

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 820

Introduced by Hughes, 44.

Read first time January 08, 2016

Committee:

- 1 A BILL FOR AN ACT relating to gambling; to amend sections 9-401, 9-411,
- 2 9-415, 9-501, 9-507, 9-509, and 9-607, Reissue Revised Statutes of
- 3 Nebraska; to redefine terms; to provide another method of selection
- 4 of winning tickets in certain lotteries and raffles; to harmonize
- 5 provisions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-401, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 9-401 Sections 9-401 to 9-437 and section 4 of this act shall be
4 known and may be cited as the Nebraska Lottery and Raffle Act.

5 Sec. 2. Section 9-411, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 9-411 (1) Lottery shall mean a gambling scheme in which (a)
8 participants pay or agree to pay something of value for an opportunity to
9 win, (b) winning opportunities are represented by tickets differentiated
10 by sequential enumeration, and (c) winners are determined by a random
11 drawing of the tickets or by the method set forth in section 9-426.01 or
12 section 4 of this act.

13 (2) Lottery shall not include (a) any raffle as defined in section
14 9-415, (b) any gambling scheme which uses any mechanical, computer,
15 electronic, or video gaming device which has the capability of awarding
16 something of value, free games redeemable for something of value, or
17 tickets or stubs redeemable for something of value, (c) any activity
18 which is authorized or regulated under the Nebraska Bingo Act, the
19 Nebraska County and City Lottery Act, the Nebraska Pickle Card Lottery
20 Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act,
21 section 9-701, or Chapter 2, article 12, or (d) any activity which is
22 prohibited under Chapter 28, article 11.

23 Sec. 3. Section 9-415, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 9-415 (1) Raffle shall mean a gambling scheme in which (a)
26 participants pay or agree to pay something of value for an opportunity to
27 win, (b) winning opportunities are represented by tickets differentiated
28 by sequential enumeration, (c) winners are determined by a random drawing
29 of the tickets or by the method set forth in section 9-426.01 or section
30 4 of this act, and (d) at least eighty percent of all of the prizes to be
31 awarded are merchandise prizes which are not directly or indirectly

1 redeemable for cash by the licensed organization conducting the raffle or
2 any agent of the organization.

3 (2) Raffle shall not include (a) any gambling scheme which uses any
4 mechanical, computer, electronic, or video gaming device which has the
5 capability of awarding something of value, free games redeemable for
6 something of value, or tickets or stubs redeemable for something of
7 value, (b) any activity which is authorized or regulated under the
8 Nebraska Bingo Act, the Nebraska County and City Lottery Act, the
9 Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle
10 Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or
11 (c) activity which is prohibited under Chapter 28, article 11.

12 Sec. 4. (1) A licensed organization may conduct a lottery or raffle
13 in which the winners are to be determined based on the timing of a
14 naturally occurring event. The possible timing of the naturally occurring
15 event shall be indicated on tickets which are sold to participants in the
16 lottery or raffle. A licensed organization utilizing this method of
17 winner determination shall comply with all other requirements of the
18 Nebraska Lottery and Raffle Act and any rules and regulations adopted and
19 promulgated pursuant to the act.

20 (2) The department may adopt and promulgate rules and regulations
21 for the conduct of a lottery or raffle utilizing the method of winner
22 determination provided by this section.

23 Sec. 5. Section 9-501, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 9-501 Sections 9-501 to 9-513 and section 8 of this act shall be
26 known and may be cited as the Nebraska Small Lottery and Raffle Act.

27 Sec. 6. Section 9-507, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 9-507 (1) Lottery shall mean a gambling scheme in which (a)
30 participants pay or agree to pay something of value for an opportunity to
31 win, (b) winning opportunities are represented by tickets differentiated

1 by sequential enumeration, (c) the winners are to be determined by a
2 random drawing of the tickets or by the method set forth in section
3 9-511.01 or section 8 of this act, and (d) the holders of the winning
4 tickets are to receive something of value.

5 (2) Lottery shall not include (a) any raffle, (b) any gambling
6 scheme which uses any mechanical, computer, electronic, or video gaming
7 device which has the capability of awarding something of value, free
8 games redeemable for something of value, or tickets or stubs redeemable
9 for something of value, (c) any activity authorized or regulated under
10 the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the
11 Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act,
12 the State Lottery Act, section 9-701, or Chapter 2, article 12, or (d)
13 any activity prohibited under Chapter 28, article 11.

14 Sec. 7. Section 9-509, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 9-509 (1) Raffle shall mean a gambling scheme in which (a)
17 participants pay or agree to pay something of value for an opportunity to
18 win, (b) winning opportunities are represented by tickets differentiated
19 by sequential enumeration, (c) winners are to be determined by a random
20 drawing of tickets or by the method set forth in section 9-511.01 or
21 section 8 of this act, and (d) at least eighty percent of all of the
22 prizes to be awarded are merchandise prizes which are not directly or
23 indirectly redeemable for cash by the qualifying nonprofit organization
24 conducting the raffle or any agent of the organization.

25 (2) Raffle shall not include (a) any gambling scheme which uses any
26 mechanical, computer, electronic, or video gaming device which has the
27 capability of awarding something of value, free games redeemable for
28 something of value, or tickets or stubs redeemable for something of
29 value, (b) any activity authorized or regulated under the Nebraska Bingo
30 Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and
31 Raffle Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act,

1 section 9-701, or Chapter 2, article 12, or (c) any activity prohibited
2 under Chapter 28, article 11.

3 Sec. 8. (1) A qualifying nonprofit organization may conduct a
4 lottery or raffle in which the winners are to be determined based on the
5 timing of a naturally occurring event. The possible timing of the
6 naturally occurring event shall be indicated on tickets which are sold to
7 participants in the lottery or raffle. A qualifying nonprofit
8 organization utilizing this method of winner determination shall comply
9 with all other requirements of the Nebraska Small Lottery and Raffle Act
10 and any rules and regulations adopted and promulgated pursuant to the
11 act.

12 (2) The Department of Revenue may adopt and promulgate rules and
13 regulations for the conduct of a lottery or raffle utilizing the method
14 of winner determination provided by this section.

15 Sec. 9. Section 9-607, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 9-607 (1) Lottery shall mean a gambling scheme in which:

18 (a) The players pay or agree to pay something of value for an
19 opportunity to win;

20 (b) Winning opportunities are represented by tickets;

21 (c) Winners are solely determined by one of the following three ~~two~~
22 methods:

23 (i) By a random drawing of tickets differentiated by sequential
24 enumeration from a receptacle by hand whereby each ticket has an equal
25 chance of being chosen in the drawing; ~~or~~

26 (ii) By use of a game known as keno in which a player selects up to
27 twenty numbers from a total of eighty numbers on a paper ticket and a
28 computer, other electronic selection device, or electrically operated
29 blower machine which is not player-activated randomly selects up to
30 twenty numbers from the same pool of eighty numbers and the winning
31 players are determined by the correct matching of the numbers on the

1 paper ticket selected by the players with the numbers randomly selected
2 by the computer, other electronic selection device, or electrically
3 operated blower machine, except that (A) no keno game shall permit or
4 require player activation of lottery equipment and (B) the random
5 selection of numbers by the computer, other electronic selection device,
6 or electrically operated blower machine shall not occur within five
7 minutes of the completion of the previous selection of random numbers; or
8 ~~and~~

9 (iii) By the timing of a naturally occurring event which determines
10 the winner from tickets differentiated by participants selecting the time
11 of the naturally occurring event; and

12 (d) The holders of the winning paper tickets are to receive cash or
13 prizes redeemable for cash. Selection of a winner or winners shall be
14 predicated solely on chance.

15 (2) Lottery shall not include:

16 (a) Any gambling scheme which uses any mechanical gaming device,
17 computer gaming device, electronic gaming device, or video gaming device
18 which has the capability of awarding something of value, free games
19 redeemable for something of value, or tickets or stubs redeemable for
20 something of value;

21 (b) Any activity authorized or regulated under the Nebraska Bingo
22 Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card
23 Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery
24 Act, section 9-701, or Chapter 2, article 12; or

25 (c) Any activity prohibited under Chapter 28, article 11.

26 (3) Notwithstanding the requirement in subdivision (1)(c)(ii) of
27 this section that a player select up to twenty numbers, a player may
28 select more than twenty numbers on a paper ticket when a top or bottom,
29 left or right, edge, or way ticket is played. For a top or bottom ticket,
30 the player shall select all numbers from one through forty or all numbers
31 from forty-one through eighty. For a left or right ticket, the player

1 shall select all numbers ending in one through five or all numbers ending
2 in six through zero. For an edge ticket, the player shall select all of
3 the numbers comprising the outside edge of the ticket. For a way ticket,
4 the player shall select a combination of groups of numbers in multiple
5 ways on a single ticket.

6 (4) A county, city, or village conducting a keno lottery shall
7 designate the method of winning number selection to be used in the
8 lottery and submit such designation in writing to the department prior to
9 conducting a keno lottery. Only those methods of winning number selection
10 described in subdivision (1)(c)(ii) of this section shall be permitted,
11 and the method of winning number selection initially utilized may only be
12 changed once during that business day as set forth in the designation. A
13 county, city, or village shall not change the method or methods of
14 winning number selection filed with the department or allow it to be
15 changed once such initial designation has been made unless (a) otherwise
16 authorized in writing by the department based upon a written request from
17 the county, city, or village or (b) an emergency arises in which case a
18 ball draw method of number selection would be switched to a number
19 selection by a random number generator. An emergency situation shall be
20 reported by the county, city, or village to the department within twenty-
21 four hours of its occurrence.

22 Sec. 10. Original sections 9-401, 9-411, 9-415, 9-501, 9-507,
23 9-509, and 9-607, Reissue Revised Statutes of Nebraska, are repealed.