

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 724

Introduced by Wayne, 13.

Read first time January 03, 2018

Committee: General Affairs

- 1 A BILL FOR AN ACT relating to the Nebraska County and City Lottery Act;
- 2 to amend section 9-650, Reissue Revised Statutes of Nebraska; to
- 3 provide for segregation of keno funds, electronic fund transfers,
- 4 and deposit of gross proceeds by a sales outlet location as
- 5 prescribed; and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

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

3 9-650 (1) The gross proceeds of any lottery, less the amount
4 awarded in prizes and any salary, fee, or commission paid to a licensed
5 lottery operator plus any interest on such funds, shall be segregated
6 from any other revenue and placed in a separate account of the lottery
7 operator and the county, city, or village. If a lottery operator is
8 conducting a lottery on behalf of a county, city, or village, such
9 proceeds, including any interest, shall be transferred from the lottery
10 operator's separate account to a separate account of the county, city, or
11 village. Any interest received by a county, city, or village from the
12 proceeds of the lottery shall be used solely for community betterment
13 purposes.

14 (2) During the hours that keno is conducted at a sales outlet
15 location, cash constituting the starting bank of the lottery operator
16 conducting the keno game and cash receipts from the sale of keno tickets
17 shall be segregated from all other lottery revenue of the sales outlet
18 location. After the last keno game of the day, cash receipts from the
19 sale of keno tickets shall remain segregated from all other lottery
20 revenue of the sales outlet location until deposited in the bank account
21 of the sales outlet location, lottery operator, county, city, or village.
22 Such bank account shall be designated by the lottery operator, county,
23 city, or village.

24 (3) The Tax Commissioner may authorize the electronic transfer of
25 funds from the general business account of a sales outlet location to the
26 bank account of a lottery operator, county, city, or village as long as
27 such funds are transferred within a commercially reasonable time, but not
28 later than five business days following the day the funds were collected.
29 To facilitate the electronic transfer of such funds to the lottery
30 operator, county, city, or village, a sales outlet location may first
31 deposit such funds into a non-segregated account of the sales outlet

1 location.

2 (4) The gross proceeds of any lottery, less the amount awarded in
3 prizes, which are collected by a sales outlet location shall be deposited
4 into the account of the sales outlet location, lottery operator, county,
5 city, or village within a commercially reasonable time, but not later
6 than five business days following the day such gross proceeds were
7 collected.

8 (5) Separate records shall be maintained by such licensed county,
9 city, or village. Records required by the Nebraska County and City
10 Lottery Act shall be preserved for at least three years unless otherwise
11 provided by rules and regulations adopted and promulgated by the
12 department. Any law enforcement agency or other agency of government
13 shall have the authority to investigate the records relating to lotteries
14 and gross proceeds from such lottery at any time. Any county, city, or
15 village shall, upon proper written request, deliver all such records to
16 the department or other law enforcement agency for investigation.

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