



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LR 6 CA

Chairperson: Russ Karpisek
Committee: General Affairs
Date of Hearing: January 26, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LR 6CA places on the 2010 general election ballot a constitutional amendment to Article III, section 24 allowing slot machines at racetracks. LR 6CA limits the number of slot machines to 3,500 at 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 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."

The slot machine gaming revenues would be allocated in the following manner:

- 40% is allocated to the Highway Trust Fund.
- 39% is shared among the racetrack gaming licensees to cover operating costs.
- 10% is allocated to enhance prize purses for thoroughbred racing.
- 4% is allocated to the local governing political subdivisions.
- 2% is allocated to the development and improvement of the thoroughbred breeding industry in Nebraska.
- 2% is allocated to the development and improvement of the quarterhorse industry, large-animal veterinary medicine, and equine therapy.
- 2% is allocated for the administrative expenses incurred by the State Racing Commission.
- 1% is allocated to the Compulsive Gamblers Assistance Fund.

The estimated revenues for Nebraska for 3,025 machines are \$221,000,000.

Any leftover revenues in the Gaming Revenue Cash Fund or the Gaming Administration Cash Fund are to be reallocated for the uses stated above. The State Racing Commission is required to have audits conducted to ensure that the revenues are allocated for the uses stated above.

Principal Introducer:

Senator Russ Karpisek