



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 64**

Hearing Date: January 22, 2007
Committee On: General Affairs

Introducer(s): (Schimek, 27)
Title: Eliminate a gaming fee and tax adopted by initiative

Roll Call Vote – Final Committee Action:

- X Advanced to General File
 - Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

8	Yes	McDonald, Karpisek, Dierks, Dubas, Erdman, Friend, Janssen, Preister
0	No	
0	Present, not voting	
0	Absent	

Proponents:

Senator DiAnna Schimek
Senator Lowen Kruse
Pat Loontjer
Tom Ashby

Representing:

Introducer
Introducer
Gambling With the Good Life
Self

Opponents:

None

Representing:

Neutral:

None

Representing:

Summary of purpose and/or changes:

LB 64 would repeal gaming statutes that were adopted by Initiative 419 in 2004.

In the 2004 General Election, the state’s citizens had the opportunity to vote on several initiatives and constitutional amendments related to casino gambling. There were four initiatives, 417 through 420. Only two initiatives passed; 418, a constitutional provision, and 419, which created new statutes.

Initiative 418 changed the Nebraska Constitution to require a vote of two-thirds of the Legislature to repeal or change any law, not just gambling laws, enacted by initiative. In other words, it will take the votes of 33 senators to change or repeal any law adopted by initiative.

Initiative 419 created new statutes to establish a tax and fee schedule for casinos. It proposed: a state tax of 36% of the first \$15 million dollars of “gross gaming revenue” and 20% of the “gross gaming revenue” above \$15 million; allocating such taxes to the General Fund and the communities that had authorized such gaming; and establishing an annual license fee of \$100 per authorized operator per location. This initiative was codified into §§9-901 through 9-904.

Since the initiative that would have allowed casino gambling did not pass, the statutory tax structure for casinos created by 419 is unenforceable. Since Initiative 418 did pass, the Legislature must find 33 votes if it wants to change this or any law enacted by initiative.

Details

Section 1 outright repeals §§9-901, 9-902, 9-903, and 9-904.

Senator Vickie McDonald, Chairperson