

## ENGROSSED LEGISLATIVE BILL 1001

Introduced by General Affairs Committee: Holdcroft, 36, Chairperson; Andersen, 49; Clouse, 37; DeKay, 40; Rountree, 3; Storm, 23.

A BILL FOR AN ACT relating to racing and gaming; to amend sections 2-1207.01, 2-1213, 2-1216, 2-1226, 2-1228, 2-1229, 9-204.01, 9-230, 9-230.01, 9-233, 9-241.03, 9-241.08, 9-255, 9-401, 9-411, 9-415, 9-431, 9-501, 9-507, 9-509, 9-701, 9-831, 9-1001, 9-1002, 9-1003, 9-1004, 9-1006, and 9-1115, Reissue Revised Statutes of Nebraska, sections 2-1207, 9-204, 9-204.04, 9-427, and 9-511, Revised Statutes Cumulative Supplement, 2024, and sections 2-1205, 2-1210, 9-1,101, and 9-1104, Revised Statutes Supplement, 2025; to change provisions relating to licensed racetrack enclosure terms and conditions, parimutuel wagering, the distribution of amounts deducted from wagers on horseracing, registration of Nebraska-bred horses, simulcast facilities licenses, and assistance to problem gamblers; to provide for administrative fees; to provide for bingo utilizing song titles, musical artists, or music genres as prescribed; to change prize limits for bingo not required to be conducted by a licensed organization and for persons under eighteen years of age to be permitted to play; to change limits on special event bingo permits; to redefine terms and change and provide provisions relating to lotteries and raffles under the Nebraska Lottery and Raffle Act and the Nebraska Small Lottery and Raffle Act; to redefine and eliminate terms relating to gift enterprises and problem gambling; to redefine terms under the Nebraska Bingo Act; to allow nonprofit organizations to conduct gift enterprises; to provide duties for the Lottery Division of the Department of Revenue; to change provisions relating to the Nebraska Commission on Problem Gambling and place such commission for administrative purposes within the State Racing and Gaming Commission; to change and eliminate provisions relating to the Compulsive Gamblers Assistance Fund; to change provisions relating to the Charitable Gaming Division of the Department of Revenue; to provide an exception to

the required age for individuals to play keno at a licensed racetrack enclosure; to harmonize provisions; to provide an operative date; to repeal the original sections; to outright repeal section 9-1007, Reissue Revised Statutes of Nebraska; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

**Section 1.** Section 2-1205, Revised Statutes Supplement, 2025, is amended to read:

2-1205 (1) If the commission is satisfied that its rules and regulations and all provisions of sections 2-1201 to 2-1218 have been and will be complied with, it may issue a license to conduct a race or race meeting for a period of not more than three years. The license shall set forth the name of the licensee, the place where the races or race meetings are to be held, and the time and number of days during which racing may be conducted by such licensee. Any such license issued shall not be transferable or assignable. The commission shall have the power to revoke any license issued at any time for good cause upon reasonable notice and hearing. No license shall be granted to any corporation or association except upon the express condition that it shall not, by any lease, contract, understanding, or arrangement of whatever kind or nature, grant, assign, or turn over to any person, corporation, or association the operation or management of any racing or race meeting licensed under such sections or of the parimutuel system of wagering described in section 2-1207 or in any manner permit any person, corporation, or association other than the licensee to have any share, percentage, or proportion of the money received for admissions to the racing or race meeting or from the operation of the parimutuel system; and any violation of such conditions shall authorize and require the commission immediately to revoke such license. No licensee shall be considered in violation of this section with respect to an agreement with an authorized gaming operator regarding employees and the acceptance of any parimutuel wager or sports wager pursuant to section 9-1110.

(2)(a) Any racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 which is in existence and

operational as of April 20, 2022, shall:

(i) Hold a minimum of five live racing meet days and fifty live horseraces annually beginning January 1, 2026, through December 31, 2030; and

(ii) Beginning January 1, 2031, hold a minimum of fifteen live racing meet days and one hundred twenty live horseraces annually.

(b) Any racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 which is not in existence and operational until after April 20, 2022, shall:

(i) Hold a minimum of one live racing meet day annually for the first three years of operation;

(ii) Hold a minimum of five live racing meet days and fifty live horseraces annually for the fourth year of operation through the seventh year of operation; and

(iii) Beginning with the eighth year of operation, hold a minimum of fifteen live racing meet days and one hundred twenty live horseraces annually.

(c) A racetrack that fails to meet the minimum requirements under this subsection is subject to discipline by the commission, including revocation of the license issued under sections 2-1201 to 2-1218.

(3) Any holder of a racetrack enclosure license pursuant to section 2-1210 that is licensed to conduct a race or race meeting under this section may petition the commission to waive or modify the requirements of subsection (2) of this section. If the commission determines that such racetrack was unable to conduct the required number of days of live racing due to (a) natural event factors beyond its control, including, but not limited to, acts of God, fire, earthquake, tornado, or other weather events, or (b) racetrack conditions or other conditions making it unsuitable for running horseraces, the commission may waive or modify the requirements of subsection (2) of this section. The petition shall contain the reasons and justification for such waiver or modification and be submitted in writing to the executive director of the commission. A petition submitted more than seven days prior to the next scheduled meeting of the commission shall be taken up at such meeting. A

petition submitted less than seven days prior to the next scheduled meeting of the commission shall not be required to be taken up at such meeting but shall be taken up at a following meeting.

(4) A racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 in existence on November 1, 2020, which is located in the counties of Adams, Dakota, Douglas, Hall, Lancaster, and Platte, may move such racetrack location to another county in Nebraska that does not have a racetrack one time only, subject to approval by the commission as provided in subdivision (27) of section 9-1106, subsequent to the initial issuance of the market analysis and socioeconomic-impact studies conducted pursuant to section 9-1106.

**Sec. 2.** Section 2-1207, Revised Statutes Cumulative Supplement, 2024, is amended to read:

2-1207 (1) Within the enclosure of any racetrack where a race or race meeting licensed and conducted under sections 2-1201 to 2-1218 is held or at a racetrack licensed to simulcast races or conduct interstate simulcasting, the parimutuel method or system of wagering on the results of the respective races may be used and conducted by the licensee. Under such system, the licensee may receive wagers of money from any person present at such race or racetrack receiving the simulcast race or conducting interstate simulcasting on any horse in a race selected by such person to run first in such race, and the person so wagering shall acquire an interest in the total money so wagered on all horses in such race as first winners in proportion to the amount of money wagered by him or her. Such licensee shall issue to each person so wagering a certificate on which shall be shown the number of the race, the amount wagered, and the number or name of the horse selected by such person as first winner. As each race is run, at the option of the licensee, the licensee may deduct from the total sum wagered on all horses as first winners not less than fifteen percent or more than eighteen percent from such total sum, plus the odd cents of the redistribution over the next lower multiple of ten. At the option of the licensee, the licensee may deduct up to and including twenty-five percent from

the total sum wagered by exotic wagers as defined in section 2-1208.03. The commission may authorize other levels of deduction on wagers conducted by means of interstate simulcasting. The licensee shall notify the commission in writing of the percentages the licensee intends to deduct during the live race meet conducted by the licensee and shall notify the commission at least one week in advance of any changes to such percentages the licensee intends to make. The licensee shall also deduct from the total sum wagered by exotic wagers, if any, the tax plus the odd cents of the redistribution over the next multiple of ten as provided in subsection (1) of section 2-1208.04. The balance remaining on hand shall be paid out to the holders of certificates on the winning horse in the proportion that the amount wagered by each certificate holder bears to the total amount wagered on all horses in such race to run first. The licensee may likewise receive such wagers on horses selected to run second, third, or both, or in such combinations as the commission may authorize, the method, procedure, and authority and right of the licensee, as well as the deduction allowed to the licensee, to be as specified with respect to wagers upon horses selected to run first.

(2) At all race meets held pursuant to this section, the licensee shall deduct from the total sum wagered one-third of the amount over fifteen percent deducted pursuant to subsection (1) of this section on wagers on horses selected to run first, second, or third and one percent of all exotic wagers to be used to promote agriculture and horse breeding in Nebraska and for the support and preservation of horseracing pursuant to section 2-1207.01. Money deducted for such purposes shall be given by the licensee of the track where the funds were generated to the official registrar for each breed for distribution as designated in section 2-1207.01.

(3) No person under twenty-one years of age shall be permitted to make any parimutuel wager, and there shall be no wagering on horseracing except under the parimutuel method outlined in this section. Any person, association, or corporation who knowingly aids or abets a person under twenty-one years of age in making a parimutuel wager shall be guilty of a Class I misdemeanor.

(4) Beginning on the implementation date designated by the Tax Commissioner pursuant to subsection (1) of section 9-1312, prior to the winnings payment of any parimutuel winnings as defined in section 9-1303, an authorized gaming operator or licensee licensed to conduct parimutuel wagering shall check the collection system to determine if the winner has a debt or an outstanding state tax liability as required by the Gambling Winnings Setoff for Outstanding Debt Act. If such authorized gaming operator or licensee determines that the winner is subject to the collection system, the operator shall deduct the amount of debt and outstanding state tax liability identified in the collection system from the winnings payment and shall remit the net winnings payment of parimutuel winnings, if any, to the winner and the amount deducted to the Department of Revenue to be credited against such debt or outstanding state tax liability as provided in section 9-1306.

**Sec. 3.** Section 2-1207.01, Reissue Revised Statutes of Nebraska, is amended to read:

2-1207.01 (1) The amount deducted from wagers pursuant to subsection (2) of section 2-1207 may be used to promote agriculture and horsebreeding in Nebraska and shall be distributed as described in this section as purse supplements and breeder and stallion awards for Nebraska-bred horses, as defined and registered pursuant to section 2-1213, at the racetrack where the funds were generated. The official registrar for each breed, as established in section 2-1213, shall distribute purse supplements and breeder and stallion awards and shall annually spend a minimum of eighty percent of all amounts deducted pursuant to subsection (2) of section 2-1207 on such purse supplements and breeder and stallion awards.

(2)(a) If a racetrack does not continue to conduct live race meets, amounts deducted may be distributed as purse supplements and breeder and stallion awards at racetracks that conduct live race meets of the same breed of horse that has primarily run in live race meets at such track.

(b) Amounts deducted pursuant to a contract with the organization representing the majority of the licensed owners and trainers at the

racetrack's most recent live thoroughbred race meet shall be used by that organization to promote live thoroughbred horseracing in the state or as purse supplements at racetracks that conduct live thoroughbred race meets in the state.

(c) Amounts deducted pursuant to a contract between the organization representing the majority of licensed owners and trainers at the racetrack's most recent live quarterhorse race meet shall be used by such organization to promote live quarterhorse race meets in the state.

(3) Any costs incurred by the commission pursuant to this section and subsection (2) of section 2-1207 shall be separately accounted for and be deducted from such funds.

**Sec. 4.** Section 2-1210, Revised Statutes Supplement, 2025, is amended to read:

2-1210 (1) For purposes of sections 2-1201 to 2-1218, licensed racetrack enclosure means 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 accordance with the Constitution of Nebraska and applicable Nebraska law.

(2) The Nebraska State Fair Board, a county fair board, a county agricultural society for the improvement of agriculture organized under the County Agricultural Society Act, or a corporation or association of persons organized and carried on for civic purposes or which conducts a livestock exposition for the promotion of the livestock or horse-breeding industries of the state and which does not permit its members to derive personal profit from its activities by way of dividends or otherwise may apply in a manner prescribed by the commission for a racetrack enclosure license to operate a licensed racetrack enclosure along with an application fee of ten thousand dollars. A racetrack enclosure license shall be valid for a period of up to three years. Such license may be renewed in a manner prescribed by the commission, and such application for renewal shall be accompanied by a fee of

ten thousand dollars.

(3) A racetrack enclosure license issued pursuant to this section for purposes of operating a licensed racetrack enclosure is separate and distinct from the license required to conduct horseracing meets issued pursuant to section 2-1204.

(4) A licensee holding a license to conduct horseracing meets at a designated place within the state pursuant to section 2-1204 prior to September 3, 2025, shall be deemed to hold a racetrack enclosure license for such designated place within the state for purposes of this section and the Nebraska Racetrack Gaming Act until the commission acts upon the licensee's application for a racetrack enclosure license under this section.

**Sec. 5.** Section 2-1213, Reissue Revised Statutes of Nebraska, is amended to read:

2-1213 (1)(a) No license shall be granted for racing on more than one racetrack in any one county, except that the commission may, in its discretion, grant a license to any county agricultural society to conduct racing during its county fair notwithstanding a license may have been issued for racing on another track in such county.

(b) Since the purpose of sections 2-1201 to 2-1218 is to encourage agriculture and horse breeding in Nebraska, every licensee shall hold at least one race on each racing day limited to Nebraska-bred horses, including thoroughbreds or quarterhorses. Three percent of the first money of every purse won by a Nebraska-bred horse shall be paid to the breeder of such horse.

(2) For purposes of this section, Nebraska-bred horse shall mean a horse registered with the Nebraska Thoroughbred or Quarter Horse Registry and meeting the following requirements: (a) It shall have been foaled in Nebraska; (b) its dam shall have been registered, prior to foaling, with the Nebraska Thoroughbred or Quarter Horse Registry; and (c) its dam shall have been continuously in Nebraska for ninety days immediately prior to foaling, except that such ninety-day period may be waived in the case of a mare in foal which is purchased at a nationally recognized thoroughbred or quarterhorse blood

stock sale, the name and pedigree of the mare being listed in the sale catalog, and which is brought into this state and remains in this state immediately prior to foaling.

(3) The requirement that a dam shall be continuously in Nebraska for ninety days unless waived, as specified in subdivision (2)(c) of this section, shall not apply to a dam which is taken outside of Nebraska to be placed for sale at a nationally recognized thoroughbred or quarterhorse blood stock sale, the name and pedigree of the mare being listed in the sale catalog, or for the treatment of an extreme sickness or injury, if written notice of such proposed sale or treatment is provided to the secretary of the commission within three days of the date such horse is taken out of the state.

(4) The commission shall designate official registrars for the purpose of registration and to certify the eligibility of Nebraska-bred horses. An official registrar shall perform such duties in accordance with policies and procedures adopted and promulgated by the commission in the current rules and regulations of the commission. The commission may authorize the official registrar to collect specific fees as would reasonably compensate the registrar for expenses incurred in connection with registration of Nebraska-bred horses. The amount of such fee or fees shall be established by the commission and shall not be changed without commission approval. Fees shall not exceed two hundred dollars per horse.

(5) A horse of any breed that meets the requirements of subsection (2) of this section to be eligible for registration with the Nebraska Thoroughbred or Quarter Horse Registry shall be registered with the appropriate official registrar designated by the commission within ninety days after being born. An owner or breeder that fails to register a horse that meets the requirements of subsection (2) of this section to qualify as a Nebraska-bred horse within such timeframe shall be subject to an administrative fee of up to one thousand dollars payable to the official registrar for the applicable breed. Any such fee shall be used to cover the costs of administering the official registrar's statutory duties.

(6) Any decision or action taken by the official registrar shall be subject to review by the commission or may be taken up by the commission on its own initiative.

**Sec. 6.** Section 2-1216, Reissue Revised Statutes of Nebraska, is amended to read:

2-1216 The parimutuel system of wagering on the results of horseraces, when conducted pursuant to section 2-1207, shall not under any circumstances be held or construed to be unlawful, any other statutes of the State of Nebraska to the contrary notwithstanding. The money inuring to the commission under sections 2-1201 to 2-1218 relating to horseracing from permit fees or from other sources shall never be considered as license money. It is the intention of the Legislature that the funds arising under such sections be construed as general revenue to be appropriated and allocated exclusively for the specific purposes set forth in such sections.

**Sec. 7.** Section 2-1226, Reissue Revised Statutes of Nebraska, is amended to read:

2-1226 Any racetrack issued a license under sections 2-1201 to 2-1223 which operates at least one live race meet during each calendar year may apply to the commission for a simulcast facility license. An application for such license shall be in such form as may be prescribed by the commission and shall contain such information, material, or evidence as the commission may require. Any racetrack issued a simulcast facility license may display the simulcast of a horserace on which parimutuel wagering shall be allowed.

**Sec. 8.** Section 2-1228, Reissue Revised Statutes of Nebraska, is amended to read:

2-1228 Any racetrack issued a license under sections 2-1201 to 2-1223 (1) conducting primarily quarterhorse races in the year immediately preceding the year for which application is made or (2) conducting primarily thoroughbred horseraces in the year immediately preceding the year for which application is made may apply to the commission for an interstate simulcast facility license. An application for such license shall be in a form prescribed by the commission

and shall contain such information, material, or evidence as the commission may require. Any racetrack issued an interstate simulcast facility license may conduct the interstate simulcast of any horserace permitted under its license, and parimutuel wagering shall be allowed on such horserace.

**Sec. 9.** Section 2-1229, Reissue Revised Statutes of Nebraska, is amended to read:

2-1229 (1) The commission may authorize and approve an application for an interstate simulcast facility license by any receiving track within the state to receive the interstate simulcast of horseraces for parimutuel wagering purposes from any track located outside of the state. In determining whether such application should be approved, the commission shall consider whether such interstate simulcast would have a significant effect upon either live racing or the simulcasting of live racing of the same type and at the same time conducted in this state and whether it would expand the access to or availability of simulcasting to areas of the state or markets which are not at the time of the application fully served.

(2)(a) Prior to approving any such application from a track running primarily thoroughbred horseraces, the commission shall confer with and receive any recommendations of the organization which represents the majority of the thoroughbred breeders in Nebraska as to what effect an interstate simulcast would have upon thoroughbred horse breeding and horseracing in this state. Prior to approving any such application from a track running primarily quarterhorse horseraces, the commission shall confer with and receive recommendation of the organization which represents the majority of quarterhorse breeders in Nebraska as to what effect an interstate simulcast would have upon quarterhorse breeding and horseracing in this state.

(b) No application submitted under section 2-1228 shall be approved by the commission without:

(i) The prior written approval of any other racetrack issued a license under sections 2-1201 to 2-1223 and conducting live racing of the same type on the same day at the same time as the proposed interstate simulcast race or

races and of the organization which represented a majority of the licensed owners and trainers at the racetrack's immediately preceding live thoroughbred or quarterhorse race meeting;

(ii) The prior written approval of any other racetrack issued a license under sections 2-1224 to 2-1227 which is simulcasting the racing program of any licensee conducting live racing in this state of the same type on the same day at the same time as the proposed interstate simulcast race or races; and

(iii) A written agreement between the receiving track and the sending track located outside of the state in any other state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico setting forth the division of all proceeds between the sending and receiving tracks and all other conditions under which such interstate simulcast will be conducted. Such written agreement shall have the consent of the group representing the majority of horsepersons racing at the sending track and of the organization which represented a majority of the licensed owners and trainers at the receiving track's immediately preceding live race meeting.

(3) Every licensee authorized to accept wagers on interstate simulcast events pursuant to this section shall be deemed to be conducting a licensed horserace meeting and shall also be subject to all appropriate provisions of sections 2-1201 to 2-1223 relating to the conduct of horserace meetings.

**Sec. 10.** Section 9-1,101, Revised Statutes Supplement, 2025, is amended to read:

9-1,101 (1) The Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, and section 9-701 shall be administered and enforced by the Charitable Gaming Division of the Department of Revenue, which division is hereby created. The Department of Revenue shall make annual reports to the Governor, Legislature, Auditor of Public Accounts, and Attorney General on all tax revenue received, expenses incurred, and other activities relating to the administration and enforcement of such acts. The report submitted to the Legislature shall be submitted electronically.

(2) The Charitable Gaming Operations Fund is hereby created. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(3)(a) Forty percent of the taxes collected pursuant to sections 9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable Gaming Division for administering and enforcing the acts listed in subsection (1) of this section and to the State Racing and Gaming Commission for providing administrative support for the Nebraska Commission on Problem Gambling. The remaining sixty percent shall be transferred to the General Fund. Any portion of the forty percent not used by the division in the administration and enforcement of such acts and section or the State Racing and Gaming Commission shall be distributed as provided in this subsection.

(b) Beginning July 1, 2019, through June 30, 2026, on or before the last day of the last month of each calendar quarter, the State Treasurer shall transfer one hundred thousand dollars from the Charitable Gaming Operations Fund to the Compulsive Gamblers Assistance Fund.

(c) Any money remaining in the Charitable Gaming Operations Fund after the transfer pursuant to subdivision (b) of this subsection not used by the Charitable Gaming Division in its administration and enforcement duties pursuant to this section may be transferred to the General Fund and the Compulsive Gamblers Assistance Fund at the direction of the Legislature.

(4) The Tax Commissioner shall employ investigators who shall be vested with the authority and power of a law enforcement officer to carry out the laws of this state administered by the Tax Commissioner or the Department of Revenue and to enforce sections 28-1101 to 28-1117 relating to possession of a gambling device. For purposes of enforcing sections 28-1101 to 28-1117, the authority of the investigators shall be limited to investigating possession of a gambling device, notifying local law enforcement authorities, and reporting suspected violations to the county attorney for prosecution.

(5) The Charitable Gaming Division may charge a fee for publications and

listings it produces. The fee shall not exceed the cost of publication and distribution of such items. The division may also charge a fee for making a copy of any record in its possession equal to the actual cost per page. The division shall remit the fees to the State Treasurer for credit to the Charitable Gaming Operations Fund.

(6) The taxes collected and available to the Charitable Gaming Division pursuant to section 77-3012 shall be used by the division for enforcement of the Mechanical Amusement Device Tax Act and maintenance of the central server established pursuant to section 77-3013.

**Sec. 11.** Section 9-204, Revised Statutes Cumulative Supplement, 2024, is amended to read:

9-204 (1) Bingo means that form of gambling in which:

(a) The winning numbers or song titles, musical artists, or music genres are determined by random selection from a pool of seventy-five or ninety numbered designators or song titles, musical artists, or music genres; and

(b) A player marks by physically daubing or covering or, automatically or manually with the aid of a bingo card monitoring device, enters or otherwise conceals those randomly selected numbers or song titles, musical artists, or music genres which match on a bingo card that the player has purchased or leased only at the time and place of the bingo occasion.

(2) Bingo does not include:

(a) Any scheme which uses any mechanical gaming device, computer gaming device, electronic gaming device, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value;

(b) Any activity which is authorized or regulated under the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12; or

(c) Any activity which is prohibited under Chapter 28, article 11.

**Sec. 12.** Section 9-204.01, Reissue Revised Statutes of Nebraska, is

amended to read:

9-204.01 Bingo card means:

(1) In the case of seventy-five-number bingo, a disposable paper bingo card, a facsimile of a bingo card electronically displayed on a bingo card monitoring device, or a reusable hard bingo card or shutter card, which has letters and numbers preprinted or predetermined by a manufacturer and which:

(a) Contains five columns with five squares in each column;

(b) Identifies the five columns from left to right by the letters B-I-N-G-O; and

(c) Contains in each square, except for the center square identified as "free", one number from a pool of seventy-five numbers;

(2) In the case of ninety-number bingo, a disposable paper bingo card or facsimile of a bingo card electronically displayed on a bingo card monitoring device which has numbers preprinted or predetermined by a manufacturer and which:

(a) Contains six faces with each face containing twenty-seven squares arranged in nine columns of three squares each; and

(b) Contains in fifteen squares of each face a number from one to ninety which is not repeated on the same card; or

(3) In the case of bingo conducted utilizing song titles, musical artists, or music genres, a disposable paper bingo card, a facsimile of a bingo card electronically displayed on a bingo card monitoring device, or a reusable hard bingo card or shutter card, which has song titles, musical artists, or music genres preprinted or predetermined and which:

(a) Contains five columns with five squares in each column; and

(b) Contains in each square, except for the center square identified as "free", one song title, musical artist, or music genre from a pool of seventy-five song titles, musical artists, or music genres.

The department may approve variations to the card formats described in subdivisions (1), (2), and (3) of this section if such variations result in a bingo game which is conducted in a manner that is consistent with section

9-204.

**Sec. 13.** Section 9-204.04, Revised Statutes Cumulative Supplement, 2024, is amended to read:

9-204.04 Bingo card monitoring device means a technological aid which allows a bingo player to automatically or manually enter bingo numbers or song titles, musical artists, or music genres as they are announced at a bingo occasion and which enters or otherwise conceals those numbers or song titles, musical artists, or music genres on bingo cards which are electronically stored in and displayed on the device. A bingo card monitoring device shall not mean or include any device (1) into which currency, coins, or tokens may be inserted or from which currency, coins, tokens, or any receipt for monetary value can be dispensed or (2) which, once provided to a bingo player, is capable of communicating with any other bingo card monitoring device or any other form of electronic device or computer, except that such device may communicate with its host system.

**Sec. 14.** Section 9-230, Reissue Revised Statutes of Nebraska, is amended to read:

9-230 No person, except a licensed organization or qualifying nonprofit organization operating pursuant to the Nebraska Bingo Act, shall conduct any game of bingo for which a charge is made, and no person except a licensed organization shall award any prize with a value in excess of fifty dollars for any bingo game. Any such game conducted in violation of this section is hereby declared to be a public nuisance. Any person violating the provisions of this section shall be guilty of a Class III misdemeanor for the first offense and a Class I misdemeanor for the second or subsequent offense.

**Sec. 15.** Section 9-230.01, Reissue Revised Statutes of Nebraska, is amended to read:

9-230.01 (1) A qualifying nonprofit organization may apply to the department for a permit to conduct a special event bingo in conjunction with a special event at which bingo is not the primary function. Such special event bingo shall be exempt from (a) the licensing requirements found in the Nebraska

Bingo Act for Class I and Class II licenses, (b) the record-keeping and reporting requirements found in the act for licensed organizations, and (c) any tax on the gross receipts derived from the conduct of bingo as provided in the act for licensed organizations.

(2) A qualifying nonprofit organization may apply for and obtain four special event bingo permits per calendar year, not to exceed a total of fourteen days in duration. An application for a permit shall be made, on a form prescribed by the department, at least ten days prior to the desired starting date of the special event bingo. The form shall be accompanied by a permit fee of fifteen dollars and shall contain:

(a) The name and address of the nonprofit organization applying for the permit;

(b) Sufficient facts relating to the nature of the organization to enable the department to determine if the organization is eligible for the permit;

(c) The date, time, place, duration, and nature of the special event at which the special event bingo will be conducted;

(d) The name, address, and telephone number of the individual who will be in charge of the special event bingo; and

(e) Any other information which the department deems necessary.

(3) An organization must have a permit issued by the department before it can conduct a special event bingo. The permit shall be clearly posted and visible to all participants at the special event bingo.

(4) Special event bingo shall be subject to the following:

(a) Special event bingo shall be conducted only within the county in which the qualifying nonprofit organization has its principal office;

(b)(i) Bingo equipment, other than disposable paper bingo cards, necessary to conduct bingo may be obtained from any source. Except as provided in subdivision (4)(b)(ii) of this section, disposable paper bingo cards may be obtained only from (A) a licensed distributor or (B) a licensed organization as provided in subdivision (4)(e) of section 9-241.05.

(ii) Disposable paper bingo cards for bingo conducted utilizing song

titles, musical artists, or music genres may be obtained from any source;

(c) No bingo card used at a special event bingo shall be sold, rented, or leased for more than one dollar per card;

(d) No single prize shall be offered or awarded at a special event bingo which exceeds fifty dollars in value;

(e) A special event bingo shall be conducted by individuals who are at least eighteen years of age. The qualifying nonprofit organization may permit individuals under eighteen years of age to play special event bingo when no alcoholic beverages are served, sold, or consumed in the immediate vicinity of where the special event bingo is conducted;

(f) No wage, commission, or salary shall be paid to any person in connection with the conduct of a special event bingo; and

(g) The gross receipts from the conduct of a special event bingo shall be used solely for the awarding of prizes and reasonable and necessary expenses associated with the conduct of the special event bingo such as the permit fee and the purchase or rental of bingo cards or other equipment needed to conduct bingo. The remaining receipts shall be used solely for a lawful purpose.

(5) Bingo conducted utilizing song titles, musical artists, or music genres shall only be conducted through the use of a special event bingo permit as provided in this section.

**Sec. 16.** Section 9-233, Reissue Revised Statutes of Nebraska, is amended to read:

9-233 (1) The department may issue an applicant organization one of the following classes of bingo licenses:

(a) A Class I license which shall include organizations with gross receipts from the conduct of bingo which are less than one hundred thousand dollars per twelve-month period commencing October 1 of each year or such other date as the department may prescribe by rule and regulation; or

(b) A Class II license which shall include organizations with gross receipts from the conduct of bingo equal to or greater than one hundred thousand dollars per twelve-month period commencing October 1 of each year or

such other date as the department may prescribe by rule and regulation.

(2) For purposes of this section, when bingo occasions are conducted on a joint basis by two or more licensed organizations, the class of license required shall be determined based upon the combined gross receipts of all licensed organizations involved in the conduct of the bingo occasion.

(3) A biennial fee of thirty dollars shall be charged for a Class I license, and a biennial fee of one hundred dollars shall be charged for a Class II license.

(4) The department shall adopt and promulgate rules and regulations to establish reporting requirements for each class of license issued.

(5) Bingo conducted utilizing song titles, musical artists, or music genres shall only be conducted through a special event bingo permit and shall not be conducted by the holder of a Class I or Class II license issued pursuant to this section.

**Sec. 17.** Section 9-241.03, Reissue Revised Statutes of Nebraska, is amended to read:

9-241.03 (1) Irrespective of the number of organizations authorized to hold bingo occasions within a premises:

(a) No more than two bingo occasions per calendar week shall be held within a premises except as otherwise provided in subsection (3) of this section; and

(b) No more than four limited period bingos with an aggregate of no more than twelve days per twelve-month period commencing October 1 of each year or such other date as the department may prescribe by rule and regulation and no more than four special event bingos with an aggregate of no more than fourteen days per calendar year shall be held within a premises.

(2) Bingo occasions held as part of a limited period bingo or special event bingo, or a bingo occasion that was canceled due to an act of God and rescheduled pursuant to section 9-241.02, shall not be counted in determining whether the use of a premises is in compliance with subdivision (1)(a) of this section.

(3) Notwithstanding the restriction contained in subdivision (1)(a) of this section, the department may authorize more than two bingo occasions per calendar week to be held within a premises if a licensed organization or commercial lessor can demonstrate in writing to the department that utilizing the premises for the conduct of bingo more than two times per calendar week will result in a cost savings for each of the licensed organizations who would be utilizing the premises. If the department authorizes a premises to be used more than two times per calendar week, the department shall not permit more than one bingo occasion per calendar day to be held in a premises except when one of the occasions is a limited period bingo or a special event bingo.

**Sec. 18.** Section 9-241.08, Reissue Revised Statutes of Nebraska, is amended to read:

9-241.08 (1) No person under eighteen years of age shall play or participate in any bingo game, except that any person may play bingo at a limited period bingo or special event bingo if (a) no alcoholic beverages are served and (b) no prize or prizes to be awarded exceed fifty dollars in value per game.

(2) All persons involved in the conduct of bingo must be at least eighteen years of age.

(3) No person who is conducting or assisting in the conduct of a bingo occasion shall be permitted to participate as a player at that bingo occasion.

(4) No licensed commercial lessor, distributor, or manufacturer, person having a substantial interest in a licensed commercial lessor, distributor, or manufacturer, or employee or agent of a licensed commercial lessor, distributor, or manufacturer shall operate, manage, conduct, advise, or assist in the operating, managing, conducting, promoting, or administering of any bingo game or occasion. For purposes of this subsection, the term assist shall include, but not be limited to, the payment of any expense of a licensed organization, whether such payment is by loan or otherwise.

(5) No person, licensee, or permittee or employee or agent thereof shall knowingly permit an individual under eighteen years of age to play or

participate in any way in a bingo game conducted pursuant to the Nebraska Bingo Act, excluding those individuals allowed by law to play at a limited period bingo or special event bingo when (a) no alcoholic beverages are served and (b) no prize or prizes that will be awarded exceed fifty dollars in value per game.

**Sec. 19.** Section 9-255, Reissue Revised Statutes of Nebraska, is amended to read:

9-255 (1)(a) Only the following means of random selection of the numbered designators shall be used in the conduct of any bingo game:

(i) An electrically operated blower machine containing balls which the operator may take from the air one at a time while the blower is in operation, or which provides a trap or other mechanical means for automatically catching not more than one ball at a time while the blower is in operation; or

(ii) A mechanically or manually operated cage which provides a trap or other mechanical means for automatically catching not more than one ball at a time while the cage is in operation.

(b) For any means of selection permitted by subdivisions (1)(a)(i) and (ii) of this section, the balls to be drawn shall be essentially the same in size, shape, weight, balance, and all other characteristics so that at all times during the conduct of bingo each ball possesses the capacity for equal agitation with any other ball within the receptacle. All balls within the total set shall be subject to random selection at the beginning of each bingo game.

(2) For purposes of bingo utilizing song titles, musical artists, or music genres, only a mechanical, manually operated, or electronic device that ensures song titles, musical artists, or music genres are randomly selected shall be used in the conduct of such a bingo game.

**Sec. 20.** Section 9-401, Reissue Revised Statutes of Nebraska, is amended to read:

9-401 Sections 9-401 to 9-437 and section 23 of this act shall be known and may be cited as the Nebraska Lottery and Raffle Act.

**Sec. 21.** Section 9-411, Reissue Revised Statutes of Nebraska, is amended to read:

9-411 (1) Lottery shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, and (c) winners are determined by a random drawing of the tickets or by the method set forth in section 9-426.01 or section 23 of this act.

(2) Except as provided in section 23 of this act, lottery shall not include (a) any raffle as defined in section 9-415, (b) any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value, (c) any activity which is authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or (d) any activity which is prohibited under Chapter 28, article 11.

**Sec. 22.** Section 9-415, Reissue Revised Statutes of Nebraska, is amended to read:

9-415 (1) Raffle shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) winners are determined by a random drawing of the tickets or by the method set forth in section 9-426.01 or section 23 of this act, and (d) at least eighty percent of all of the prizes to be awarded are merchandise prizes which are not directly or indirectly redeemable for cash by the licensed organization conducting the raffle or any agent of the organization.

(2) Except as provided in section 23 of this act, raffle shall not include (a) any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value, (b) any activity which is authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska

Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or (c) activity which is prohibited under Chapter 28, article 11.

**Sec. 23.** (1) A licensed organization may conduct a lottery or raffle that includes a progressive jackpot and multiple drawing dates for a game such as, but not limited to, the Queen of Hearts. In order to conduct a lottery or raffle in the method described in this section, such licensee shall (a) register each such lottery or raffle game with the department and (b) post the rules for such lottery or raffle in a visible location where such lottery or raffle is conducted or where tickets for such lottery or raffle are sold.

(2) A licensed organization may sell a ticket for a lottery or raffle conducted pursuant to this section through a vending or dispensing device.

(3) The department may adopt and promulgate rules and regulations for the conduct of a lottery or raffle utilizing the method authorized pursuant to this section.

**Sec. 24.** Section 9-427, Revised Statutes Cumulative Supplement, 2024, is amended to read:

9-427 (1) The gross proceeds of any lottery or raffle shall be used solely for lawful purposes, awarding of prizes, and allowable expenses.

(2) Except as provided in subsection (3) of this section, not less than sixty-five percent of the gross proceeds of any lottery or raffle shall be used for the awarding of prizes, and not more than ten percent of the gross proceeds of a lottery or raffle shall be used to pay the allowable expenses of operating such scheme, except that if prizes are donated to the licensed organization to be awarded in connection with a raffle, the prizes awarded shall have a fair market value equal to at least sixty-five percent of the gross proceeds of the raffle and the licensed organization shall use the proceeds for allowable expenses, optional additional prizes, and a lawful purpose.

(3) A lottery or raffle conducted pursuant to section 23 of this act shall only require fifty percent of the gross proceeds of such lottery or raffle to be used for awarding of prizes.

**Sec. 25.** Section 9-431, Reissue Revised Statutes of Nebraska, is amended to read:

9-431 Each licensed organization conducting a lottery or raffle conducted pursuant to the Nebraska Lottery and Raffle Act shall have its name and identification number clearly printed on each lottery or raffle ticket or stub used in such lottery or raffle. No such ticket or stub shall be sold unless such name and identification number is so printed thereon. In addition, all lottery or raffle tickets or stubs shall bear a number, which numbers shall be in sequence and clearly printed on the ticket or stub.

Except as provided for a lottery or raffle conducted pursuant to section 23 of this act, each ticket or stub shall have an equal chance of being chosen in the drawing. Each ticket or stub shall be constructed of the same material, shall have the same surface, and shall be substantially the same shape, size, form and weight.

Each licensed organization conducting a lottery or raffle shall keep a record of all locations where its tickets or stubs are sold. In addition to other authorized sales, a licensed organization conducting a raffle conducted pursuant to the Nebraska Lottery and Raffle Act may also sell tickets or stubs for such raffles on its website and at events, and such tickets or stubs may be purchased using a debit card online on the website and at events in addition to other authorized methods of payment.

**Sec. 26.** Section 9-501, Reissue Revised Statutes of Nebraska, is amended to read:

9-501 Sections 9-501 to 9-513 and section 29 of this act shall be known and may be cited as the Nebraska Small Lottery and Raffle Act.

**Sec. 27.** Section 9-507, Reissue Revised Statutes of Nebraska, is amended to read:

9-507 (1) Lottery shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) the winners are to be determined by a random drawing of the

tickets or by the method set forth in section 9-511.01 or section 29 of this act, and (d) the holders of the winning tickets are to receive something of value.

(2) Except as provided in section 29 of this act, lottery shall not include (a) any raffle, (b) any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value, (c) any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or (d) any activity prohibited under Chapter 28, article 11.

**Sec. 28.** Section 9-509, Reissue Revised Statutes of Nebraska, is amended to read:

9-509 (1) Raffle shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) winners are to be determined by a random drawing of tickets or by the method set forth in section 9-511.01 or section 29 of this act, and (d) at least eighty percent of all of the prizes to be awarded are merchandise prizes which are not directly or indirectly redeemable for cash by the qualifying nonprofit organization conducting the raffle or any agent of the organization.

(2) Except as provided in section 29 of this act, raffle shall not include (a) any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value, (b) any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or (c) any activity prohibited

under Chapter 28, article 11.

**Sec. 29.** (1) A qualifying nonprofit organization may conduct a lottery or raffle that includes a progressive jackpot and multiple drawing dates for a game such as, but not limited to, the Queen of Hearts. In order to conduct a lottery or raffle in the method described in this section, such organization shall (a) register each such lottery or raffle game with the department and (b) post the rules for such lottery or raffle in a visible location where such lottery or raffle is conducted or where tickets for such lottery or raffle are sold.

(2) A qualifying nonprofit organization may sell a ticket for a lottery or raffle conducted pursuant to this section through a vending or dispensing device.

(3) The department may adopt and promulgate rules and regulations for the conduct of a lottery or raffle utilizing the method authorized pursuant to this section.

**Sec. 30.** Section 9-511, Revised Statutes Cumulative Supplement, 2024, is amended to read:

9-511 Any qualifying nonprofit organization may conduct a lottery or raffle that has gross proceeds not greater than fifteen thousand dollars. Except as provided for a lottery or raffle conducted pursuant to section 29 of this act, each chance in such lottery or raffle shall have an equal likelihood of being a winning chance. The gross proceeds shall be used solely for charitable or community betterment purposes, awarding of prizes, and expenses. Any qualifying nonprofit organization may conduct one lottery per calendar month that has gross proceeds not greater than fifteen thousand dollars. Any qualifying nonprofit organization may conduct one or more raffles in a calendar month if the total gross proceeds from such raffles do not exceed fifteen thousand dollars during such month.

**Sec. 31.** Section 9-701, Reissue Revised Statutes of Nebraska, is amended to read:

9-701 (1) For purposes of this section:

(a) Financial institution means a bank, savings bank, building and loan association, savings and loan association, or credit union, whether chartered by the United States, the Department of Banking and Finance, or a foreign state agency as defined in section 8-101.03; or any other similar organization which is covered by federal deposit insurance;

(b) Gift enterprise means a contest, game of chance, savings promotion raffle, or game promotion which is conducted within the state or throughout the state and other states in connection with the sale of consumer or trade products or services solely as business promotions and in which the elements of chance and prize are present. Gift enterprise does not include any scheme using the game of bingo or keno; any non-telecommunication-related, player-activated electronic or electromechanical facsimile of any game of chance; or any slot machine of any kind. A gift enterprise shall not utilize pickle cards as defined in section 9-315. Promotional game tickets may be utilized subject to the following:

(i) The tickets utilized shall be manufactured or imprinted with the name of the operator on each ticket;

(ii) The tickets utilized shall not be manufactured with a cost per play printed on them; and

(iii) The tickets utilized shall not be substantially similar to any type of pickle card approved by the Department of Revenue pursuant to section 9-332.01;

(c) Operator means any person, firm, corporation, financial institution, association, governmental entity, or agent or employee thereof who promotes, operates, or conducts a gift enterprise; and

(d) Savings promotion raffle means a contest conducted by a financial institution or any agent or employee thereof in which a chance of winning a designated prize is obtained by the deposit of a specified amount of money in a savings account or other savings program if each entry has an equal chance of winning.

(2) Any operator may conduct a gift enterprise within this state in

accordance with this section.

(3) An operator shall not:

(a) Design, engage in, promote, or conduct a gift enterprise in connection with the promotion or sale of consumer products or services in which the winner may be unfairly predetermined or the game may be manipulated or rigged;

(b) Arbitrarily remove, disqualify, disallow, or reject any entry;

(c) Fail to award prizes offered;

(d) Print, publish, or circulate literature or advertising material used in connection with such gift enterprise which is false, deceptive, or misleading; or

(e) Require an entry fee, a payment or promise of payment of any valuable consideration, or any other consideration as a condition of entering a gift enterprise or winning a prize from the gift enterprise, except that a contest, game of chance, or business promotion may require, as a condition of participation, evidence of the purchase of a product or service as long as the purchase price charged for such product or service is not greater than it would have been without the contest, game of chance, or business promotion. For purposes of this section, consideration shall not include (i) filling out an entry blank, (ii) entering by mail with the purchase of postage at a cost no greater than the cost of postage for a first-class letter weighing one ounce or less, (iii) entering by a telephone call to the operator of or for the gift enterprise at a cost no greater than the cost of postage for a first-class letter weighing one ounce or less. When the only method of entry is by telephone, the cost to the entrant of the telephone call shall not exceed the cost of postage for a first-class letter weighing one ounce or less for any reason, including (A) whether any communication occurred during the call which was not related to the gift enterprise or (B) the fact that the cost of the call to the operator was greater than the cost to the entrant allowed under this section, or (iv) the deposit of money in a savings account or other savings program, regardless of the interest rate earned by such account or program.

(4) An operator shall disclose to participants all terms and conditions of a gift enterprise.

(5)(a) The Department of Revenue may adopt and promulgate rules and regulations necessary to carry out the operation of gift enterprises.

(b) Whenever the department has reason to believe that a gift enterprise is being operated in violation of this section or the department's rules and regulations, it may bring an action in the district court of Lancaster County in the name of and on behalf of the people of the State of Nebraska against the operator of the gift enterprise to enjoin the continued operation of such gift enterprise anywhere in the state.

(6)(a) Any person, firm, corporation, association, or agent or employee thereof who engages in any unlawful acts or practices pursuant to this section or violates any of the rules and regulations promulgated pursuant to this section is guilty of a Class II misdemeanor.

(b) Any person, firm, corporation, association, or agent or employee thereof who violates any provision of this section or any of the rules and regulations promulgated pursuant to this section shall be liable to pay a civil penalty of not more than one thousand dollars imposed by the district court of Lancaster County for each such violation which shall be remitted to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska. Each day of continued violation shall constitute a separate offense or violation for purposes of this section.

(7) A financial institution may limit the number of chances that a participant in a savings promotion raffle may obtain for making the required deposits but shall not limit the number of deposits.

(8) In all proceedings initiated in any court or otherwise under this section, the Attorney General or appropriate county attorney shall prosecute and defend all such proceedings.

(9) This section shall not apply to any activity authorized and regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the

Nebraska Small Lottery and Raffle Act, or the State Lottery Act.

**Sec. 32.** Section 9-831, Reissue Revised Statutes of Nebraska, is amended to read:

9-831 The division shall spend not less than five percent of the advertising budget for the state lottery on problem gambling prevention, education, and awareness messages. The division shall collaborate with the Nebraska Commission on Problem Gambling to coordinate messages developed under this section with the prevention, education, and awareness messages in use by or developed in conjunction with the Gamblers Assistance Program established pursuant to section 9-1005. For purposes of this section, the advertising budget for the state lottery includes amounts budgeted and spent for advertising, promotions, incentives, public relations, marketing, or contracts for the purchase or lease of goods or services that include advertising, promotions, incentives, public relations, or marketing, but does not include in-kind contributions by media outlets.

**Sec. 33.** Section 9-1001, Reissue Revised Statutes of Nebraska, is amended to read:

9-1001 The Legislature finds that the main sources of funding for assistance to problem gamblers are the Charitable Gaming Operations Fund as provided in section 9-1,101, annual gaming tax proceeds as provided in section 9-1204, and the State Lottery Operation Trust Fund as provided in section 9-812. It is the intent of the Legislature that such funding be used primarily for counseling and treatment services for problem gamblers and their families who are residents of Nebraska.

**Sec. 34.** Section 9-1002, Reissue Revised Statutes of Nebraska, is amended to read:

9-1002 For purposes of sections 9-1001 to 9-1006:

- (1) Commission means the Nebraska Commission on Problem Gambling;
- (2) Problem gambling means maladaptive gambling behavior that disrupts personal, family, or vocational pursuits; and
- (3) Program means the Gamblers Assistance Program.

**Sec. 35.** Section 9-1003, Reissue Revised Statutes of Nebraska, is amended to read:

9-1003 (1) The Nebraska Commission on Problem Gambling is created. For administrative purposes only, the Nebraska Commission on Problem Gambling shall be within the State Racing and Gaming Commission. The Nebraska Commission on Problem Gambling shall have nine members appointed by the Governor as provided in this section, subject to confirmation by a majority of the members of the Legislature. The members of the Nebraska Commission on Problem Gambling shall have no pecuniary interest, either directly or indirectly, in a contract with the program providing services to problem gamblers and shall not be employed by the Nebraska Commission on Problem Gambling or the State Racing and Gaming Commission.

(2) By July 1, 2013, the Governor shall appoint members of the Nebraska Commission on Problem Gambling as follows:

- (a) One member with medical care or mental health expertise;
- (b) One member with expertise in banking and finance;
- (c) One member with legal expertise;
- (d) One member with expertise in the field of education;
- (e) Two members who are consumers of problem gambling services;
- (f) One member with data analysis expertise; and
- (g) Two members who are residents of the state and are representative of the public at large.

(3) The terms of the members shall be for three years, except that the Governor shall designate three of the initial appointees to serve initial terms beginning on July 1, 2013, and ending on March 1, 2014, three of the initial appointees to serve initial terms beginning on July 1, 2013, and ending on March 1, 2015, and three of the initial appointees to serve initial terms beginning on July 1, 2013, and ending on March 1, 2016. The Governor shall appoint members to fill vacancies in the same manner as the original appointments, and such appointees shall serve for the remainder of the unexpired term.

(4) Beginning July 1, 2013, the commission shall adopt bylaws governing its operation and the commission shall meet at least four times each calendar year and may meet more often on the call of the chairperson. Each member shall attend at least two meetings each calendar year and shall be subject to removal for failure to attend at least two meetings unless excused by a majority of the members of the commission. Meetings of the commission are subject to the Open Meetings Act.

**Sec. 36.** Section 9-1004, Reissue Revised Statutes of Nebraska, is amended to read:

9-1004 (1) The commission shall appoint one of its members as chairperson and such other officers as it deems appropriate. Members shall be reimbursed for expenses in carrying out their duties as members of the commission as provided in sections 81-1174 to 81-1177.

(2) The commission shall develop guidelines and standards for the operation of the program and shall direct the distribution and disbursement of money in the Compulsive Gamblers Assistance Fund.

(3) The commission shall appoint a director of the program, provide for office space and equipment, and support and facilitate the work of the program. The director may hire, terminate, and supervise commission and program staff, shall be responsible for the duties of the office and the administration of the program, and shall electronically provide an annual report to the General Affairs Committee of the Legislature which includes issues and policy concerns that relate to problem gambling in Nebraska. All documents, files, equipment, effects, and records belonging to the State Committee on Problem Gambling on June 30, 2013, shall become the property of the commission on July 1, 2013.

(4) The commission shall (a) provide for a process for the evaluation and approval of provider applications and contracts for treatment and other services funded from the Compulsive Gamblers Assistance Fund and (b) develop standards and guidelines for training and certification of problem gambling counselors.

(5) The commission shall provide for (a) the review and use of evaluation

data, (b) the use and expenditure of funds for education regarding problem gambling and prevention of problem gambling, and (c) the creation and implementation of outreach and educational programs regarding problem gambling for Nebraska residents.

(6) The commission may adopt and promulgate rules and regulations and engage in other activities it finds necessary to carry out its duties under sections 9-1001 to 9-1006.

(7) The commission shall submit a report within sixty days after the end of each fiscal year to the Governor and the Clerk of the Legislature that provides details of the administration of the program and distribution of funds from the Compulsive Gamblers Assistance Fund. The report submitted to the Legislature shall be submitted electronically.

**Sec. 37.** Section 9-1006, Reissue Revised Statutes of Nebraska, is amended to read:

9-1006 The Compulsive Gamblers Assistance Fund is created. The fund shall include revenue transferred from the State Lottery Operation Trust Fund under section 9-812 and the Charitable Gaming Operations Fund under section 9-1,101 and any other revenue received by the commission for credit to the fund from any other public or private source, including, but not limited to, distributions of annual gaming tax proceeds as provided in section 9-1204, grants, donations, gifts, devises, bequests, fees, or reimbursements. The commission shall administer the fund for the operation of the Gamblers Assistance Program. The Director of Administrative Services shall draw warrants upon the Compulsive Gamblers Assistance Fund upon the presentation of proper vouchers by the commission. Money from the Compulsive Gamblers Assistance Fund shall be used exclusively for the purpose of providing assistance to agencies, groups, organizations, and individuals that provide education, assistance, and counseling to individuals and families experiencing difficulty as a result of problem gambling, to promote the awareness of problem gamblers assistance programs, and to pay the costs and expenses of the Gamblers Assistance Program, including travel. Any money in the fund available for investment shall be

invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

**Sec. 38.** Section 9-1104, Revised Statutes Supplement, 2025, is amended to read:

9-1104 (1) The operation of games of chance at a licensed racetrack enclosure may be conducted by an authorized gaming operator who holds an authorized gaming operator license.

(2) No more than one authorized gaming operator license shall be granted for each licensed racetrack enclosure within the state. It shall not be a requirement that the person or entity applying for or to be granted such authorized gaming operator license hold a racing license or be the same person or entity who operates the licensed racetrack enclosure at which such authorized gaming operator license shall be granted.

(3) Gaming devices, limited gaming devices, and all other games of chance may be operated by authorized gaming operators at a licensed racetrack enclosure.

(4)(a) Except as provided in subdivision (b) of this subsection, no person younger than twenty-one years of age shall play or participate in any way in any game of chance or use any gaming device or limited gaming device at a licensed racetrack enclosure.

(b) A person nineteen years of age or older shall be allowed to play or participate in a keno lottery conducted in accordance with the Nebraska County and City Lottery Act at a licensed racetrack enclosure as long as such keno lottery is played in an area separate from the casino gaming floor where other games of chance are played.

(5)(a) Except as provided in subdivision (b) of this subsection, no authorized gaming operator shall permit an individual younger than twenty-one years of age to play or participate in any game of chance or use any gaming device or limited gaming device conducted or operated pursuant to the Nebraska Racetrack Gaming Act.

(b) An authorized gaming operator may permit a person nineteen years of

age or older to play or participate in a keno lottery conducted in accordance with the Nebraska County and City Lottery Act at a licensed racetrack enclosure as long as such keno lottery is played in an area separate from the casino gaming floor where other games of chance are played.

(6) Except as provided in any waiver or modification approved by the commission pursuant to section 2-1205, if the licensed racetrack enclosure at which such authorized gaming operator conducts games of chance does not hold the minimum number of live racing meets required under section 2-1205, the authorized gaming operator shall be required to cease operating games of chance at such licensed racetrack enclosure until such time as the commission determines the deficiency has been corrected.

(7) Beginning on the implementation date designated by the Tax Commissioner pursuant to subsection (1) of section 9-1312, prior to the winnings payment of any casino winnings as defined in section 9-1303, an authorized gaming operator shall check the collection system to determine if the winner has a debt or an outstanding state liability as required by the Gambling Winnings Setoff for Outstanding Debt Act. If such authorized gaming operator determines that the winner is subject to the collection system, the operator shall deduct the amount of debt and outstanding state liability identified in the collection system from the winnings payment and shall remit the net winnings payment of casino winnings, if any, to the winner and the amount deducted to the Department of Revenue to be credited against such debt or outstanding state liability as provided in section 9-1306.

**Sec. 39.** Section 9-1115, Reissue Revised Statutes of Nebraska, is amended to read:

9-1115 (1) A person who knowingly permits an individual whom the person knows is younger than twenty-one years of age to participate in a game of chance is guilty of a Class I misdemeanor.

(2) A person who participates in a game of chance when such person is younger than twenty-one years of age at the time of participation is guilty of a Class I misdemeanor.

(3) This section does not apply (a) to a person who permits an individual who is nineteen years of age or older to participate in a keno lottery conducted in accordance with the Nebraska County and City Lottery Act at a licensed racetrack enclosure as long as such keno lottery is played in an area separate from the casino gaming floor where other games of chance are played or (b) to a person nineteen years of age or older who participates in a keno lottery conducted in accordance with the Nebraska County and City Lottery Act at a licensed racetrack enclosure as long as such keno lottery is played in an area separate from the casino gaming floor where other games of chance are played.

**Sec. 40.** This act becomes operative on July 1, 2026.

**Sec. 41.** Original sections 2-1207.01, 2-1213, 2-1216, 2-1226, 2-1228, 2-1229, 9-204.01, 9-230, 9-230.01, 9-233, 9-241.03, 9-241.08, 9-255, 9-401, 9-411, 9-415, 9-431, 9-501, 9-507, 9-509, 9-701, 9-831, 9-1001, 9-1002, 9-1003, 9-1004, 9-1006, and 9-1115, Reissue Revised Statutes of Nebraska, sections 2-1207, 9-204, 9-204.04, 9-427, and 9-511, Revised Statutes Cumulative Supplement, 2024, and sections 2-1205, 2-1210, 9-1,101, and 9-1104, Revised Statutes Supplement, 2025, are repealed.

**Sec. 42.** The following section is outright repealed: Section 9-1007, Reissue Revised Statutes of Nebraska.

**Sec. 43.** Since an emergency exists, this act takes effect when passed and approved according to law.

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**PRESIDENT OF THE LEGISLATURE**

*THIS IS TO CERTIFY that the within LB 1001 was passed by the One Hundred Ninth Legislature of Nebraska at its Second Session on the ..... day of ..... 20.....*

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**CLERK OF THE LEGISLATURE**

**Approved:**

..... 20....., ..... o'clock .....M.

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**GOVERNOR**