

E AND R AMENDMENTS TO LB 724

Introduced by Wishart, 27, Chairman Enrollment and Review

1           1. Strike the original sections and all amendments thereto and  
2 insert the following new sections:

3           Section 1. Section 9-650, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           9-650   (1) The gross proceeds of any lottery, less the amount  
6 awarded in prizes and any salary, fee, or commission paid to a licensed  
7 lottery operator plus any interest on such funds, shall be segregated  
8 from any other revenue and placed in a separate account of the lottery  
9 operator and the county, city, or village. If a lottery operator is  
10 conducting a lottery on behalf of a county, city, or village, such  
11 proceeds, including any interest, shall be transferred from the lottery  
12 operator's separate account to a separate account of the county, city, or  
13 village. Any interest received by a county, city, or village from the  
14 proceeds of the lottery shall be used solely for community betterment  
15 purposes.

16           (2) During the hours that keno is conducted at a sales outlet  
17 location, cash constituting the starting bank of the lottery operator  
18 conducting the keno game and cash receipts from the sale of keno tickets  
19 shall be segregated from all other revenue of the sales outlet location.  
20 Subject to the adoption and promulgation of rules and regulations by the  
21 department setting forth recordkeeping and reporting criteria for lottery  
22 operators, counties, cities, and villages that request authorization from  
23 the department for the use of electronic transfers from satellite  
24 locations, cash receipts from the sale of keno tickets shall remain  
25 segregated from all other revenue of the sales outlet location until  
26 deposited in the bank account of the sales outlet location, lottery  
27 operator, county, city, or village. Such bank account shall be designated

1 by the lottery operator, county, city, or village.

2 (3) The Tax Commissioner may authorize the electronic transfer of  
3 funds from the nonsegregated general business account of a sales outlet  
4 location to the bank account of a lottery operator, county, city, or  
5 village as long as such funds are transferred no later than five business  
6 days following the day the funds were collected. To facilitate the  
7 electronic transfer of such funds to a lottery operator, county, city, or  
8 village that has met the requirements of the rules and regulations  
9 adopted and promulgated pursuant to subsection (2) of this section, a  
10 sales outlet location may first deposit such funds into a non-segregated  
11 general business account of the sales outlet location.

12 (4) The gross proceeds of any lottery, less the amount awarded in  
13 prizes, which are collected by a sales outlet location shall be deposited  
14 into the account of the sales outlet location, lottery operator, county,  
15 city, or village no later than five business days following the day such  
16 gross proceeds were collected.

17 (5) Separate records shall be maintained by such licensed county,  
18 city, or village. Records required by the Nebraska County and City  
19 Lottery Act shall be preserved for at least three years unless otherwise  
20 provided by rules and regulations adopted and promulgated by the  
21 department. Any law enforcement agency or other agency of government  
22 shall have the authority to investigate the records relating to lotteries  
23 and gross proceeds from such lottery at any time. Any county, city, or  
24 village shall, upon proper written request, deliver all such records to  
25 the department or other law enforcement agency for investigation.

26 Sec. 2. Original section 9-650, Reissue Revised Statutes of  
27 Nebraska, is repealed.

28 2. On page 1, line 5, after the semicolon insert "to provide powers  
29 and duties for the Department of Revenue and the Tax Commissioner;".