

ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015
COMMITTEE STATEMENT
LB619

Hearing Date: Monday February 02, 2015
Committee On: General Affairs
Introducer: Larson
One Liner: Provide for a special designated poker license and a poker endorsement under the Nebraska Liquor Control Act

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

Vote Results:
Aye: 6 Senators Coash, Hansen, Hughes, Krist, Larson, Schilz
Nay: 2 Senators Kolterman, Riepe
Absent:
Present Not Voting:

Verbal Testimony:

Proponents:

Joshua Eickmeier
Adam Clayman
Mike Kelley
William Maltas

Representing:

Senator Tyson Larson (Introducer)
Self
Omaha Exposition and Racing
Poker Player Alliance

Opponents:

Pat Loontjer
Loretta Fairchild, PhD.
Dave Wimmer
Nicole Carritt
Al Riskowski
Jenise Brown

Representing:

Gambling with the Good Life
Self
Self
Project Extra Mile
Nebraska Family Alliance
Self

Neutral:

Representing:

Summary of purpose and/or changes:

Page 2, lines 5-12 include the Legislative findings, which state that poker is a game of skill and that there is more skill than luck in determining the outcome.

Page 2, lines 13-15 state the intent of the Legislature, which is to specifically recognize draw and community card poker games as skill.

Page 2, lines 16-26 define draw and community card poker games by describing how the games are played.

Page 2, lines 27-31 and page 3, lines 1-4 allow special designated poker licenses (SPL) to be issued with a special designated liquor license (SDL) to host poker games and tournaments. This includes current licensees and non-profits that would otherwise qualify for an SDL. Players must be at least 21 years of age and cannot be employees of the licensee.

Page 3, lines 5-9 place on an SPL the same 6-calendar day limit that applies to an SDL.

Page 3, lines 10-31 and page 4, lines 1-6 state the process for applying for an SPL, which mirrors existing law regarding the process for applying for an SDL. The application fee is \$40 and the Commission determines the appropriate application forms.

Page 4, lines 7-22 state that just like with an SDL application, and SPL application must have the approval of the local governing body.

Page 4, lines 23-31 and page 5, lines 1-3 state that the Commission shall issue the SPL if the applicant satisfies all the requirements and has the approval of the local governing body. The Commission may exempt certain requirements.

Page 5, lines 4-7 state that the Commission shall send the SPL application to the local governing body, and the local governing body shall deliver the SPL to the applicant.

Page 5, lines 8-12 state that 10% of the gross proceeds of a poker tournament and 5% of the final amount in each pot of a cash game are to be remitted to the Commission.

Page 5, lines 13 -31 and page 6, line 1 outline how the tax revenue that is remitted to the Commission would be allocated, which is as follows:

Half the taxes collected for these games and tournaments would go towards the Property Tax Credit Cash Fund with the remainder going back into the communities and counties where the games and tournaments were held. If the tournament or cash game were held within a city or village, then the city or village would receive 24 1/2 percent and the county would receive 24 1/2 percent. If the tournament or cash game were held outside a city or village then the county would receive 49%. The final one percent would go towards the Compulsive Gamblers Assistance Fund.

Page 6, lines 2-9 state that players cannot be extended credit to play and must play with cash.

Explanation of amendments:

The Charitable Gaming Division shall audit licensees and the Liquor Control Commission may take into account the results of such audits when reviewing a liquor license.

Harmonizes the provisions regarding Special Designated Poker Licenses and Liquor licensees with a Poker Endorsement.

For cash games, the state is to receive 5 percent of each pot up to \$2.50. The licensee may take up to 5 percent of each pot, not to exceed \$2.50.

The limit for participating in tournaments and cash games is \$500.

The limit for participating in a Special SDPL tournament is \$5,000 and the number of these large event licenses is capped at 5.

The licensee is required to have cameras positioned at each cash game table.

Two and one-half percent of the revenues shall be credited to the Liquor Control Commission Rule and Regulation Cash Fund and two and one-half percent shall be credited to the Charitable Gaming Operations Fund to cover expenses incurred by each agency. As a result, revenues for the Counties and Cities were reduced by two and one-half percent each to twenty-two percent for the County in which the poker event occurs and twenty-two percent for the City in which the poker event occurs. If the poker event occurs outside of a City, then the County's allocation is reduced by five percent to forty-four percent.

Requires dealers to be licensed and outlines the qualifications to be a licensed dealer.

Tyson Larson, Chairperson