

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT
LB1102

Hearing Date: Wednesday February 10, 2010
Committee On: Judiciary
Introducer: Giese
One Liner: License and regulate wagering on historic horseraces

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	5	Senators Ashford, Council, Lautenbaugh, McGill, Rogert
Nay:	2	Senators Christensen, Lathrop
Absent:		
Present Not Voting:	1	Senator Coash

Proponents:
Sen. Bob Giese
Mike Kelley
David Payton
Greg Hosch
Lynne Schuller
Jesse Compton

Representing:
Introducer
OER DBA Horsemens Park
AmTote
Horsemen's Park; Atokad Downs, Lincoln Race Course
Nebraska HBPA
Self

Opponents:
Pat Loontjer
Al Riskowski
John Neuberger
Mary Forester
David Bydalek
Lyle Japp

Representing:
Gambling with the Good Life
Nebraska Family Council
self
Self
Family First
Gambling with the Good Life

Neutral:
Dennis Lee

Representing:
Nebraska State Racing Commission

Summary of purpose and/or changes:

LB 1102 would amend 2-1203.01 to provide the State Racing Commission the authority to license and regulate pari-mutuel wagering on historic horse races.

LB 1102 would also provide that a conviction for a subsection (1) offense would be a class I misdemeanor (1yr/\$1,000 or both) and that an offense for a subsection (2) violation which is newly created under this act would be a Class III misdemeanor. Subsection (2) provides that the use of a device for pari-mutuel wagering on historic horse races outside the premises of a licensed racetrack enclosure is a class III misdemeanor.

Explanation of amendments:

AM 2234 would make the following changes to LB 1102:

- Provides a definition of historic horserace to clarify legislative intent;
- Requires the county board of the county containing the race track where these machines are to be located, to have adopted a resolution approving of this form of wagering before a license can be issued;
- Provides that the Commission may adopt rules and regulations to implement subdivision (7) as provided under this act;
- Requires the "Commission" to determine and mandate that enough of the historic horserace be shown on the machine to maintain the integrity of the race, with the amount of the race shown being determined by the Commission;
- Would establish a one-time fee licensing fee of \$1,000 on each machine used for pari-mutuel wagering on historic horse races;
- Provides a tax rate on the gross sum wagered on historical horse races at 1% of the first one hundred million collected, 1.5% of the second, one hundred million collected and 2% percent on all money collected thereafter;
- Creates the Historic Horseracing Distribution Fund and provides that all costs for the administration of the fund shall be paid from the fund; and
- Finally, AM 2234 provides that all funds in excess of the costs of administration shall be divided as follows:

1. 5% of the remaining amount shall go to the state racing commission for community betterment grants for areas within one mile of the location of a licensed racetrack;
2. After the cost of administration of the Historic Horseracing Distribution Fund and the community betterment grants are subtracted the remainder of the funds shall be distributed equally to the: 1) Compulsive Gamblers Assistance Fund, 2) Probation Program Cash Fund, and 3) Violence Prevention Cash Fund.

Brad Ashford, Chairperson