

AMENDMENTS TO LB1056
(Amendments to Briese amendments, AM3001)

Introduced by Wayne, 13.

1 1. Insert the following new sections:

2 Section 1. Sections 1 to 10 of this act shall be known and may be
3 cited as the Games of Skill Act.

4 Sec. 2. (1) The Legislature finds that:

5 (a) Sports betting and fantasy sports require knowledge and skill.
6 Knowledge of a sport and skill in analyzing and predicting the
7 performance of athletes and the outcomes of sporting events is essential
8 for a participant in sports betting or fantasy sports to be successful;
9 and

10 (b) Certain poker games also require knowledge and skill. While
11 poker does have a random component in the cards that are dealt to
12 participants, there is more skill than chance necessary for successful
13 participation in a game where strategic decisions influence the other
14 participants and ultimately the outcome of the game.

15 (2) It is the intent of the Legislature to recognize sports betting,
16 fantasy sports, and various forms of poker as games of skill.

17 Sec. 3. For purposes of the Games of Skill Act:

18 (1) Athlete means a person who competes in a sport or sporting
19 event;

20 (2) Confidential information means information related to
21 participation in a game of skill obtained by an operator or by an
22 employee of such operator;

23 (3) Department means the Charitable Gaming Division of the
24 Department of Revenue;

25 (4) Entry fee means cash or a cash equivalent required to be paid by
26 a participant in a game of skill to an operator in order to participate

1 in such game of skill;

2 (5) Fantasy sport means a game in which participants assemble
3 imaginary or virtual teams of real athletes who play a sport, such teams
4 compete based on the statistical performance of such athletes in actual
5 sporting events, and such teams are not based on the current membership
6 of an actual team that is a member of an amateur or professional sports
7 organization as defined in 28 U.S.C. 3701, as such section existed on
8 January 1, 2020. Each fantasy sport shall meet the following conditions:

9 (a) All prizes offered to winning participants are established and
10 made known to the participants in advance of the game and the value of
11 any prize is not determined by the number of participants or the amount
12 of entry fees paid by such participants;

13 (b) All winning outcomes reflect the relative knowledge and skill of
14 the participants and are determined predominantly by accumulated
15 statistical results of the performance of individual athletes in multiple
16 real-world sporting events; and

17 (c) No winning outcome is based on (i) the score, point spread, or
18 performance or performances of any single real-world team or combination
19 of teams or (ii) any single performance of an individual athlete in any
20 single real-world sporting event;

21 (6) Game of skill means a fantasy sport, poker, or sports betting;

22 (7) Gross revenue means the total entry fees that an operator
23 collects from participants less the total of sums paid out as prizes to
24 participants with such difference multiplied by the location percentage;

25 (8) Location percentage means, for each game of skill, the
26 percentage rounded to the nearest tenth of a percent of the total entry
27 fees collected from participants located in Nebraska at the time of entry
28 into the game of skill divided by the total entry fees collected from
29 participants in all locations for such game of skill;

30 (9) Operator means a person that offers an opportunity for
31 participants to engage in a game of skill, collects an entry fee from

1 each participant, administers such game of skill, and awards prizes;

2 (10) Participant means a person who pays an entry fee to engage in a
3 game of skill offered by an operator;

4 (11) Poker means a draw or community card game in which a
5 participant bets that the value of his or her hand is greater than the
6 value of the hands held by other participants in such game, and each
7 subsequent participant in such game must either equal or raise the bet or
8 drop out. Poker includes draw poker, such as five-card draw in which the
9 participant determines whether to discard and then receive new cards from
10 the dealer, and community card poker, such as Texas Hold'em and Omaha
11 Hold'em in which the participant combines the cards he or she is holding
12 along with the community cards that all participants in such game share
13 and the participant with the highest hand at the end of the betting wins
14 the pot unless the participant is the only participant playing once the
15 other participants in such game have dropped out; and

16 (12) Sports betting means the placement of a wager on the outcome of
17 a sporting event where a winning wager is based on the score, point
18 total, point spread, or performance of a team in a team sport or on the
19 score, point total, point spread, or performance of an individual athlete
20 in a nonteam sport.

21 Sec. 4. (1) No operator shall offer any game of skill in this state
22 without first registering with the department. An application for
23 registration shall be in electronic or paper form prescribed by the
24 department and shall include submission of the applicant's fingerprints
25 pursuant to subsection (2) of this section. To be eligible to register to
26 offer a game of skill in this state, an operator shall (a) be authorized
27 to transact business in Nebraska, (b) pay a registration fee of ten
28 thousand dollars to the department, (c) pass a national criminal history
29 record information check pursuant to subsection (2) of this section, and
30 (d) comply with any other applicable provisions of the Games of Skill
31 Act.

1 (2)(a) To become a registered operator, an applicant shall provide a
2 full legible set of the applicant's fingerprints to the Nebraska State
3 Patrol. The Nebraska State Patrol shall undertake a search for criminal
4 history record information relating to the applicant, including
5 transmittal of the applicant's fingerprints to the Federal Bureau of
6 Investigation for a national criminal history record information check.
7 The criminal history record information shall include information
8 concerning the applicant from federal repositories of such information
9 and repositories of such information in other states if authorized by
10 federal law. The Nebraska State Patrol shall issue a report to the
11 department that includes the criminal history record information
12 concerning the applicant. The applicant shall pay the actual cost of the
13 fingerprinting and criminal history record information check. The
14 department shall maintain a record of the results of the criminal history
15 record information check. The criteria for failing the criminal history
16 record information check shall include, at a minimum, any felony
17 conviction within the last ten years or any conviction involving
18 fraudulent activities.

19 (b) For purposes of this subsection, an applicant includes (i) each
20 officer, director, and shareholder owning a beneficial interest of ten
21 percent or more in an applicant corporation, (ii) each partner or joint
22 venturer of an applicant partnership or joint venture, and (iii) each
23 member and manager of an applicant limited liability company.

24 (3) After initial registration, an operator shall pay an annual
25 registration renewal fee of six percent of such operator's gross revenue
26 for the preceding twelve-month period, not to exceed ten thousand
27 dollars, to the department. Initial and renewal registration fees shall
28 be paid in a manner prescribed by the department. No refunds shall be
29 allowed of any registration fees collected by the department. Any
30 operator that allows a registration to lapse without requesting an
31 extension of time to file an application for renewal shall be required to

1 resubmit a new initial registration application. The department may grant
2 an extension upon receipt of a request from an operator.

3 (4) The department shall remit all registration and renewal fees
4 collected under this section, after payment of all reasonable and
5 necessary operating expenses and prizes, to the State Treasurer for
6 credit to the Games of Skill School Property Tax Reduction Fund.

7 Sec. 5. (1) The department shall issue a valid registration to
8 offer a game of skill in this state to any applicant who meets the
9 criteria set forth in the Games of Skill Act. The department shall deny
10 registration to any applicant who does not meet such criteria.

11 (2) The department shall approve or deny a registration application
12 within thirty days after receipt of the completed application or the
13 report from the Nebraska State Patrol pursuant to subsection (2) of
14 section 4 of this act, whichever is later. If the registration is not
15 issued, the department shall provide the operator with the specific
16 justification for not issuing such registration.

17 (3) The department shall maintain and publish a list of all
18 registered operators on the department's web site. Any pending
19 application made under the Games of Skill Act shall not be considered a
20 public record for purposes of sections 84-712 to 84-712.09 until such
21 application has been approved by the department.

22 Sec. 6. (1) The department shall adopt and promulgate rules and
23 regulations to implement and administer the Games of Skill Act,
24 including, but not limited to, rules and regulations:

25 (a) To provide for the prevention of practices detrimental to the
26 public interest and to safeguard the integrity of games of skill;

27 (b) To establish the necessary scope of review of registration
28 applications filed by operators; and

29 (c) To establish criteria for failing the criminal history record
30 information check pursuant to subsection (2) of section 4 of this act.

31 (2) The department shall not adopt and promulgate rules and

1 regulations limiting or regulating:

2 (a) Game rules governing the play of an individual game of skill;

3 (b) The statistical components of a game of skill; or

4 (c) Any digital platform to be used by an operator.

5 Sec. 7. (1) As a condition of registration, an operator shall
6 submit evidence, deemed satisfactory to the department, that the operator
7 has established and implemented, or has the ability to implement, prior
8 to conducting operations, commercially reasonable procedures for a game
9 of skill that:

10 (a) Prevent such operator, any employee of such operator, or any
11 relative living in the same household as such operator or any employee of
12 such operator from engaging as a participant in any game of skill offered
13 by such operator. For purposes of this subdivision, relative means the
14 parent, child, sibling, or spouse of the operator or employee;

15 (b) Prevent the sharing of confidential information with third
16 parties that could affect play of any game of skill offered by such
17 operator until such information is made publicly available;

18 (c) Prohibit the following persons from engaging as a participant in
19 any game of skill offered by such operator:

20 (i) A referee, umpire, coach, trainer, or other individual who
21 officiates or participates in or prepares athletes for a sporting event
22 that is the subject of such a game of skill; or

23 (ii) Any sports agent, team employee, or league official associated
24 with a sport or sporting event that is the subject of such a game of
25 skill;

26 (d) Verify that a participant in a game of skill offered by such
27 operator is nineteen years of age or older;

28 (e) Provide a participant with access to information on responsible
29 play of a game of skill and access to information on seeking assistance
30 for compulsive gambling behavior;

31 (f) Provide a participant with information regarding the

1 participant's play history and account details;

2 (g) Ensure that any athlete in a real-world sporting event is
3 restricted from participating in a game of skill that is determined, in
4 whole or in part, on the accumulated statistical results of such athlete,
5 such athlete's real-world team, or the sport or sporting event in which
6 such athlete is participating as an athlete;

7 (h) Allow a person to restrict himself or herself from participating
8 in a game of skill upon request and provide reasonable steps to prevent
9 the person from participating in any game of skill offered by such
10 operator;

11 (i) Disclose the number of entries or wagers that a participant may
12 submit to each game of skill offered by such operator and provide
13 reasonable steps to prevent a participant from submitting more than the
14 allowable number;

15 (j) Segregate participant funds from operational funds or maintain a
16 reserve that exceeds the amount of participant funds on deposit, which
17 reserve may not be used for operational activities. The reserve funds may
18 be in the form of cash, cash equivalents, payment processor reserves,
19 payment processor receivables, an irrevocable letter of credit, a bond,
20 or any combination thereof, in the amount that must exceed the total
21 balances of the accounts of all participants; and

22 (k) Prohibit the use of unauthorized third-party computer scripts.

23 (2) An operator shall not offer a game of skill based on the
24 performance of a participant in a collegiate, high school, or youth
25 sporting event.

26 (3) An operator shall:

27 (a) Contract annually with a certified public accountant to conduct
28 an independent financial audit consistent with the standards accepted by
29 the American Institute of Certified Public Accountants; and

30 (b) Submit a copy of the audit report prepared pursuant to
31 subdivision (a) of this subsection to the department.

1 Sec. 8. Any person who knowingly violates any provision of the
2 Games of Skill Act shall be subject to payment of a civil penalty of not
3 more than one thousand dollars for each violation, not to exceed five
4 thousand dollars for violations arising out of the same transaction or
5 occurrence. Such penalty may be recovered in a civil action brought by
6 the department. Any penalty collected by the department pursuant to this
7 section shall be remitted to the State Treasurer for distribution in
8 accordance with Article VII, section 5, of the Constitution of Nebraska.

9 Sec. 9. There is hereby imposed a tax of twenty-five percent on the
10 gross revenue received from sports betting by each registered operator.
11 The department shall implement this section. The department shall remit
12 the tax to the State Treasurer for credit to the Games of Skill School
13 Property Tax Reduction Fund.

14 Sec. 10. The Games of Skill School Property Tax Reduction Fund is
15 hereby created. The fund shall consist of all registration and renewal
16 fees collected by the department under section 4 of this act, after
17 payment of reasonable and necessary operating expenses and prizes, and
18 taxes remitted pursuant to section 9 of this act. The fund shall be used
19 solely for games of skill school property tax reduction aid pursuant to
20 section 24 of this act. Any money in the fund available for investment
21 shall be invested by the state investment officer pursuant to the
22 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
23 Act.

24 Sec. 11. Section 9-1,101, Revised Statutes Supplement, 2019, is
25 amended to read:

26 9-1,101 (1) The Games of Skill Act, the Nebraska Bingo Act, the
27 Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle
28 Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and
29 Raffle Act, and section 9-701 shall be administered and enforced by the
30 Charitable Gaming Division of the Department of Revenue, which division
31 is hereby created. The Department of Revenue shall make annual reports to

1 the Governor, Legislature, Auditor of Public Accounts, and Attorney
2 General on all tax revenue received, expenses incurred, and other
3 activities relating to the administration and enforcement of such acts.
4 The report submitted to the Legislature shall be submitted
5 electronically.

6 (2) The Charitable Gaming Operations Fund is hereby created. Any
7 money in the fund available for investment shall be invested by the state
8 investment officer pursuant to the Nebraska Capital Expansion Act and the
9 Nebraska State Funds Investment Act.

10 (3)(a) Forty percent of the taxes collected pursuant to sections
11 9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable
12 Gaming Division for administering and enforcing the acts listed in
13 subsection (1) of this section and providing administrative support for
14 the Nebraska Commission on Problem Gambling. The remaining sixty percent
15 shall be transferred to the General Fund. Any portion of the forty
16 percent not used by the division in the administration and enforcement of
17 such acts and section shall be distributed as provided in this
18 subsection.

19 (b) Beginning July 1, 2019, through June 30, 2021, on or before the
20 last day of the last month of each calendar quarter, the State Treasurer
21 shall transfer one hundred thousand dollars from the Charitable Gaming
22 Operations Fund to the Compulsive Gamblers Assistance Fund. Beginning
23 July 1, 2021, on or before November 1 each year, the State Treasurer
24 shall transfer one hundred thousand dollars from the Charitable Gaming
25 Operations Fund to the Compulsive Gamblers Assistance Fund, except that
26 no transfer shall occur if the Charitable Gaming Operations Fund contains
27 less than one hundred thousand dollars.

28 (c) Any money remaining in the Charitable Gaming Operations Fund
29 after the transfer pursuant to subdivision (b) of this subsection not
30 used by the Charitable Gaming Division in its administration and
31 enforcement duties pursuant to this section may be transferred to the

1 General Fund at the direction of the Legislature.

2 (4) The Tax Commissioner shall employ investigators who shall be
3 vested with the authority and power of a law enforcement officer to carry
4 out the laws of this state administered by the Tax Commissioner or the
5 Department of Revenue and to enforce sections 28-1101 to 28-1117 relating
6 to possession of a gambling device. For purposes of enforcing sections
7 28-1101 to 28-1117, the authority of the investigators shall be limited
8 to investigating possession of a gambling device, notifying local law
9 enforcement authorities, and reporting suspected violations to the county
10 attorney for prosecution.

11 (5) The Charitable Gaming Division may charge a fee for publications
12 and listings it produces. The fee shall not exceed the cost of
13 publication and distribution of such items. The division may also charge
14 a fee for making a copy of any record in its possession equal to the
15 actual cost per page. The division shall remit the fees to the State
16 Treasurer for credit to the Charitable Gaming Operations Fund.

17 (6) For administrative purposes only, the Nebraska Commission on
18 Problem Gambling shall be located within the Charitable Gaming Division.
19 The division shall provide office space, furniture, equipment, and
20 stationery and other necessary supplies for the commission. Commission
21 staff shall be appointed, supervised, and terminated by the director of
22 the Gamblers Assistance Program pursuant to section 9-1004.

23 Sec. 15. Section 28-1101, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 28-1101 As used in this article, unless the context otherwise
26 requires:

27 (1) A person advances gambling activity if, acting other than as a
28 player, he or she engages in conduct that materially aids any form of
29 gambling activity. Conduct of this nature includes, but shall not be
30 limited to, conduct directed toward (a) the creation or establishment of
31 the particular game, contest, scheme, device, or activity involved, (b)

1 the acquisition or maintenance of premises, paraphernalia, equipment, or
2 apparatus therefor, or (c) engaging in the procurement, sale, or offering
3 for sale within this state of any chance, share, or interest in a lottery
4 of another state or government whether or not such chance, share, or
5 interest is an actual lottery ticket, receipt, contingent promise to pay,
6 order to purchase, or other record of such interest except as provided in
7 the Games of Skill Act, the Nebraska County and City Lottery Act, the
8 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,
9 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or
10 section 9-701;

11 (2) Bookmaking means ~~shall mean~~ advancing gambling activity by
12 unlawfully accepting bets from members of the public as a business upon
13 the outcome of future contingent events. Bookmaking does not include a
14 wager placed in a game of skill conducted under the Games of Skill Act;

15 (3) A person profits from gambling activity if, other than as a
16 player, he or she accepts or receives money or other property pursuant to
17 an agreement or understanding with any person whereby he or she
18 participates or is to participate in the proceeds of gambling activity;

19 (4) A person engages in gambling if he or she bets something of
20 value upon the outcome of a future event, which outcome is determined by
21 an element of chance, or upon the outcome of a game, contest, or
22 election, or conducts or participates in any bingo, lottery by the sale
23 of pickle cards, lottery, raffle, gift enterprise, or other scheme not
24 authorized or conducted in accordance with the Games of Skill Act, the
25 Nebraska Bingo Act, the Nebraska County and City Lottery Act, the
26 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,
27 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or
28 section 9-701, but a person does not engage in gambling by:

29 (a) Entering into a lawful business transaction;

30 (b) Playing an amusement device or a coin-operated mechanical game
31 which confers as a prize an immediate, unrecorded right of replay not

1 exchangeable for something of value;

2 (c) Conducting or participating in a prize contest;~~or~~

3 (d) Conducting or participating in any bingo, lottery by the sale of
4 pickle cards, lottery, raffle, or gift enterprise conducted in accordance
5 with the Nebraska Bingo Act, the Nebraska County and City Lottery Act,
6 the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery
7 Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or
8 section 9-701; or

9 (e) Operating a game of skill as a registered operator pursuant to
10 the Games of Skill Act;

11 (5) Gambling device shall mean any device, machine, paraphernalia,
12 writing, paper, instrument, article, or equipment that is used or usable
13 for engaging in gambling, whether that activity consists of gambling
14 between persons or gambling by a person involving the playing of a
15 machine. Gambling device ~~shall~~ also includes ~~include~~ any mechanical
16 gaming device, computer gaming device, electronic gaming device, or video
17 gaming device which has the capability of awarding something of value,
18 free games redeemable for something of value, instant-win tickets which
19 also provide the possibility of participating in a subsequent drawing or
20 event, or tickets or stubs redeemable for something of value, except as
21 authorized in the furtherance of parimutuel wagering. Supplies,
22 equipment, cards, tickets, stubs, and other items used in any game of
23 skill, bingo, lottery by the sale of pickle cards, other lottery, raffle,
24 or gift enterprise conducted in accordance with the Games of Skill Act,
25 the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the
26 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,
27 the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or
28 section 9-701 are not gambling devices within this definition;

29 (6) Something of value shall mean any money or property, any token,
30 object, or article exchangeable for money or property, or any form of
31 credit or promise directly or indirectly contemplating transfer of money

1 or property or of any interest therein, or involving extension of a
2 service or entertainment; and

3 (7) Prize contest shall mean any competition in which one or more
4 competitors are awarded something of value as a consequence of winning or
5 achieving a certain result in the competition and (a) the value of such
6 awards made to competitors participating in the contest does not depend
7 upon the number of participants in the contest or upon the amount of
8 consideration, if any, paid for the opportunity to participate in the
9 contest or upon chance and (b) the value or identity of such awards to be
10 made to competitors is published before the competition begins.

11 Sec. 16. Section 28-1105, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 28-1105 (1) A person commits the offense of possession of gambling
14 records if, other than as a player, he or she knowingly possesses any
15 writing, paper, instrument, or article which is:

16 (a) Of a kind commonly used in the operation or promotion of a
17 bookmaking scheme or enterprise and such writing, paper, instrument, or
18 article has been used for the purpose of recording, memorializing, or
19 registering any bet, wager, or other gambling information; or

20 (b) Of a kind commonly used in the operation, promotion, or playing
21 of a lottery or mutuel scheme or enterprise or other scheme not conducted
22 pursuant to the Games of Skill Act, the Nebraska Bingo Act, the Nebraska
23 County and City Lottery Act, the Nebraska Lottery and Raffle Act, the
24 Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle
25 Act, the State Lottery Act, or section 9-701 and such writing, paper,
26 instrument, or article has been used for the purpose of recording,
27 memorializing, or registering any bet, wager, or other gambling
28 information not permitted by such acts or section.

29 (2) Possession of gambling records in the first degree is a Class II
30 misdemeanor.

31 Sec. 17. Section 28-1113, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 28-1113 Nothing in this article shall be construed to:

3 (1) Apply to or prohibit wagering on the results of horseraces by
4 the parimutuel or certificate method when conducted by licensees within
5 the racetrack enclosure at licensed horserace meetings;~~or~~

6 (2) Prohibit or punish the conducting or participating in any bingo,
7 lottery by the sale of pickle cards, lottery, raffle, or gift enterprise
8 when conducted in accordance with the Nebraska Bingo Act, the Nebraska
9 County and City Lottery Act, the Nebraska Lottery and Raffle Act, the
10 Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle
11 Act, the State Lottery Act, or section 9-701; or -

12 (3) Apply to, prohibit, or punish the conducting or participating in
13 any game of skill when conducted in accordance with the Games of Skill
14 Act.

15 Sec. 22. Section 77-3442, Revised Statutes Supplement, 2019, is
16 amended to read:

17 77-3442 (1) Property tax levies for the support of local governments
18 for fiscal years beginning on or after July 1, 1998, shall be limited to
19 the amounts set forth in this section except as provided in section
20 77-3444.

21 (2)(a) Except as provided in subdivisions (2)(b) and (2)(e) of this
22 section, school districts and multiple-district school systems may levy a
23 maximum levy of (i) for fiscal years prior to fiscal year 2022-23, one
24 dollar and five cents per one hundred dollars of taxable valuation of
25 property subject to the levy and (ii) for fiscal year 2022-23 and each
26 fiscal year thereafter, one dollar and five cents less any games of skill
27 school property tax reduction factor calculated for such fiscal year
28 pursuant to section 24 of this act per one hundred dollars of taxable
29 valuation of property subject to the levy.

30 (b) For each fiscal year prior to fiscal year 2017-18, learning
31 communities may levy a maximum levy for the general fund budgets of

1 member school districts of ninety-five cents per one hundred dollars of
2 taxable valuation of property subject to the levy. The proceeds from the
3 levy pursuant to this subdivision shall be distributed pursuant to
4 section 79-1073.

5 (c) Except as provided in subdivision (2)(e) of this section, for
6 each fiscal year prior to fiscal year 2017-18, school districts that are
7 members of learning communities may levy for purposes of such districts'
8 general fund budget and special building funds a maximum combined levy of
9 the difference of one dollar and five cents on each one hundred dollars
10 of taxable property subject to the levy minus the learning community levy
11 pursuant to subdivision (2)(b) of this section for such learning
12 community.

13 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
14 of this section are (i) amounts levied to pay for current and future sums
15 agreed to be paid by a school district to certificated employees in
16 exchange for a voluntary termination of employment occurring prior to
17 September 1, 2017, (ii) amounts levied by a school district otherwise at
18 the maximum levy pursuant to subdivision (2)(a) of this section to pay
19 for current and future qualified voluntary termination incentives for
20 certificated teachers pursuant to subsection (3) of section 79-8,142 that
21 are not otherwise included in an exclusion pursuant to subdivision (2)(d)
22 of this section, (iii) amounts levied by a school district otherwise at
23 the maximum levy pursuant to subdivision (2)(a) of this section to pay
24 for seventy-five percent of the current and future sums agreed to be paid
25 to certificated employees in exchange for a voluntary termination of
26 employment occurring between September 1, 2017, and August 31, 2018, as a
27 result of a collective-bargaining agreement in force and effect on
28 September 1, 2017, that are not otherwise included in an exclusion
29 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a
30 school district otherwise at the maximum levy pursuant to subdivision (2)
31 (a) of this section to pay for fifty percent of the current and future

1 sums agreed to be paid to certificated employees in exchange for a
2 voluntary termination of employment occurring between September 1, 2018,
3 and August 31, 2019, as a result of a collective-bargaining agreement in
4 force and effect on September 1, 2017, that are not otherwise included in
5 an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts
6 levied by a school district otherwise at the maximum levy pursuant to
7 subdivision (2)(a) of this section to pay for twenty-five percent of the
8 current and future sums agreed to be paid to certificated employees in
9 exchange for a voluntary termination of employment occurring between
10 September 1, 2019, and August 31, 2020, as a result of a collective-
11 bargaining agreement in force and effect on September 1, 2017, that are
12 not otherwise included in an exclusion pursuant to subdivision (2)(d) of
13 this section, (vi) amounts levied in compliance with sections 79-10,110
14 and 79-10,110.02, and (vii) amounts levied to pay for special building
15 funds and sinking funds established for projects commenced prior to April
16 1, 1996, for construction, expansion, or alteration of school district
17 buildings. For purposes of this subsection, commenced means any action
18 taken by the school board on the record which commits the board to expend
19 district funds in planning, constructing, or carrying out the project.

20 (e) Federal aid school districts may exceed the maximum levy
21 prescribed by subdivision (2)(a) or (2)(c) of this section only to the
22 extent necessary to qualify to receive federal aid pursuant to Title VIII
23 of Public Law 103-382, as such title existed on September 1, 2001. For
24 purposes of this subdivision, federal aid school district means any
25 school district which receives ten percent or more of the revenue for its
26 general fund budget from federal government sources pursuant to Title
27 VIII of Public Law 103-382, as such title existed on September 1, 2001.

28 (f) For each fiscal year, learning communities may levy a maximum
29 levy of one-half cent on each one hundred dollars of taxable property
30 subject to the levy for elementary learning center facility leases, for
31 remodeling of leased elementary learning center facilities, and for up to

1 fifty percent of the estimated cost for focus school or program capital
2 projects approved by the learning community coordinating council pursuant
3 to section 79-2111.

4 (g) For each fiscal year, learning communities may levy a maximum
5 levy of one and one-half cents on each one hundred dollars of taxable
6 property subject to the levy for early childhood education programs for
7 children in poverty, for elementary learning center employees, for
8 contracts with other entities or individuals who are not employees of the
9 learning community for elementary learning center programs and services,
10 and for pilot projects, except that no more than ten percent of such levy
11 may be used for elementary learning center employees.

12 (3) For each fiscal year, community college areas may levy the
13 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in
14 accordance with the provisions of such subdivisions. A community college
15 area may exceed the levy provided in subdivision (2)(b) of section
16 85-1517 by the amount necessary to retire general obligation bonds
17 assumed by the community college area or issued pursuant to section
18 85-1515 according to the terms of such bonds or for any obligation
19 pursuant to section 85-1535 entered into prior to January 1, 1997.

20 (4)(a) Natural resources districts may levy a maximum levy of four
21 and one-half cents per one hundred dollars of taxable valuation of
22 property subject to the levy.

23 (b) Natural resources districts shall also have the power and
24 authority to levy a tax equal to the dollar amount by which their
25 restricted funds budgeted to administer and implement ground water
26 management activities and integrated management activities under the
27 Nebraska Ground Water Management and Protection Act exceed their
28 restricted funds budgeted to administer and implement ground water
29 management activities and integrated management activities for FY2003-04,
30 not to exceed one cent on each one hundred dollars of taxable valuation
31 annually on all of the taxable property within the district.

1 (c) In addition, natural resources districts located in a river
2 basin, subbasin, or reach that has been determined to be fully
3 appropriated pursuant to section 46-714 or designated as overappropriated
4 pursuant to section 46-713 by the Department of Natural Resources shall
5 also have the power and authority to levy a tax equal to the dollar
6 amount by which their restricted funds budgeted to administer and
7 implement ground water management activities and integrated management
8 activities under the Nebraska Ground Water Management and Protection Act
9 exceed their restricted funds budgeted to administer and implement ground
10 water management activities and integrated management activities for
11 FY2005-06, not to exceed three cents on each one hundred dollars of
12 taxable valuation on all of the taxable property within the district for
13 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
14 2017-18.

15 (5) Any educational service unit authorized to levy a property tax
16 pursuant to section 79-1225 may levy a maximum levy of one and one-half
17 cents per one hundred dollars of taxable valuation of property subject to
18 the levy.

19 (6)(a) Incorporated cities and villages which are not within the
20 boundaries of a municipal county may levy a maximum levy of forty-five
21 cents per one hundred dollars of taxable valuation of property subject to
22 the levy plus an additional five cents per one hundred dollars of taxable
23 valuation to provide financing for the municipality's share of revenue
24 required under an agreement or agreements executed pursuant to the
25 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
26 levy shall include amounts levied to pay for sums to support a library
27 pursuant to section 51-201, museum pursuant to section 51-501, visiting
28 community nurse, home health nurse, or home health agency pursuant to
29 section 71-1637, or statue, memorial, or monument pursuant to section
30 80-202.

31 (b) Incorporated cities and villages which are within the boundaries

1 of a municipal county may levy a maximum levy of ninety cents per one
2 hundred dollars of taxable valuation of property subject to the levy. The
3 maximum levy shall include amounts paid to a municipal county for county
4 services, amounts levied to pay for sums to support a library pursuant to
5 section 51-201, a museum pursuant to section 51-501, a visiting community
6 nurse, home health nurse, or home health agency pursuant to section
7 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

8 (7) Sanitary and improvement districts which have been in existence
9 for more than five years may levy a maximum levy of forty cents per one
10 hundred dollars of taxable valuation of property subject to the levy, and
11 sanitary and improvement districts which have been in existence for five
12 years or less shall not have a maximum levy. Unconsolidated sanitary and
13 improvement districts which have been in existence for more than five
14 years and are located in a municipal county may levy a maximum of eighty-
15 five cents per hundred dollars of taxable valuation of property subject
16 to the levy.

17 (8) Counties may levy or authorize a maximum levy of fifty cents per
18 one hundred dollars of taxable valuation of property subject to the levy,
19 except that five cents per one hundred dollars of taxable valuation of
20 property subject to the levy may only be levied to provide financing for
21 the county's share of revenue required under an agreement or agreements
22 executed pursuant to the Interlocal Cooperation Act or the Joint Public
23 Agency Act. The maximum levy shall include amounts levied to pay for sums
24 to support a library pursuant to section 51-201 or museum pursuant to
25 section 51-501. The county may allocate up to fifteen cents of its
26 authority to other political subdivisions subject to allocation of
27 property tax authority under subsection (1) of section 77-3443 and not
28 specifically covered in this section to levy taxes as authorized by law
29 which do not collectively exceed fifteen cents per one hundred dollars of
30 taxable valuation on any parcel or item of taxable property. The county
31 may allocate to one or more other political subdivisions subject to

1 allocation of property tax authority by the county under subsection (1)
2 of section 77-3443 some or all of the county's five cents per one hundred
3 dollars of valuation authorized for support of an agreement or agreements
4 to be levied by the political subdivision for the purpose of supporting
5 that political subdivision's share of revenue required under an agreement
6 or agreements executed pursuant to the Interlocal Cooperation Act or the
7 Joint Public Agency Act. If an allocation by a county would cause another
8 county to exceed its levy authority under this section, the second county
9 may exceed the levy authority in order to levy the amount allocated.

10 (9) Municipal counties may levy or authorize a maximum levy of one
11 dollar per one hundred dollars of taxable valuation of property subject
12 to the levy. The municipal county may allocate levy authority to any
13 political subdivision or entity subject to allocation under section
14 77-3443.

15 (10) Beginning July 1, 2016, rural and suburban fire protection
16 districts may levy a maximum levy of ten and one-half cents per one
17 hundred dollars of taxable valuation of property subject to the levy if
18 (a) such district is located in a county that had a levy pursuant to
19 subsection (8) of this section in the previous year of at least forty
20 cents per one hundred dollars of taxable valuation of property subject to
21 the levy or (b) such district had a levy request pursuant to section
22 77-3443 in any of the three previous years and the county board of the
23 county in which the greatest portion of the valuation of such district is
24 located did not authorize any levy authority to such district in such
25 year.

26 (11) A regional metropolitan transit authority may levy a maximum
27 levy of ten cents per one hundred dollars of taxable valuation of
28 property subject to the levy for each fiscal year that commences on the
29 January 1 that follows the effective date of the conversion of the
30 transit authority established under the Transit Authority Law into the
31 regional metropolitan transit authority.

1 (12) Property tax levies (a) for judgments, except judgments or
2 orders from the Commission of Industrial Relations, obtained against a
3 political subdivision which require or obligate a political subdivision
4 to pay such judgment, to the extent such judgment is not paid by
5 liability insurance coverage of a political subdivision, (b) for
6 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
7 for bonds as defined in section 10-134 approved according to law and
8 secured by a levy on property except as provided in section 44-4317 for
9 bonded indebtedness issued by educational service units and school
10 districts, and (d) for payments by a public airport to retire interest-
11 free loans from the Division of Aeronautics of the Department of
12 Transportation in lieu of bonded indebtedness at a lower cost to the
13 public airport are not included in the levy limits established by this
14 section.

15 (13) The limitations on tax levies provided in this section are to
16 include all other general or special levies provided by law.
17 Notwithstanding other provisions of law, the only exceptions to the
18 limits in this section are those provided by or authorized by sections
19 77-3442 to 77-3444.

20 (14) Tax levies in excess of the limitations in this section shall
21 be considered unauthorized levies under section 77-1606 unless approved
22 under section 77-3444.

23 (15) For purposes of sections 77-3442 to 77-3444, political
24 subdivision means a political subdivision of this state and a county
25 agricultural society.

26 (16) For school districts that file a binding resolution on or
27 before May 9, 2008, with the county assessors, county clerks, and county
28 treasurers for all counties in which the school district has territory
29 pursuant to subsection (7) of section 79-458, if the combined levies,
30 except levies for bonded indebtedness approved by the voters of the
31 school district and levies for the refinancing of such bonded

1 indebtedness, are in excess of the greater of (a) one dollar and twenty
2 cents per one hundred dollars of taxable valuation of property subject to
3 the levy or (b) the maximum levy authorized by a vote pursuant to section
4 77-3444, all school district levies, except levies for bonded
5 indebtedness approved by the voters of the school district and levies for
6 the refinancing of such bonded indebtedness, shall be considered
7 unauthorized levies under section 77-1606.

8 Sec. 23. Section 79-1001, Revised Statutes Cumulative Supplement,
9 2018, is amended to read:

10 79-1001 Sections 79-1001 to 79-1033 and section 24 of this act shall
11 be known and may be cited as the Tax Equity and Educational Opportunities
12 Support Act.

13 Sec. 24. (1) For school fiscal year 2022-23 and each school fiscal
14 year thereafter, each school district shall receive games of skill school
15 property tax reduction aid in an amount calculated by:

16 (a) Dividing the balance in the Games of Skill School Property Tax
17 Reduction Fund as of the October 1 immediately preceding the
18 certification of aid pursuant to section 79-1022 for such school fiscal
19 year by the statewide adjusted valuation to arrive at the games of skill
20 school property tax reduction factor; and

21 (b) Multiplying the adjusted valuation for such school district by
22 the games of skill school property tax reduction factor to arrive at
23 games of skill school property tax reduction aid for such school
24 district.

25 (2) Games of skill school property tax reduction aid shall not be
26 included in the calculation of either formula needs or formula resources.

27 Sec. 25. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 15, 16, 17,
28 22, 23, 24, and 27 of this act become operative on January 1, 2021. The
29 other sections of this act become operative on their effective date.

30 Sec. 27. Original sections 28-1101, 28-1105, and 28-1113, Reissue
31 Revised Statutes of Nebraska, section 79-1001, Revised Statutes

- 1 Cumulative Supplement, 2018, and sections 9-1,101 and 77-3442, Revised
- 2 Statutes Supplement, 2019, are repealed.
- 3 2. Renumber the remaining sections accordingly.