

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 806

Introduced by Lautenbaugh, 18.

Read first time January 05, 2012

Committee: Judiciary

A BILL

1 FOR AN ACT relating to horseracing; to amend sections 2-1203.01 and
2 2-1215, Reissue Revised Statutes of Nebraska; to
3 authorize the State Racing Commission to license and
4 regulate wagering on historic horseraces; to provide for
5 a tax on wagers; to create a fund; to provide a penalty;
6 and to repeal the original sections.

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

1 Section 1. Section 2-1203.01, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 2-1203.01 The State Racing Commission shall:

4 (1) Enforce all state laws covering horseracing as
5 required by sections 2-1201 to 2-1242 and enforce rules and
6 regulations adopted and promulgated by the commission under the
7 authority of section 2-1203;

8 (2) License racing industry participants, race officials,
9 mutuel employees, teleracing facility employees, telephone deposit
10 center employees, concessionaires, and such other persons as deemed
11 necessary by the commission and approve and license teleracing
12 facilities and telephonic wagering if the license applicants meet
13 eligibility standards established by the commission;

14 (3) Prescribe and enforce security provisions, including,
15 but not limited to, the restricted access to areas within track
16 enclosures, backstretch areas, and teleracing facilities, and
17 prohibitions against misconduct or corrupt practices;

18 (4) Determine or cause to be determined by chemical
19 testing and analysis of body fluids whether or not any prohibited
20 substance has been administered to the winning horse of each race and
21 any other horse selected by the board of stewards;

22 (5) Verify the certification of horses registered as
23 being Nebraska-bred under section 2-1213; ~~and~~

24 (6) Collect and verify the amount of revenue received by
25 the commission under section 2-1208; and -

1 (7) Be authorized to license and regulate parimutuel
2 wagering on historic horseraces as defined in section 2 of this act
3 within a licensed racetrack enclosure as provided in sections 3 to 5
4 of this act.

5 Sec. 2. (1) For purposes of licensure and regulation
6 pursuant to subdivision (7) of section 2-1203.01, historic horserace
7 means a form of horserace that creates a parimutuel pool from wagers
8 placed on a horserace previously held at a licensed racetrack.

9 (2) The State Racing Commission shall not issue a license
10 for parimutuel wagering on historic horseraces pursuant to
11 subdivision (7) of section 2-1203.01 unless the county board of the
12 county in which such licensed facility is located has by resolution
13 approved the adoption of wagering on historic horseraces within the
14 county.

15 (3) The commission may adopt and promulgate rules and
16 regulations to implement subdivision (7) of section 2-1203.01.

17 (4) As part of the regulation under subdivision (7) of
18 section 2-1203.01, the commission shall require enough of the
19 historic horserace to be televised so as to maintain the integrity of
20 such horserace before another wager takes place or before beginning
21 another historic horserace.

22 (5) As part of the regulation under subdivision (7) of
23 section 2-1203.01, the commission shall impose an initial, one-time
24 licensing fee of one thousand dollars for each machine used for
25 parimutuel wagering on historic horseraces. The commission shall

1 remit the fees to the State Treasurer for credit to the Historic
2 Horseracing Distribution Fund.

3 Sec. 3. (1) In addition to any other tax imposed under
4 sections 2-1201 to 2-1242 on a licensed racetrack enclosure and in
5 lieu of any other tax otherwise applicable to parimutuel wagering,
6 there is hereby imposed a tax on the gross sum wagered by the
7 parimutuel method at each licensed racetrack enclosure on historic
8 horseraces at a rate of one percent of the first one hundred million
9 dollars collected from wagering on historic horseraces at the
10 licensed racetrack enclosure, one and one-half percent of the second
11 one hundred million dollars collected from wagering on historic
12 horseraces at the licensed racetrack enclosure, and two percent on
13 all additional money collected from wagering on historic horseraces.

14 (2) A return as required by the Tax Commissioner shall be
15 filed for a racetrack enclosure for each month during which wagers on
16 historic horseraces are accepted at the enclosure. The return shall
17 be filed with and the tax due pursuant to this section shall be paid
18 to the Department of Revenue on the tenth day of the month following
19 receipt of the tax. The Tax Commissioner shall remit all revenue
20 collected or received from the tax imposed under this section to the
21 State Treasurer for credit to the Historic Horseracing Distribution
22 Fund.

23 Sec. 4. (1) The Historic Horseracing Distribution Fund is
24 hereby created in the Department of Revenue. All costs for
25 administration of the fund shall be paid from such fund.

1 (2) All receipts in the Historic Horseracing Distribution
2 Fund in excess of the amounts sufficient to cover the costs of
3 administration shall be distributed as follows:

4 (a) One-third of all receipts shall be credited to the
5 Probation Program Cash Fund to be used by the Community Corrections
6 Division of the Nebraska Commission on Law Enforcement and Criminal
7 Justice for reentry programming;

8 (b) One-third of all receipts shall be credited to the
9 Violence Prevention Cash Fund to be used by the Office of Violence
10 Prevention for a grant process for violence prevention programming;
11 and

12 (c) One-third of all receipts shall be credited to the
13 Compulsive Gamblers Assistance Fund.

14 (3) Any money in the Historic Horseracing Distribution
15 Fund available for investment shall be invested by the state
16 investment officer pursuant to the Nebraska Capital Expansion Act and
17 the Nebraska State Funds Investment Act.

18 Sec. 5. Section 2-1215, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 2-1215 (1) Except as otherwise provided in subsection (2)
21 of this section, it shall be a Class I misdemeanor for:

22 (a) Any person, corporation, or association holding or
23 conducting to hold or conduct any horserace or horserace meeting, in
24 connection with which the said-parimutuel system of wagering is used
25 or to be used, without a license duly issued by the State Racing

1 Commission; ~~or any~~

2 (b) Any person, corporation, or association holding or
3 conducting to hold or conduct horseraces or horserace meetings, in
4 connection with which any wagering is permitted, in a otherwise than
5 in the manner hereinbefore specified not authorized by law; or any

6 (c) Any person, corporation, or association violating to
7 violate any of the provisions of sections 2-1201 to 2-1218 or any of
8 the rules and regulations prescribed by the commission. , shall be
9 guilty of a Class I misdemeanor.

10 (2) It shall be a Class III misdemeanor to use a device
11 for parimutuel wagering on historic horseraces as defined in section
12 2 of this act outside the premises of a licensed racetrack enclosure.

13 Sec. 6. Original sections 2-1203.01 and 2-1215, Reissue
14 Revised Statutes of Nebraska, are repealed.