SESSION, RESOLVE THAT:

3 Section 1. At the general election in November 2014 the
4 following proposed amendment to the Constitution of Nebraska shall be
5 submitted to the electors of the State of Nebraska for approval or
6 rejection:

7 To amend Article III, section 24:

8 III-24 (1) Except as provided in this section, the
9 Legislature shall not authorize any game of chance or any lottery or
10 gift enterprise when the consideration for a chance to participate
11 involves the payment of money for the purchase of property, services,
12 or a chance or admission ticket or requires an expenditure of
13 substantial effort or time.

14 (2) The Legislature may authorize and regulate a state
15 lottery pursuant to subsection (3) of this section and other
16 lotteries, raffles, and gift enterprises which are intended solely as
17 business promotions or the proceeds of which are to be used solely
18 for charitable or community betterment purposes without profit to the

1 promoter of such lotteries, raffles, or gift enterprises.

2 (3)(a) The Legislature may establish a lottery to be
3 operated and regulated by the State of Nebraska. The proceeds of the
4 lottery shall be appropriated by the Legislature for the costs of
5 establishing and maintaining the lottery and for the following
6 purposes, as directed by the Legislature:

7 (i) The first five hundred thousand dollars after the
8 payment of prizes and operating expenses shall be transferred to the
9 Compulsive Gamblers Assistance Fund;

10 (ii) Forty-four and one-half percent of the money
11 remaining after the payment of prizes and operating expenses and the
12 initial transfer to the Compulsive Gamblers Assistance Fund shall be
13 transferred to the Nebraska Environmental Trust Fund to be used as
14 provided in the Nebraska Environmental Trust Act;

15 (iii) Forty-four and one-half percent of the money
16 remaining after the payment of prizes and operating expenses and the
17 initial transfer to the Compulsive Gamblers Assistance Fund shall be
18 used for education as the Legislature may direct;

19 (iv) Ten percent of the money remaining after the payment
20 of prizes and operating expenses and the initial transfer to the
21 Compulsive Gamblers Assistance Fund shall be transferred to the
22 Nebraska State Fair Board if the most populous city within the county
23 in which the fair is located provides matching funds equivalent to
24 ten percent of the funds available for transfer. Such matching funds
25 may be obtained from the city and any other private or public entity,

1 except that no portion of such matching funds shall be provided by
2 the state. If the Nebraska State Fair ceases operations, ten percent
3 of the money remaining after the payment of prizes and operating
4 expenses and the initial transfer to the Compulsive Gamblers
5 Assistance Fund shall be transferred to the General Fund; and

6 (v) One percent of the money remaining after the payment
7 of prizes and operating expenses and the initial transfer to the
8 Compulsive Gamblers Assistance Fund shall be transferred to the
9 Compulsive Gamblers Assistance Fund.

10 (b) No lottery game shall be conducted as part of the
11 lottery unless the type of game has been approved by a majority of
12 the members of the Legislature.

13 (4) Nothing in this section shall be construed to
14 prohibit (a) the enactment of laws providing for the licensing and
15 regulation of wagering on the results of horseraces, wherever run,
16 either within or outside of the state, by the parimutuel method, when
17 such wagering is conducted by licensees within a licensed racetrack
18 enclosure or (b) the enactment of laws providing for the licensing
19 and regulation of bingo games conducted by nonprofit associations
20 which have been in existence for a period of five years immediately
21 preceding the application for license, except that bingo games cannot
22 be conducted by agents or lessees of such associations on a
23 percentage basis.

24 (5)(a) The Legislature may authorize and regulate any
25 other game of chance, lottery, or gift enterprise.

1 (b) The proceeds of taxation of the gross gaming revenue
2 from the games of chance authorized under this subsection shall be
3 used as directed by the Legislature with the balance of the proceeds
4 used for the following purposes:

5 (i) One percent shall be appropriated to the Compulsive
6 Gamblers Assistance Fund;

7 (ii) Fifty percent shall be appropriated for the
8 education of children through high school as directed by the
9 Legislature; and

10 (iii) Forty-nine percent shall be appropriated for health
11 care programs as directed by the Legislature.

12 (c) Nothing in this subsection limits the authority of
13 the Legislature under subsections (1) through (4) of this section.

14 Sec. 2. The proposed amendment shall be submitted to the
15 electors in the manner prescribed by the Constitution of Nebraska,
16 Article XVI, section 1, with the following ballot language:

17 A constitutional amendment to permit the Legislature to
18 authorize and regulate any game of chance, lottery, or gift
19 enterprise and to direct the use of the tax proceeds of gross gaming
20 revenue from the games of chance.

21 For

22 Against.