

**ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023**  
**COMMITTEE STATEMENT (CORRECTED)**  
**LB775**

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**Hearing Date:** Monday February 13, 2023  
**Committee On:** General Affairs  
**Introducer:** Lowe  
**One Liner:** Redefine a term under the Nebraska Racetrack Gaming Act and change and provide powers and duties for the State Racing and Gaming Commission

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 8 Senators Brewer, Cavanaugh, J., Day, Hardin, Holdcroft, Hughes, Lowe, Raybould  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Testimony:**

**Proponents:**

John Lowe  
Shane Greckel  
Lynne McNally  
Tom Sage

**Representing:**

District 37  
Nebraska Racing and Gaming Commission  
Horseman's Benevolent Protection Association  
Nebraska Racing and Gaming Commission

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 775 is a bill to make necessary changes and additions to the Nebraska Gaming Act. First, this bill updates the definition of "Licensed Racetrack Enclosure". It also grants the commission the authority to recommend necessary changes and updates to all laws administered by the commission, to the Governor and the Legislature, to carry out their statutory responsibilities.

Second, the bill grants the commission the authority to create an adjudication subcommittee of the commission to investigate and respond to violations of the Racetrack Gaming Act.

**Section-by-Section Summary:**

Section 1: Amends section 9-1103 by updating the definition of Licensed Racetrack Enclosure, so that it will mean "all real property licensed and utilized for the conduct of a race meeting, including the racetrack and any grandstand, concession stand, office, barn, barn area, employee housing facility, parking lot, and additional area designated by the commission" in

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accordance with the Constitution of Nebraska and applicable Nebraska Law.

This more specific language will be beneficial to the commission than the current language, which defines the licensed racetrack enclosure as “premises at which licensed live horse racing is conducted”.

Section 2: Amends section 9-1106 by adding new language that will allow the commission to make recommendations on changes or additions to statute to the Legislature and the Governor each year.

Additionally, this section includes new language which gives the commission the authority to appoint an adjudication subcommittee of the commission to investigate and respond to violations of the Nebraska Racetrack Gaming Act.

This subcommittee is similar to the board of stewards that exists in section 2-1203, which is appointed by the commission to perform similar duties for violations of the laws and regulations of horse racing.

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**Explanation of amendments:**

AM 709 amends LB 72 into LB 775

LB 72 is a bill that amends the County and City Lottery Act by establishing gross proceeds do not include any admission costs collected at any location where the lottery is also available to the public free of any admission charge in the definitions section of that act.

This bill was brought in 2022 by Senator Aguilar as LB 764. It was voted out to General File on an 8-0 vote by the General Affairs Committee, but did not make it onto the agenda due to time constraints.

**Section-by-Section Summary:**

Section 1: amends section 9-606 of the definitions section of the County and City Lottery act to add new language which excludes any admission costs collected at any location where the lottery is also available to the public free of any admission charge from the calculation of gross proceeds as defined in this section.

Section 2: is the repealer section.

**Testifiers:**

**Proponents:**

1. Mark Landis, Financial Analyst for Fonner Park

**Opponents:** None

**Neutral:** None

**Committee Vote:**

Yea: Lowe, Brewer, Cavanaugh, J., Day, Hardin, Holdcroft, Hughes, Raybould

No: None

AM 709 amends LB 73 into LB 775

**Bill Summary:** LB 73 is a bill to allow funds from the County Visitors Promotion Fund to be used to improve a facility in which parimutuel wagering is conducted IF such facility also serves as the site of a state fair or district or county agricultural society fair.

This bill was brought by Senator Aguilar in 2022 as LB 765 and was voted out to General File with a vote of 8-0 from the Government, Military, and Veteran's Affairs Committee, but did not make it onto the agenda due to time constraints.

**Section-by-Section Summary:**

Section 1: Amends section 81-3717 to allow County Visitors Promotion Fund dollars to be used to improve a facility in which parimutuel wagering is conducted if such facility also serves as the site of a state fair or district or county agricultural society fair.

This section strikes language prohibiting the fund from being granted to an organization to promote parimutuel wagering.

Section 2: Amends section 81-3720 to strike language in subsection (1)(b) of this section which prohibits grants from this

fund from being available for any visitor attraction where parimutuel wagering is conducted.

Section 3: is the repealer section.

Testifiers:

Proponents:

1. Brad Mellema, Hall County Convention and Business Bureau
2. Chris Kohotulak, Fonner Park

Opponents: None

Neutral: None

Vote:

Yea: Lowe, Brewer, Cavanaugh, J., Day, Hardin, Holdcroft, Hughes, Raybould

No: None

LB 232 is amended by AM 579

AM 709 amends LB 232 as amended into LB 775

LB 232 is a bill to allow Keno to be played in a digital format, on the premises of the lottery operator or licensed sales outlet location. In 2022, LB 923 was brought by Senator John Cavanaugh which proposed the same changes be made as LB 232 to allow keno to be played on a mobile device, but it was not voted out to General File by the General Affairs Committee.

AM 579 amends LB 232 by adding new language that restricts a participant from using a debit card to purchase more than two hundred dollars of keno wagers from a lottery operator in a single calendar day. Additional new language also restricts a participant from being able to deposit more than two hundred dollars per calendar day from a debit card into their account at a keno lottery operator's location.

Testifiers:

Proponents:

1. Bill Harvey, Big Red Keno General Counsel
2. Michael Nevriy, Citizen
3. Jack Cheloha, City of Omaha
4. Lynn Rex, League of Nebraska Municipalities

Opponents:

1. Nate Grasz, Nebraska Family Alliance
2. Pat Loontjer, Gambling with the Good Life
3. Al Riskowski, Gambling with the Good Life
4. Loretta Fairchild, Citizen

Neutral:

1. Brian Rockey, Director of the Lottery and Charitable Gaming Division
2. Lynne McNally, Horsemen's Benevolent Protection Association

Vote to amend AM 579 into LB 232:

Yea: Lowe, Brewer, Cavanaugh, J., Day, Hardin, Hughes, Raybould

No: Holdcroft

Vote LB 232 to General File as amended by AM 579:

Yea: Lowe, Brewer, Cavanaugh, J., Day, Hughes, Raybould  
No: Hardin, Holdcroft

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John Lowe, Chairperson