

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 17 amends Nebraska Revised Statutes Sections 9-1,101, 9-831, and 9-1006.

Section 9-1,101 is amended to increase the amount of funds transferred from the Charitable Gaming Operations Fund to the Compulsive Gamblers Assistance Fund. The current transfer is \$50,000. The transfer would increase to \$250,000 annually, on or before November 1. No transfer will take place if the Charitable Gaming Operations Fund contains less than \$250,000.

Section 9-831 is amended to provide that the State Treasurer transfer not less than five percent of the Department of Revenue’s Lottery Division’s advertising budget from the State Lottery Operation Cash Fund to the Compulsive Gamblers Assistance Fund for use by the Commission on Problem Gambling. No date of transfer is specified. This would also remove the requirement that the Lottery Division spend at least five percent of its advertising budget on problem gambling awareness and education messages. Five percent of the Lottery Division’s advertising budget is approximately \$350,000.

TECHNICAL NOTE: A similar transfer of the Lottery’s advertising funds was proposed by LB 332 in 2005. An Attorney General’s opinion (#05009) on the constitutionality of such a transfer stated that such a transfer was, “inconsistent with the distribution scheme set forth in art. III, sec. 24(3), which permits only the initial transfer of lottery proceeds to the Compulsive Gamblers Assistance Fund of \$500,000 and the 1 percent remainder transfer required under subsection (3)(a)(v). Therefore, the opinion concluded that such a distribution is unconstitutional because it was inconsistent with the specific distribution mechanism established in the Constitution.

There is no fiscal impact to the General Fund as a result of LB 17.

The Department of Revenue indicates no cost to implement the provisions of LB 17.

We agree with the Department’s estimate of cost.

