

ONE HUNDRED FIFTH LEGISLATURE

SECOND SESSION

**LEGISLATIVE RESOLUTION 294CA**

PROPOSED CONSTITUTIONAL AMENDMENT

Introduced by Larson, 40.

Read first time January 18, 2018

Committee: General Affairs

1 THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND  
2 SESSION, RESOLVE THAT:

3 Section 1. At the general election in November 2018, the following  
4 proposed amendment to the Constitution of Nebraska shall be submitted to  
5 the electors of the State of Nebraska for approval or rejection:

6 To amend Article III, section 24:

7 III-24 (1) ~~The Legislature may authorize any game of chance, any~~  
8 ~~lottery, or any gift enterprise. Except as provided in this section, the~~  
9 ~~Legislature shall not authorize any game of chance or any lottery or gift~~  
10 ~~enterprise when the consideration for a chance to participate involves~~  
11 ~~the payment of money for the purchase of property, services, or a chance~~  
12 ~~or admission ticket or requires an expenditure of substantial effort or~~  
13 ~~time.~~

14 (2) The Legislature may authorize and regulate a state lottery  
15 pursuant to subsection (3) of this section and other lotteries, raffles,  
16 and gift enterprises which are intended solely as business promotions or  
17 the proceeds of which are to be used solely for charitable or community  
18 betterment purposes without profit to the promoter of such lotteries,  
19 raffles, or gift enterprises.

20 (3)(a) The Legislature may establish a lottery to be operated and  
21 regulated by the State of Nebraska. The proceeds of the lottery shall be  
22 appropriated by the Legislature for the costs of establishing and  
23 maintaining the lottery and for the following purposes, as directed by

1 the Legislature:

2 (i) The first five hundred thousand dollars after the payment of  
3 prizes and operating expenses shall be transferred to the Compulsive  
4 Gamblers Assistance Fund;

5 (ii) Forty-four and one-half percent of the money remaining after  
6 the payment of prizes and operating expenses and the initial transfer to  
7 the Compulsive Gamblers Assistance Fund shall be transferred to the  
8 Nebraska Environmental Trust Fund to be used as provided in the Nebraska  
9 Environmental Trust Act;

10 (iii) Forty-four and one-half percent of the money remaining after  
11 the payment of prizes and operating expenses and the initial transfer to  
12 the Compulsive Gamblers Assistance Fund shall be used for education as  
13 the Legislature may direct;

14 (iv) Ten percent of the money remaining after the payment of prizes  
15 and operating expenses and the initial transfer to the Compulsive  
16 Gamblers Assistance Fund shall be transferred to the Nebraska State Fair  
17 Board if the most populous city within the county in which the fair is  
18 located provides matching funds equivalent to ten percent of the funds  
19 available for transfer. Such matching funds may be obtained from the city  
20 and any other private or public entity, except that no portion of such  
21 matching funds shall be provided by the state. If the Nebraska State Fair  
22 ceases operations, ten percent of the money remaining after the payment  
23 of prizes and operating expenses and the initial transfer to the  
24 Compulsive Gamblers Assistance Fund shall be transferred to the General  
25 Fund; and

26 (v) One percent of the money remaining after the payment of prizes  
27 and operating expenses and the initial transfer to the Compulsive  
28 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers  
29 Assistance Fund.

30 (b) No lottery game shall be conducted as part of the lottery unless  
31 the type of game has been approved by a majority of the members of the

1 Legislature.

2 (4) Nothing in this section shall be construed to prohibit (a) the  
3 enactment of laws providing for the licensing and regulation of wagering  
4 on the results of horseraces, wherever run, either within or outside of  
5 the state, by the parimutuel method, when such wagering is conducted by  
6 licensees within a licensed racetrack enclosure or (b) the enactment of  
7 laws providing for the licensing and regulation of bingo games conducted  
8 by nonprofit associations which have been in existence for a period of  
9 five years immediately preceding the application for license, except that  
10 bingo games cannot be conducted by agents or lessees of such associations  
11 on a percentage basis.

12 Sec. 2. At the general election in November 2018, the following  
13 proposed amendment to the Constitution of Nebraska shall be submitted to  
14 the electors of the State of Nebraska for approval or rejection:

15 To add a new section 23 to Article III:

16 III-23 Ninety-eight percent of revenue from any game of chance, any  
17 lottery, or any gift enterprise authorized by the Legislature under  
18 subsection (1) of Article III, section 24, of this Constitution and not  
19 distributed pursuant to subsection (2), (3), or (4) of such section shall  
20 be transferred to the Property Tax Credit Cash Fund and the remaining two  
21 percent shall be transferred to the Compulsive Gamblers Assistance Fund.

22 Sec. 3. The proposed amendments shall be submitted to the electors  
23 in the manner prescribed by the Constitution of Nebraska, Article XVI,  
24 section 1, with the following ballot language:

25 A constitutional amendment to provide that the Legislature may  
26 authorize any game of chance, any lottery, or any gift enterprise and  
27 eliminate the existing prohibition regarding certain games of chance,  
28 lotteries, or gift enterprises.

29 For

30 Against.

31 A constitutional amendment to provide that ninety-eight percent of

1 revenue from certain games of chance, lotteries, or gift enterprises  
2 authorized by the Legislature shall be transferred to the Property Tax  
3 Credit Cash Fund and the remaining two percent shall be transferred to  
4 the Compulsive Gamblers Assistance Fund.

5 For

6 Against.