

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT (CORRECTED)
LR6CA

Hearing Date: Monday January 26, 2009
Committee On: General Affairs
Introducer: Karpisek
One Liner: Constitutional amendment to authorize and regulate racetrack gaming

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye:	7	Senators Coash, Cook, Dierks, Dubas, Krist, Price, Rogert
Nay:		
Absent:		
Present Not Voting:	1	Senator Karpisek

Proponents:

Senator Russ Karpisek
Alan Peterson
Greg Hosch
Jim Oberkirsch
Diane Simmons
Jesse Compton
Gayle Carey
Jerry Fudge
David Anderson
Alan Usher
Lana Jones

Representing:

Introducer
Omaha Exposition & Racing, Inc.
Horsemen's Park
The Innovation Group on behalf of Horsemen's Park
Self
Self
Self
NE HBPA
NE HBPA
Self
Self

Opponents:

Dave Bydalek
Pam Redfield
John Dittman
Kathleen Holkeboer
Thomas Meradith
Lyle Japp
Ruth Lienemann
Dale Monsell
Pat Loontjer

Representing:

Family First
Self
Chairman & Chief Executive Officer, Cornhusker Bank
Self
Self
Gambling with the Good Life
Self
Gambling with the Good Life
Gambling with the Good Life

Neutral:

Dennis Lee
Timothy Keigher
Jerry Bauerkemper
Debra Hammond
Gary Krumland
Wm. D. Kurtenbach

Representing:

NE State Racing Commission
NE Petroleum Marketers & Convenience Store Assn.
NE Council on Compulsive Gambling
Choices Treatment Center, Inc.
League of NE Municipalities
NE Cooperative Government

Summary of purpose and/or changes:

LR 6CA places on the 2010 general election ballot a constitutional amendment to Article III, section 24 allowing a total of 3,500 slot machines at a maximum of 7 horseracing racetracks. There are currently 5 horseracing racetracks in Nebraska.

Details

Art. III, Sec. 24 (5)(a) - Limits the total number of slot machines to 3,500 among a total of 7 racetracks. There is a local opt-in provision that requires "prior approval or rejection by the governing body of the political subdivision within which the racetrack is located." The State Racing Commission is still responsible for "the licensing, administration, regulation, and financial monitoring of racetrack facilities conducting racetrack gaming and the allocation of gaming devices among racetracks conducting racetrack gaming."

Art. III, Sec. 24 (5)(b) - Definitions

Art. III, Sec. 24 (5)(b)(i) - Gross Gaming Revenue - all revenue from slot machines minus the players' winnings.

Art. III, Sec. 24 (5)(b)(ii) - Racetrack Facility - Licensed racetrack that has parimutuel betting on thoroughbred horseracing.

Art. III, Sec. 24 (5)(b)(iii) - Racetrack Gaming - Slot machines at racetrack facilities.

Art. III, Sec. 24 (5)(c) - Gross gaming revenues shall go to the Gaming Revenue Cash Fund, which is then allocated in the following manner:

(i) - 40% is allocated to the Highway Trust Fund.

(ii) - 2% is allocated for the administrative expenses incurred by the State Racing Commission.

(iii) - 39% is shared among the racetrack gaming licensees to cover operating costs.

(iv) - 1% is allocated to the Compulsive Gamblers Assistance Fund.

(v) - 4% is allocated to the local governing political subdivisions.

(vi) - 10% is allocated to enhancing prize purses.

(vii) - 2% is allocated to the development and improvement of the thoroughbred breeding industry in Nebraska.

(viii) - 2% is allocated to the development and improvement of the quarterhorse industry, large-animal veterinary medicine, and equine therapy.

Art. III, Sec. 24 (5)(d) - Requires that any leftover revenues in the Gaming Revenue Cash Fund or the Gaming Administration Cash Fund be reallocated for the uses in Art. III, Sec. 24 (5)(c).

Art. III, Sec. 24 (5)(e) - Requires the State Racing Commission to require at least annual auditing to ensure that the revenues are allocated in accordance with Art. III, Sec. 24 (5)(c).

Art. III, Sec. 24 (5)(f) - Allows the Legislature to enact enabling legislation

Russ Karpisek, Chairperson