

PREPARED BY: Doug Gibbs  
 DATE PREPARED: February 03, 2011  
 PHONE: 471-0051

**LB 299**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2011-12</b>		<b>FY 2012-13</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		See Below		See Below
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

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

LB 299 amends Nebraska Revised Statute Section 2-2105, 2-1226, and 2-1228, dealing with horseracing, to allow an existing licensed racetrack to contract with another licensed racetrack to conduct a live race meeting on its behalf.

Over the upcoming biennium there is the potential for a very slight loss of General Fund revenue dependent on how tracks would contract with one another to conduct live racing. For example, if Lincoln Race Course were to contract with Horseman's Park in Omaha the fiscal impact would likely be neutral. If Lincoln were to contract with Fonner Park in Grand Island, home to the State Fair, because of the provisions of Section 2-1208.01, there could be a slight decrease in revenue from the tax levied on the gross sum wagered. This would be dependent on the number of days of racing contracted for and the increase and decrease of the handle at the respective tracks.

However, the Department of Revenue believes, assuming that Lincoln's State Fair Park will lose its race facility in FY 2013-14, and contracts with another facility, the bill will replace lost parimutuel revenue. The Department believes LB 299 will increase revenue by \$50,000 starting in FY2013-14.

The State Racing Commission indicates that if the number of live racing days remains the same, the fiscal impact will be a possible increase in employee's expenses for travel and lodging. For example, if Lincoln Race Course in Lincoln contracts with Fonner Park in Grand Island, the Commission would have to pay for expenses for employees who are based in Lincoln to travel and/or stay in Grand Island.

**DEPARTMENT OF ADMINISTRATIVE SERVICES**

REVIEWED BY	Cindy Miserez	DATE 1/28/11	PHONE 471-2526
COMMENTS			
NEBRASKA RACING COMMISSION: I have no basis to disagree with Nebraska State Racing Commission's statement.			