

CHAPTER 2 AGRICULTURE

ARTICLE 2 COUNTY AGRICULTURAL SOCIETIES AND FAIRS

(B) FAIRS AND CARNIVALS

DOCUMENT: 2-219

HEADING Chapter 2. Agriculture.

CATCHLINE State, district, and county fairs; prohibited activities; penalty; exceptions; sale of liquor, when.

LAW 2-219. No person shall be permitted to exhibit or conduct indecent shows or dances or to engage in any gambling or other games of chance or horseracing, either inside the enclosure where any state, district, or county agricultural society fair is being held or within forty rods thereof, during the time of holding such fairs. Nothing in this section shall be construed to prohibit wagering on the results of horseraces by the parimutuel or certificate method when conducted by licensees within the racetrack enclosure at licensed horserace meetings, to prohibit the operation of bingo games as provided in the Nebraska Bingo Act, to prohibit the conduct of lotteries pursuant to the Nebraska County and City Lottery Act, or to prohibit the sale of pickle cards pursuant to the Nebraska Pickle Card Lottery Act. Nothing in this section shall be construed to prohibit the sale of intoxicating liquors, wine, or beer by a person properly licensed pursuant to Chapter 53 on premises under the control of the State Board of Agriculture or any county agricultural society. Any person who violates this section shall be guilty of a Class V misdemeanor. The trial of speed of horses under direction of the society shall not be included in the term horseracing. Upon the filing of proof with the State Treasurer of a violation of this section inside the enclosure of such fair, the amount of money appropriated shall be withheld from any money appropriated for the ensuing year.

DOCUMENT: 2-220

HEADING Chapter 2. Agriculture.

CATCHLINE State, district, and county fairs; offenders; illegal devices; obstructions; penalties.

LAW 2-220. The president of any such society, marshal, or any police officer appointed by the board shall be empowered to arrest, or cause to be arrested, any person or persons engaged in violating any of the provisions contained in section 2-219. He may seize, or cause to be seized, all intoxicating liquors, wine or beer, of any kind, with the vessels containing the same, and all tools or other implements used in any gambling or other game of chance, and may remove, or cause to be removed, all shows, swings, booths, tents, carriages, wagons, vessels, boats, or any other nuisance that may obstruct, or cause to be obstructed, by collecting persons around or otherwise, any thoroughfare leading to the enclosure in which such agricultural fair is being held. Any person owning or occupying any of the causes of obstruction herein specified, who may refuse or fail to remove such

obstruction or nuisance when ordered to do so by the president of such society, shall be guilty of a Class V misdemeanor.

Chapter 9 BINGO AND OTHER GAMBLING

ARTICLE 1 GENERAL PROVISIONS

DOCUMENT: 9-1,101

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department of Revenue; Charitable Gaming Division; created; duties; Charitable Gaming Operations Fund; created; use; investment; investigators; fees authorized.

LAW 9-1,101. (1) The Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, and section 9-701 shall be administered and enforced by the Charitable Gaming Division of the Department of Revenue, which division is hereby created. The Department of Revenue shall make annual reports to the Governor, Legislature, Auditor of Public Accounts, and Attorney General on all tax revenue received, expenses incurred, and other activities relating to the administration and enforcement of such acts.

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

(3) Forty percent of the taxes collected pursuant to sections 9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable Gaming Division for administering and enforcing the acts listed in subsection (1) of this section and section 81-8,128. The remaining sixty percent, along with any portion of the forty percent not used by the division in its administration and enforcement of such acts or section 81-8,128, shall be transferred to the General Fund.

(4) The Tax Commissioner shall employ investigators who shall be vested with the authority and power of a law enforcement officer to carry out the laws of this state administered by the Tax Commissioner or the Department of Revenue.

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

DOCUMENT: 9-1,102

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gaming Commission; established; when.

LAW 9-1,102. On or before January 1, 1991, there shall be

established a commission to be known as the Gaming Commission. The purpose of the commission shall be to regulate all gambling activity authorized by the laws of the State of Nebraska.

DOCUMENT: 9-1,103

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Invalidity of acts; effect.

LAW 9-1,103. If any provision of the Nebraska Bingo Act, the Nebraska Pickle Card Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Small Lottery and Raffle Act, or the Nebraska County and City Lottery Act or the application of such acts to any person or circumstance is held invalid, the remainder of the acts or the application of the provision to other persons or circumstances shall not be affected.

DOCUMENT: 9-1,104

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Contract or license applicant or holder; fingerprinting; criminal history record information check; personal history report; background investigation; facilities inspection; required; when; payment of costs; refusal to comply; effect.

LAW 9-1,104. (1) Any person applying for or holding a contract or license (a) as a distributor, gaming manager, or manufacturer pursuant to the Nebraska Bingo Act, (b) as a distributor, manufacturer, pickle card operator, or sales agent pursuant to the Nebraska Pickle Card Lottery Act, (c) as a lottery operator, manufacturer-distributor, or sales outlet location pursuant to the Nebraska County and City Lottery Act, or (d) pursuant to the State Lottery Act shall be subject to fingerprinting and a check of his or her criminal history record information maintained by the Identification Division of the Federal Bureau of Investigation through the Nebraska State Patrol for the purpose of determining whether the Department of Revenue has a basis to deny the contract or license application or to suspend, cancel, revoke, or terminate the person's contract or license. Each applicant for or party holding a license as a manufacturer, distributor, manufacturer-distributor, or lottery operator shall also submit a personal history report to the department on a form provided by the department and may be subject to a background investigation, an inspection of the applicant's or licensee's facilities, or both. If the applicant is an individual, the application shall also include the applicant's social security number.

(2)(a) If the applicant, party to the contract, or licensee is a corporation, the persons subject to such requirements shall include any officer or director of the corporation, his or her spouse, any person or entity directly or indirectly associated with such corporation in a consulting or other capacity which may impair the security, honesty, or integrity of the operation or conduct of the activities for which the application is made or contract or license is held, and, if applicable, any person or entity holding in the aggregate ten percent or more of the debt or equity of the corporation. If any

person or entity holding ten percent or more of the debt or equity of the applicant, contractor, or licensee corporation is a corporation, partnership, or limited liability company, every partner of such partnership, every member of such limited liability company, every officer or director of such corporation or partnership, every person or entity holding ten percent or more of the debt or equity of such corporation, partnership, or limited liability company, and every person or entity directly or indirectly associated with such corporation, partnership, or limited liability company in a consulting or other capacity which may impair the security, honesty, or integrity of the operation or conduct of the activities for which the application is made or contract or license is held may also be subject to such requirements. If the applicant, party to the contract, or licensee is a partnership, the persons subject to such requirements shall include any partner, his or her spouse, any officer or director of the partnership, or any person or entity directly or indirectly associated with such partnership in a consulting or other capacity which may impair the security, honesty, or integrity of the operation or conduct of the activities for which the application is made or contract or license is held. If the applicant, party to the contract, or licensee is a limited liability company, the persons subject to such requirement shall include any member and his or her spouse. If the applicant, party to the contract, or licensee is a nonprofit organization or nonprofit corporation, the person subject to such requirement shall be the person designated by such nonprofit organization or nonprofit corporation as the manager.

(b) Notwithstanding the provisions of this section, background investigations shall not be required of any debt holder which is a financial institution organized or chartered under the laws of this state, any other state, or the United States relating to banks, savings institutions, trust companies, savings and loan associations, credit unions, industrial loan and investment companies, installment loan licensees, or similar associations organized under the laws of this state and subject to supervision by the Department of Banking and Finance.

(3) A person applying for or holding a license as a pickle card operator, sales agent, gaming manager, lottery operator, or sales outlet location shall be subject to fingerprinting and a check of his or her criminal history record information maintained by the Identification Division of the Federal Bureau of Investigation through the Nebraska State Patrol only if such an investigation has not been performed by the Nebraska Liquor Control Commission.

(4)(a) The applicant, party to the contract, or licensee shall pay the actual cost of any fingerprinting or check of his or her criminal history record information.

(b) The Department of Revenue may require an applicant or licensee subjected to a background investigation, a facilities inspection, or both to pay the actual costs incurred by the department in conducting the investigation or inspection. The department may require payment of the estimated costs in advance of beginning the investigation or inspection. If an applicant does not wish to pay the estimated costs, it may withdraw its

application and its application fee will be refunded. After completion of the investigation or inspection, the department shall refund any overpayment or shall charge and collect an amount sufficient to reimburse the department for any underpayment of actual costs. The department may establish by rule and regulation the conditions and procedures for payment of the costs.

(5) Refusal to comply with this section by any person contracted with, licensed, or seeking a contract or license under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Pickle Card Lottery Act, or the State Lottery Act shall be a violation of the act under which such person is contracted with, licensed, or seeking a contract or license.

DOCUMENT: 9-1,105

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Charitable Gaming Investigation Petty Cash Fund; authorized; use; records; investment.

LAW 9-1,105. The Tax Commissioner may apply to the Director of Administrative Services and the Auditor of Public Accounts to establish and maintain a Charitable Gaming Investigation Petty Cash Fund. The funds used to initiate and maintain the Charitable Gaming Investigation Petty Cash Fund shall be drawn solely from the Charitable Gaming Operations Fund. The Tax Commissioner shall determine the amount of money to be held in the Charitable Gaming Investigation Petty Cash Fund, consistent with carrying out the duties and responsibilities of the Charitable Gaming Division of the Department of Revenue but not to exceed five thousand dollars for the entire division. This restriction shall not apply to funds otherwise appropriated to the Charitable Gaming Operations Fund for investigative purposes. When the Director of Administrative Services and the Auditor of Public Accounts have approved the establishment of the Charitable Gaming Investigation Petty Cash Fund, a voucher shall be submitted to the Department of Administrative Services accompanied by such information as the department may require for the establishment of the fund. The Director of Administrative Services shall issue a warrant for the amount specified and deliver it to the Charitable Gaming Division. The fund may be replenished as necessary, but the total amount in the fund shall not exceed ten thousand dollars in any fiscal year. The fund shall be audited by the Auditor of Public Accounts.

Any prize amounts won, less any charitable gaming investigative expenditures, by Charitable Gaming Division personnel with funds drawn from the Charitable Gaming Investigation Petty Cash Fund or reimbursed from the Charitable Gaming Operations Fund shall be deposited into the Charitable Gaming Investigation Petty Cash Fund.

For the purpose of establishing and maintaining legislative oversight and accountability, the Department of Revenue shall maintain records of all expenditures, disbursements, and transfers of cash from the Charitable Gaming Investigation Petty Cash Fund.

By September 15 of each year, the department shall

report to the budget division of the Department of Administrative Services and to the Legislative Fiscal Analyst the unexpended balance existing on June 30 of the previous fiscal year relating to investigative expenses in the Charitable Gaming Investigation Petty Cash Fund and any funds existing on June 30 of the previous fiscal year in the possession of Charitable Gaming Division personnel involved in investigations. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

DOCUMENT: 9-1,106

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tribal-state compact governing gaming; Governor; powers.

LAW 9-1,106. (1) Upon request of an Indian tribe having jurisdiction over Indian lands in Nebraska, the Governor or his or her designated representative or representatives shall, pursuant to 25 U.S.C. 2710 of the federal Indian Gaming Regulatory Act, negotiate with such Indian tribe in good faith for the purpose of entering into a tribal-state compact governing the conduct of Class III gaming as defined in the act. A compact which is negotiated pursuant to this section shall be executed by the Governor without ratification by the Legislature.

(2) It shall be the policy of this state that any compact negotiated pursuant to this section shall (a) protect the health, safety, and welfare of the public and (b) promote tribal economic development, tribal self-sufficiency, and strong tribal government.

(3) Such compact negotiations shall be conducted pursuant to the provisions of 25 U.S.C. 2710 of the federal Indian Gaming Regulatory Act.

ARTICLE 2 BINGO

DOCUMENT: 9-201

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-201. Sections 9-201 to 9-266 shall be known and may be cited as the Nebraska Bingo Act.

DOCUMENT: 9-202

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Purpose and intent.

LAW 9-202. (1) The purpose of the Nebraska Bingo Act is to protect the health and welfare of the public, to protect the economic welfare and interest in the fair play of bingo, to insure that the gross receipts derived from the conduct of bingo are accurately reported in order that their revenue-raising potential be fully exposed, to insure that the profits of bingo are used for lawful purposes, and to prevent the purposes for which the profits of bingo are to be used from being subverted by improper elements. Bingo shall be played and conducted only by

those methods permitted by the act or by rules and regulations adopted pursuant to the act. No other form, means of selection, or method of play shall be authorized or permitted.

(2) The purpose of the act is also to completely and fairly regulate each level of the marketing, conducting, and playing of bingo to insure fairness, quality, and compliance with the Constitution of Nebraska. To accomplish such purpose, the regulation and licensure of manufacturers and distributors of bingo equipment, nonprofit organizations, utilization-of-funds members, gaming managers, commercial lessors, and any other person involved in the marketing, conducting, and promoting of bingo are necessary.

(3) The intent of the act is that if facilities or equipment used for bingo occasions regulated by the act are leased or rented pursuant to the act (a) they shall be leased or rented at not more than their fair market value, (b) no lease or rental agreement shall provide a means for providing or obtaining a percentage of the receipts or a portion of the profits from the bingo operation, and (c) rental or lease agreements entered into for facilities shall be separate and apart from lease and rental agreements for bingo equipment.

DOCUMENT: 9-203

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definitions, where found.

LAW 9-203. For purposes of the Nebraska Bingo Act, unless the context otherwise requires, the definitions found in sections 9-204 to 9-225.01 shall be used.

DOCUMENT: 9-204

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo, defined.

LAW 9-204. (1) Bingo shall mean that form of gambling in which:

(a) The winning numbers are determined by random selection from a pool of seventy-five or ninety numbered designators; and

(b) Players mark those randomly selected numbers which match on bingo cards which they have purchased or leased only at the time and place of the bingo occasion.

(2) Bingo shall not mean or include:

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

(b) Any activity which is authorized or regulated under the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12; or

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

DOCUMENT: 9-204.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo card, defined.

LAW 9-204.01. Bingo card shall mean:

- (1) In the case of seventy-five-number bingo, a disposable paper bingo card or a reusable hard bingo card or shutter card, which has letters and numbers preprinted by the manufacturer and which:
 - (a) Contains five columns with five squares in each column;
 - (b) Identifies the five columns from left to right by the letters B-I-N-G-O; and
 - (c) Contains in each square, except for the center square identified as "free", one number from a pool of seventy-five numbers; or
 - (2) In the case of ninety-number bingo, a disposable paper bingo card which has numbers preprinted by the manufacturer and which:
 - (a) Contains six faces with each face containing twenty-seven squares arranged in nine columns of three squares each; and
 - (b) Contains in fifteen squares of each face a number from one to ninety which is not repeated on the same card.
- The department may, by rule and regulation, approve variations to the card formats described in subdivisions (1) and (2) of this section if such variations result in a bingo game which is conducted in a manner that is consistent with section 9-204.

DOCUMENT: 9-204.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo chairperson, defined.

LAW 9-204.02. Bingo chairperson shall mean one individual member of a licensed organization who is designated as responsible for overseeing the organization's bingo activities.

DOCUMENT: 9-204.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo equipment, defined.

LAW 9-204.03. Bingo equipment shall mean all devices, machines, and parts used in and which are an integral part of the conduct of bingo, including, but not limited to, bingo cards, disposable bingo paper, bingo balls, bingo blower devices, and computerized accounting systems.

DOCUMENT: 9-205

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo occasion, defined.

LAW 9-205. Bingo occasion shall mean a single gathering or session at which a bingo game or series of successive bingo games are played.

DOCUMENT: 9-206

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo supplies, defined.

LAW 9-206. Bingo supplies shall mean any items other than bingo equipment which may be used by a player to assist in the playing of bingo, including, but not limited to, daubers, chips, and glue sticks.

DOCUMENT: 9-207

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Cancel, defined.

LAW 9-207. Cancel shall mean to discontinue all rights and privileges to hold a license or permit for up to three years.

DOCUMENT: 9-207.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Commercial lessor, defined.

LAW 9-207.01. Commercial lessor shall mean a person, partnership, limited liability company, corporation, or organization which owns or is a lessee of premises which are offered for leasing to a licensed organization on which bingo is or will be conducted.

DOCUMENT: 9-208

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department, defined.

LAW 9-208. Department shall mean the Department of Revenue.

DOCUMENT: 9-209

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor, defined.

LAW 9-209. Distributor shall mean any person who purchases or otherwise obtains bingo equipment from a licensed manufacturer to sell, lease, distribute, or otherwise provide in this state to a licensed organization or licensed commercial lessor for use in a bingo occasion regulated by the Nebraska Bingo Act.

DOCUMENT: 9-209.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gaming manager, defined.

LAW 9-209.01. Gaming manager shall mean any person who is licensed by a Class II bingo licensee to be responsible for the supervision and operation of all gaming activities authorized and regulated under Chapter 9 which are conducted at the bingo occasions of a Class II bingo licensee.

DOCUMENT: 9-209.02

HEADING Chapter 9. Bingo and Other Gambling

CATCHLINE Excursion or dinner train, defined.

LAW 9-209.02. Excursion or dinner train shall mean a train which has all of its passengers board and depart from the same location and is operated for trips of short duration for sightseeing, dining, entertainment, or other recreational purposes.

DOCUMENT: 9-210

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross receipts, defined.

LAW 9-210. Gross receipts shall mean the total receipts received from admissions to the premises where bingo is conducted, when such admissions are directly related to the participation in bingo, and from the sale, rental, or use of all bingo cards.

DOCUMENT: 9-211

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lawful purpose, defined.

LAW 9-211. (1) Lawful purpose, for a licensed organization or a qualifying nonprofit organization making a donation of its profits derived from the conduct of bingo solely for its own organization, shall mean donating such profits for any activity which benefits and is conducted by the organization, including any charitable, benevolent, humane, religious, philanthropic, youth sports, educational, civic, or fraternal activity conducted by the organization for the benefit of its members.

(2) Lawful purpose, for a licensed organization or a qualifying nonprofit organization making a donation of its profits derived from the conduct of bingo outside of its organization, shall mean donating such profits only to:

- (a) The State of Nebraska or any political subdivision of the state but only if the donation is made exclusively for public purposes;
- (b) A corporation, trust, community chest, fund, or foundation:
 - (i) Created or organized under the laws of Nebraska which has been in existence for five consecutive years immediately preceding the date of the donation and which has its principal office located in Nebraska;
 - (ii) Organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, for the prevention of cruelty to children or animals, or to foster national or international amateur sports competition;
 - (iii) No part of the net earnings of which inures to the benefit of any private shareholder or individual;
 - (iv) Which is not disqualified for tax exemption under section 501(c)(3) of the Internal Revenue Code by reason of attempting to influence legislation; and

- (v) Which does not participate in any political campaign on behalf of any candidate for political office;
 - (c) A post or organization of war veterans or an auxiliary unit or society of, trust for, or foundation for any such post or organization:
 - (i) Organized in the United States or in any territory or possession thereof; and
 - (ii) No part of the net earnings of which inures to the benefit of any private shareholder or individual; or
 - (d) A volunteer fire department or volunteer first-aid, rescue, or emergency squad or volunteer fire company serving any city, village, county, township or rural or suburban fire protection district.
- (3) No donation of profits under this section shall (a) inure to the benefit of any individual member of the organization making the donation except to the extent it is in furtherance of the purposes described in this section or (b) be used for any activity which attempts to influence legislation or for any political campaign on behalf of any elected official or person who is or has been a candidate for public office.
- (4) Upon dissolution of a licensed organization or if a previously licensed organization does not renew its license to conduct bingo, its license renewal application is denied, or its license is canceled, suspended, or revoked, all remaining profits derived from the conduct of bingo shall be utilized for a lawful purpose and shall not be distributed to any private individual or shareholder. The disbursement of such remaining profits shall be subject to approval by the department.

DOCUMENT: 9-212

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License, defined.

LAW 9-212. License shall mean any license to conduct bingo as provided in section 9-233, any license for a utilization-of-funds member as provided in section 9-232.01, any manufacturer's license as provided in section 9-255.09, any distributor's license as provided in section 9-255.07, any gaming manager's license as provided in section 9-232.01, or any commercial lessor's license as provided in section 9-255.06.

DOCUMENT: 9-213

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed organization, defined.

LAW 9-213. Licensed organization shall mean an organization or volunteer fire company licensed to conduct bingo under the Nebraska Bingo Act.

DOCUMENT: 9-214

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Limited period bingo, defined.

LAW 9-214. Limited period bingo shall mean a bingo occasion, authorized by the department to be conducted, which is

in addition to a licensed organization's regularly scheduled bingo occasions.

DOCUMENT: 9-214.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer, defined.

LAW 9-214.01. (1) Manufacturer shall mean any person who assembles, produces, makes, or prints any bingo equipment. (2) Manufacturer shall not mean or include a licensed distributor who places, finishes, or configures disposable bingo paper, which has been produced by a licensed manufacturer, into a looseleaf or book form or some other format for distribution to an organization licensed to conduct bingo.

DOCUMENT: 9-215

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Member, defined.

LAW 9-215. Member shall mean a person who has qualified for and been admitted to membership in a licensed organization pursuant to its bylaws, articles of incorporation, charter, rules, or other written statement for purposes other than conducting activities under the Nebraska Bingo Act. Member shall not include social or honorary members.

DOCUMENT: 9-215.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Permit, defined.

LAW 9-215.01. Permit shall mean a special event bingo permit as provided in section 9-230.01.

DOCUMENT: 9-216

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Premises, defined.

LAW 9-216. Premises shall mean a building, a distinct portion of a building, or a railroad coach car of an excursion or dinner train in which bingo is being played and shall not include any area of land surrounding the building or excursion or dinner train.

No premises shall be subdivided to provide multiple premises where games of bingo are managed, operated, or conducted whether or not such premises have different mailing addresses or legal descriptions.

DOCUMENT: 9-217

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Profit, defined.

LAW 9-217. Profit shall mean the gross receipts collected from one or more bingo games, less reasonable sums necessarily and actually expended for prizes, taxes, license and permit fees,

bingo equipment, the cost of renting or leasing a premises for the conduct of bingo, and other allowable expenses.

DOCUMENT: 9-217.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Qualifying nonprofit organization, defined.

LAW 9-217.01. (1) Qualifying nonprofit organization, for the purpose of special event bingo, shall mean a nonprofit organization:

(a) Which holds a certificate of exemption under section 501 of the Internal Revenue Code or the major activities of which, exclusive of conducting gaming activities regulated under Chapter 9, are conducted for charitable or community betterment purposes; and

(b) Which has been in existence in this state for a period of at least five years immediately preceding its application for a permit.

(2) Qualifying nonprofit organization shall not mean or include any organization which holds a license pursuant to the Nebraska Bingo Act.

DOCUMENT: 9-220

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Revoke, defined.

LAW 9-220. Revoke shall mean to permanently void and recall all rights and privileges of an organization or a person to obtain a license or a permit.

DOCUMENT: 9-224

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Special event bingo, defined.

LAW 9-224. Special event bingo shall mean the conduct of bingo as provided in section 9-230.01 by a qualifying nonprofit organization in conjunction with a special event.

DOCUMENT: 9-225

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspend, defined.

LAW 9-225. Suspend shall mean to cause a temporary interruption of all rights and privileges of a license or the renewal thereof and all rights and privileges to obtain a permit.

DOCUMENT: 9-225.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Utilization-of-funds member, defined.

LAW 9-225.01. Utilization-of-funds member shall mean a member of the organization who shall be responsible for the proper utilization of the gross receipts derived from the conduct of bingo by the licensed organization.

DOCUMENT: 9-226

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department; powers, functions, and duties.

LAW 9-226. The department shall have the following powers, functions, and duties:

- (1) To issue licenses, temporary licenses, and permits;
- (2) To deny any license or permit application or renewal license application for cause. Cause for denial of an application or renewal of a license shall include instances in which the applicant individually or, in the case of a business entity or a nonprofit organization, any officer, director, employee, or limited liability company member of the applicant, licensee, or permittee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such applicant, licensee, or permittee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such applicant for past or present services in a consulting capacity or otherwise, the licensee, or any person with a substantial interest in the applicant, licensee, or permittee:
 - (a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act or any rules or regulations adopted and promulgated pursuant to the acts;
 - (b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of such acts or any rules or regulations adopted and promulgated pursuant to such acts;
 - (c) Obtained a license or permit pursuant to such acts by fraud, misrepresentation, or concealment;
 - (d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;
 - (e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;
 - (f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where bingo activity required to be licensed or for which a permit is required under the Nebraska Bingo Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;
 - (g) Made a misrepresentation of or failed to disclose a

material fact to the department;

(h) Failed to prove by clear and convincing evidence his, her, or its qualifications to be licensed or granted a permit in accordance with the Nebraska Bingo Act;

(i) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act or any other taxes imposed pursuant to the Nebraska Revenue Act of 1967;

(j) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(k) Failed to demonstrate good character, honesty, and integrity; or

(l) Failed to demonstrate, either individually or, in the case of a business entity or a nonprofit organization, through its managers, employees, or agents, the ability, experience, or financial responsibility necessary to establish or maintain the activity for which the application is made.

No license renewal shall be issued when the applicant for renewal would not be eligible for a license upon a first application;

(3) To revoke, cancel, or suspend for cause any license or permit. Cause for revocation, cancellation, or suspension of a license or permit shall include instances in which the licensee or permittee individually or, in the case of a business entity or a nonprofit organization, any officer, director, employee, or limited liability company member of the licensee or permittee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such licensee or permittee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such licensee or permittee for past or present services in a consulting capacity or otherwise, or any person with a substantial interest in the licensee or permittee:

(a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts;

(b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of the Nebraska Bingo Act or any rules or regulations adopted and promulgated pursuant to the act;

(c) Obtained a license or permit pursuant to the Nebraska Bingo Act by fraud, misrepresentation, or concealment;

(d) Was convicted of, forfeited bond upon the charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or a misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental

agency at any level;

(e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;

(f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where bingo activity required to be licensed or for which a permit is required under the Nebraska Bingo Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;

(g) Made a misrepresentation of or failed to disclose a material fact to the department;

(h) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Bingo Act;

(i) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(j) Failed to demonstrate good character, honesty, and integrity; or

(k) Failed to demonstrate, either individually or, in the case of a business entity or a nonprofit organization, through its managers, employees, or agents, the ability, experience, or financial responsibility necessary to maintain the activity for which the license was issued;

(4) To issue and cause to be served upon any licensee, permittee, or other person an order requiring the licensee, permittee, or other person to cease and desist from violations of the Nebraska Bingo Act. The order shall give reasonable notice of the rights of the licensee, permittee, or other person to request a hearing and shall state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the Tax Commissioner, and within twenty days after the date of the hearing, the Tax Commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be held in accordance with the rules and regulations adopted and promulgated by the department. If the licensee, permittee, or other person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the licensee, permittee, or other person shall be deemed in default and the proceeding may be determined against the licensee, permittee, or other person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(5) To levy an administrative fine on an individual, partnership, limited liability company, corporation, or organization for cause. For purposes of this subdivision, cause shall include instances in which the individual, partnership, limited liability company, corporation, or organization violated the provisions, requirements, conditions, limitations, or duties imposed by the act or any rule or regulation adopted and promulgated pursuant to the act. In determining whether to levy

an administrative fine and the amount of the fine if any fine is levied, the department shall take into consideration the seriousness of the violation, the intent of the violator, whether the violator voluntarily reported the violation, whether the violator derived financial gain as a result of the violation and the extent thereof, and whether the violator has had previous violations of the act, rules, or regulations. A fine levied on a violator under this section shall not exceed one thousand dollars for each violation of the act or any rule or regulation adopted and promulgated pursuant to the act plus the financial benefit derived by the violator as a result of each violation. If an administrative fine is levied, the fine shall not be paid from bingo gross receipts of an organization and shall be remitted by the violator to the department within thirty days after the date of the order issued by the department levying such fine;

(6) To enter or to authorize any law enforcement officer to enter at any time upon any premises where bingo activity required to be licensed or for which a permit is required under the act is being conducted to determine whether any of the provisions of the act or any rules or regulations adopted and promulgated under the act have been or are being violated and at such time to examine such premises;

(7) To require periodic reports of bingo activity from licensees under the act as the department deems necessary to carry out the act;

(8) To examine or to cause to have examined, by any agent or representative designated by the department for such purpose, any books, papers, records, or memoranda relating to bingo activities of any licensee or permittee, to require by administrative order or summons the production of such documents or the attendance of any person having knowledge in the premises, to take testimony under oath, and to acquire proof material for its information. If any such person willfully refuses to make documents available for examination by the department or its agent or representative or willfully fails to attend and testify, the department may apply to a judge of the district court of the county in which such person resides for an order directing such person to comply with the department's request. If any documents requested by the department are in the custody of a corporation, the court order may be directed to any principal officer of the corporation. If the documents requested by the department are in the custody of a limited liability company, the court order may be directed to any member when management is reserved to the members or otherwise to any manager. Any person who fails or refuses to obey such a court order shall be guilty of contempt of court;

(9) Unless specifically provided otherwise, to compute, determine, assess, and collect the amounts required to be paid to the state as taxes imposed by the act in the same manner as provided for sales and use taxes in the Nebraska Revenue Act of 1967;

(10) To confiscate and seize bingo supplies and equipment pursuant to section 9-262.01; and

(11) To adopt and promulgate such rules and regulations, prescribe such forms, and employ such staff,

including inspectors, as are necessary to carry out the Nebraska Bingo Act.

DOCUMENT: 9-226.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Denial of application; procedure.

LAW 9-226.01. (1) Before any application is denied pursuant to section 9-226, the department shall notify the applicant in writing of the department's intention to deny the application and the reasons for the denial. Such notice shall inform the applicant of his or her right to request an administrative hearing for the purpose of reconsideration of the intended denial of the application.

(2) A request for hearing by the applicant shall be in writing and shall be filed with the department within thirty days after the service of notice to the applicant of the department's intended denial of the application. If a request for hearing is not filed within the thirty-day period, the application denial shall become final at the expiration of such period.

(3) If a request for hearing is filed within the thirty-day period, the Tax Commissioner shall grant the applicant a hearing and shall, at least ten days before the hearing, serve notice upon the applicant by certified or registered mail, return receipt requested, of the time, date, and place of the hearing. Such proceedings shall be considered contested cases pursuant to the Administrative Procedure Act.

DOCUMENT: 9-226.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Administrative fines; disposition; collection.

LAW 9-226.02. (1) All money collected by the department as an administrative fine shall be remitted on a monthly basis to the State Treasurer for credit to the permanent school fund.

(2) Any administrative fine levied under section 9-226 and unpaid shall constitute a debt to the State of Nebraska which may be collected by lien foreclosure or sued for and recovered in any proper form of action, in the name of the State of Nebraska, in the district court of the county in which the violator resides or owns property.

DOCUMENT: 9-227

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspension of license or permit; limitation; procedure.

LAW 9-227. (1) The Tax Commissioner may suspend any license or permit, except that no order to suspend any license or permit shall be issued unless the department determines that the licensee or permittee is not operating in accordance with the purposes and intent of the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts.

(2) Before any license or permit is suspended prior to a hearing, notice of an order to suspend a license or permit shall be mailed to or personally served upon the licensee or permittee at least fifteen days before the order of suspension takes effect.

(3) The order of suspension may be withdrawn if the licensee or permittee provides the department with evidence that any prior findings or violations have been corrected and that the licensee or permittee is now in full compliance, whether before or after the effective date of the order of suspension.

(4) The Tax Commissioner may issue an order of suspension pursuant to subsections (1) and (2) of this section when an action for suspension, cancellation, or revocation is pending. The Tax Commissioner may also issue an order of suspension after a hearing for a limited time of up to one year without an action for cancellation or revocation pending.

(5) The hearing for suspension, cancellation, or revocation of the license or permit shall be held within twenty days after the date the suspension takes effect. A request by the licensee or permittee to hold the hearing after the end of the twenty-day period shall extend the suspension until the hearing.

(6) The decision of the department shall be made within twenty days after the conclusion of the hearing. The suspension shall continue in effect until the decision is issued. If the decision is that an order of suspension, revocation, or cancellation is not appropriate, the suspension shall terminate immediately by order of the Tax Commissioner. If the decision is an order for the suspension, revocation, or cancellation of the license or permit, the suspension shall continue pending an appeal of the decision of the department.

(7) Any period of suspension prior to the issuance of an order of suspension issued by the Tax Commissioner shall count toward the total amount of time a licensee or permittee shall be suspended from gaming activities under the Nebraska Bingo Act. Any period of suspension prior to the issuance of an order of cancellation shall not reduce the period of the cancellation. Any period of suspension after the issuance of the order and during an appeal shall be counted as a part of the period of cancellation.

DOCUMENT: 9-228

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Hearing; required; when; notice.

LAW 9-228. Before the adoption, amendment, or repeal of any rule or regulation, the suspension, revocation, or cancellation of any license or permit, or the levying of any administrative fine pursuant to section 9-226, the department shall set the matter for hearing. Such suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine shall be considered contested cases pursuant to the Administrative Procedure Act.

At least ten days before the hearing, the department shall (1) in the case of suspension, revocation, or cancellation

proceedings or proceedings to levy an administrative fine, serve notice upon the licensee, permittee, or violator, by personal service or certified or registered mail, return receipt requested, of the time, date, and place of any hearing or (2) in the case of adoption, amendment, or repeal of any rule or regulation, issue a public notice of the time, date, and place of such hearing.

This section shall not apply to an order of suspension by the Tax Commissioner prior to a hearing as provided in section 9-227.

DOCUMENT: 9-229

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Proceeding before department; service; security; appeal.

LAW 9-229. (1) A copy of the order or decision of the department in any proceeding before it, certified under the seal of the department, shall be served upon each party of record to the proceeding before the department. Service upon any attorney of record for any such party shall be deemed to be service upon such party. Each party appearing before the department shall enter his or her appearance and indicate to the department his or her address for the service of a copy of any order, decision, or notice. The mailing of any copy of any order or decision or of any notice in the proceeding to such party at such address shall be deemed to be service upon such party.

(2) At the time of making an appearance before the department, each party shall deposit in cash or furnish a sufficient security for costs in an amount the department deems adequate to cover all costs liable to accrue, including costs for (a) reporting the testimony to be adduced, (b) making up a complete transcript of the hearing, and (c) extending reporter's original notes in typewriting.

(3) Any decision of the department in any proceeding before it may be appealed, and the appeal shall be in accordance with the Administrative Procedure Act.

DOCUMENT: 9-230

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Operation without license; public nuisance; penalties.

LAW 9-230. No person, except a licensed organization or qualifying nonprofit organization operating pursuant to the Nebraska Bingo Act, shall conduct any game of bingo for which a charge is made, and no person except a licensed organization shall award any prize with a value in excess of twenty-five dollars for any bingo game. Any such game conducted in violation of this section is hereby declared to be a public nuisance. Any person violating the provisions of this section shall be guilty of a Class III misdemeanor for the first offense and a Class I misdemeanor for the second or subsequent offense.

DOCUMENT: 9-230.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Special event bingo; permit; application; form; fee; issuance; restrictions.

LAW 9-230.01. (1) A qualifying nonprofit organization may apply to the department for a permit to conduct a special event bingo in conjunction with a special event at which bingo is not the primary function. Such special event bingo shall be exempt from (a) the licensing requirements found in the Nebraska Bingo Act for Class I and Class II licenses, (b) the record-keeping and reporting requirements found in the act for licensed organizations, and (c) any tax on the gross receipts derived from the conduct of bingo as provided in the act for licensed organizations.

(2) A qualifying nonprofit organization may apply for and obtain two special event bingo permits per calendar year, not to exceed a total of four days in duration. An application for a permit shall be made, on a form prescribed by the department, at least ten days prior to the desired starting date of the special event bingo. The form shall be accompanied by a permit fee of fifteen dollars and shall contain:

- (a) The name and address of the nonprofit organization applying for the permit;
- (b) Sufficient facts relating to the nature of the organization to enable the department to determine if the organization is eligible for the permit;
- (c) The date, time, place, duration, and nature of the special event at which the special event bingo will be conducted;
- (d) The name, address, and telephone number of the individual who will be in charge of the special event bingo; and
- (e) Any other information which the department deems necessary.

(3) An organization must have a permit issued by the department before it can conduct a special event bingo. The permit shall be clearly posted and visible to all participants at the special event bingo.

(4) Special event bingo shall be subject to the following restrictions:

- (a) Special event bingo shall be conducted only within the county in which the qualifying nonprofit organization has its principal office;
- (b) Only reusable hard bingo cards or shutter cards shall be sold, rented, leased, or used at a special event bingo. Disposable paper bingo cards may not be used at a special event bingo. The cards as well as other bingo equipment necessary to conduct bingo may be obtained from any source;
- (c) No bingo card used at a special event bingo shall be sold, rented, or leased for more than twenty-five cents per card;
- (d) No single prize shall be offered or awarded at a special event bingo which exceeds twenty-five dollars in value;
- (e) A special event bingo shall be conducted by individuals who are at least eighteen years of age. The qualifying nonprofit organization may permit individuals under eighteen years of age to play special event bingo when no alcoholic beverages are served, sold, or consumed in the immediate vicinity of where the special event bingo is conducted;

(f) No wage, commission, or salary shall be paid to any person in connection with the conduct of a special event bingo; and

(g) The gross receipts from the conduct of a special event bingo shall be used solely for the awarding of prizes and reasonable and necessary expenses associated with the conduct of the special event bingo such as the permit fee and the purchase or rental of bingo cards or other equipment needed to conduct bingo. The remaining receipts shall be used solely for a lawful purpose.

DOCUMENT: 9-231

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; qualified applicants.

LAW 9-231. (1) Any nonprofit organization holding a certificate of exemption under section 501(c)(3), (c)(4), (c)(5), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code or any volunteer fire company organized and operated pursuant to Chapter 35, article 1, may apply for a license to conduct bingo.

(2) Prior to applying for any license, an organization shall:

(a) Be incorporated in this state as a not-for-profit corporation or organized in this state as a religious or not-for-profit organization. For purposes of this subsection, a domesticated foreign corporation shall not be considered incorporated in this state as a not-for-profit corporation;

(b) Conduct activities within this state in addition to the conduct of bingo;

(c) Be authorized by its constitution, articles, charter, or bylaws to further in this state a lawful purpose;

(d) Operate without profit to its members, and no part of the net earnings of such organization shall inure to the benefit of any private shareholder or individual; and

(e) Have been in existence for five years immediately preceding its application for a license, and shall have had during that five-year period a bona fide membership actively engaged in furthering a lawful purpose. A society defined in section 21-608 which is chartered in Nebraska under a state, grand, supreme, national, or other governing body may use the charter date of its parent organization to satisfy such five-year requirement.

(3) None of the provisions of this section shall prohibit a senior citizens group from organizing and conducting bingo pursuant to the Nebraska Bingo Act when bingo is played only by members of the senior citizens group conducting the bingo. For purposes of this section, senior citizens group shall mean any organization the membership of which consists entirely of persons who are at least sixty years old.

DOCUMENT: 9-232.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; application; contents; restrictions on conduct of bingo; gaming manager license; fee; utilization-of-funds member;

license.

LAW 9-232.01. (1) Each organization applying for a license to conduct bingo shall file with the department an application on a form prescribed by the department. Each application shall include:

- (a) The name and address of the applicant organization;
- (b) Sufficient facts relating to the incorporation or organization of the applicant organization to enable the department to determine if the organization is eligible for a license pursuant to section 9-231;
- (c) The name and address of each officer of the applicant organization;
- (d) The name, address, social security number, years of membership, and date of birth of one bona fide and active member of the organization who will serve as the organization's bingo chairperson; and
- (e) The name, address, social security number, years of membership, and date of birth of no more than three bona fide and active members of the organization who will serve as alternate bingo chairpersons.

(2) In addition, each applicant organization shall include with the application:

- (a) The name, address, social security number, date of birth, and years of membership of an active and bona fide member of the applicant organization to be licensed as the utilization-of-funds member. Such person shall have been an active and bona fide member of the applicant organization for at least one year preceding the date the application is filed with the department unless the applicant organization can provide evidence that the one-year requirement would impose an undue hardship on the organization. All utilization-of-funds members shall sign a sworn statement indicating that they agree to comply with all provisions of the Nebraska Bingo Act and all rules and regulations adopted pursuant to the act, that they will insure that no commission, fee, rent, salary, profits, compensation, or recompense will be paid to any person or organization, except payments authorized by the act, and that all profits will be spent only for lawful purposes. A fee of twenty dollars shall be charged for a license for each utilization-of-funds member, and the department may prescribe a separate application form for such license;
- (b) For a Class II license only, the name, address, social security number, and date of birth of the individual to be licensed as the gaming manager. Such person shall be required to sign a sworn statement indicating that he or she agrees to comply with all provisions of the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, and all rules and regulations adopted pursuant to such acts. A fee of fifty dollars shall be charged for a license for each gaming manager, and the department may prescribe a separate application form for such license;
- (c) The name and address of the owner or lessor of the premises in which bingo will be conducted; and
- (d) Any other information which the department deems necessary, including, but not limited to, copies of any and all

lease or rental agreements and contracts entered into by the organization relative to its bingo activities.

(3) The information required by this section shall be kept current. The bingo chairperson shall notify the department within thirty days of any changes to the information contained on or with the application.

(4) Except for a limited period bingo, a licensed organization shall not conduct any bingo game or occasion at any time, on any day, at any location, or in any manner different from that described in its most recent filing with the department unless prior approval has been obtained from the department. A request for approval to change the day, time, or location of a bingo occasion shall be made by the bingo chairperson, in writing, at least thirty days in advance of the date the proposed change is to become effective.

(5) No bingo chairperson, alternate bingo chairperson, utilization-of-funds member, or gaming manager for an organization shall be connected with, interested in, or otherwise concerned directly or indirectly with any party licensed as a manufacturer, distributor, or commercial lessor pursuant to the Nebraska Bingo Act or with any party licensed as a manufacturer or distributor pursuant to the Nebraska Pickle Card Lottery Act.

(6) No person shall act as a gaming manager until he or she has received a license from the department. A gaming manager may apply for a license to act as a gaming manager for more than one licensed organization by completing a separate application and paying the fifty-dollar license fee for each organization for which he or she intends to act as a gaming manager. No gaming manager shall be a bingo chairperson or alternate bingo chairperson, and no gaming manager shall hold any other type of license issued under the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, and the Nebraska Pickle Card Lottery Act.

(7) No person shall act as a utilization-of-funds member until he or she has received a license from the department. A utilization-of-funds member shall not hold any other type of license issued under the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, and the Nebraska Pickle Card Lottery Act, except that a utilization-of-funds member may also be designated as the bingo chairperson or alternate bingo chairperson for the same organization.

DOCUMENT: 9-232.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licenses; renewal; procedure.

LAW 9-232.02. All licenses to conduct bingo and licenses issued to utilization-of-funds members, gaming managers, or commercial lessors shall expire on September 30 of each year or such other date as the department may prescribe by rule and regulation and may be renewed annually. An application for license renewal shall be submitted at least forty-five days prior to the expiration date of the license. The department may prescribe a separate application form for renewal purposes for any license application required by the Nebraska Bingo Act. The renewal application may require such information as the

department deems necessary for the proper administration of the act.

DOCUMENT: 9-232.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Limited period bingo; authorization.

LAW 9-232.03. A licensed organization may request authorization from the department to conduct a limited period bingo. A licensed organization may conduct no more than four limited period bingos with an aggregate total of no more than seven days in any license year.

The request shall be in writing and shall contain the date and time when and the location where the limited period bingo is to be conducted. The request shall be submitted to the department at least ten days prior to the desired starting date of the limited period bingo.

Except as otherwise provided in the Nebraska Bingo Act, a limited period bingo shall be conducted in the same manner as prescribed for regular bingo occasions.

DOCUMENT: 9-233

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licenses; classes; fees.

LAW 9-233. (1) The department may issue an applicant organization one of the following classes of bingo licenses:

(a) A Class I license which shall include organizations with gross receipts from the conduct of bingo which are less than one hundred fifty thousand dollars per license year; or

(b) A Class II license which shall include organizations with gross receipts from the conduct of bingo equal to or greater than one hundred fifty thousand dollars per license year.

(2) For purposes of this section, when bingo occasions are conducted on a joint basis by two or more licensed organizations, the class of license required shall be determined based upon the combined gross receipts of all licensed organizations involved in the conduct of the bingo occasion.

(3) A fee of fifteen dollars shall be charged for a Class I license, and a fee of fifty dollars shall be charged for a Class II license.

(4) The department shall adopt and promulgate rules and regulations to establish reporting requirements for each class of license issued.

DOCUMENT: 9-236

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Permit; fee; display; permits; expiration.

LAW 9-236. Upon payment of an annual permit fee of ten dollars, a licensed organization shall obtain a permit from the city or village clerk or finance department when bingo is to be conducted within the limits of any incorporated city or village and from the county clerk when bingo is to be conducted on an

excursion or dinner train or outside the limits of any incorporated city or village. Such annual permit fee of ten dollars shall be paid before bingo is played and shall be paid to the city or village clerk or finance director or county clerk at the time of obtaining the annual permit. When bingo is to be conducted jointly by two or more licensed organizations, such licensed organizations shall obtain a permit therefor by paying a fee of ten dollars. All permits shall expire on September 30 of each year or such other date as the department may prescribe by rule and regulation. Such permit shall be displayed conspicuously at the place where bingo is conducted at all times during the conduct thereof.

DOCUMENT: 9-237

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Information; copies; with whom filed.

LAW 9-237. A copy of all information filed with the department pursuant to section 9-232.01 shall also be filed with the county clerk of the county in which the bingo is to be conducted, and if the bingo is conducted within the limits of an incorporated city or village, a copy shall also be filed with the city or village clerk. Such information shall be filed within five days after its filing with the department.

DOCUMENT: 9-239

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo; taxation.

LAW 9-239. (1) The department shall collect a state tax of three percent on the gross receipts received from the conducting of bingo within the state. The tax shall be remitted to the department. The department shall remit the tax to the State Treasurer for credit to the Charitable Gaming Operations Fund. The tax shall be remitted quarterly, not later than thirty days after the close of the preceding quarter, together with any other reports as may be required by the department.

(2) Until January 1, 1999, any city or village is hereby directed to impose a tax of one percent on the gross receipts received from the conducting of bingo within such city or village. Until January 1, 1999, where bingo is conducted on an excursion or dinner train or outside the limits of any incorporated city or village, the county in which such bingo is conducted shall impose a tax of one percent on the gross receipts from the conducting of bingo on an excursion or dinner train or outside the corporate limits of such city or village. Such tax shall be credited to the general fund of the county, city, or village which issued a permit for the conducting of bingo pursuant to section 9-236. Such tax shall be remitted to the clerk of the political subdivision imposing the tax, and the clerk shall remit the tax to the treasurer of such subdivision. The tax shall be remitted quarterly, not later than thirty days after the close of the preceding quarter, together with such reports as may be required by the political subdivision imposing the tax. The proceeds from the tax shall be used to pay for the

costs of regulation and enforcement of the Nebraska Bingo Act.
(3) Unless otherwise provided in the act, no occupation tax on any receipts derived from the conduct of bingo shall be levied, assessed, or collected from any licensee under the act by any county, township, district, city, village, or other governmental subdivision or body having power to levy, assess, or collect such tax.

DOCUMENT: 9-240

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax; deficiency; interest; penalty.

LAW 9-240. All deficiencies of the tax prescribed in subsection (1) of section 9-239 shall accrue interest and be subject to a penalty as provided for sales and use taxes in the Nebraska Revenue Act of 1967.

DOCUMENT: 9-241.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Conduct of bingo; authorized location.

LAW 9-241.01. A licensed organization shall conduct bingo only within the county in which the licensed organization has its principal office.

DOCUMENT: 9-241.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo occasion; restrictions; exceptions.

LAW 9-241.02. (1) A licensed organization shall not hold more than ten bingo occasions per calendar month nor shall a licensed organization use any premises more than two times per calendar week for the conduct of bingo.

(2) No bingo occasion, except for a limited period bingo or a special event bingo, shall last for longer than six consecutive hours, and no bingo occasion, except for a limited period bingo or special event bingo, shall begin within three hours of the completion of another bingo occasion conducted within the same premises.

(3) Bingo occasions held as part of a limited period bingo shall not be counted in determining whether a licensed organization has complied with subsection (1) of this section.

(4) Nothing in this section or section 9-241.03 shall prohibit the department from approving a request by a licensed organization to reschedule a bingo occasion that was canceled due to an act of God. Such request shall be made in writing by the organization's bingo chairperson at least thirty days prior to the desired reschedule date.

DOCUMENT: 9-241.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo occasions; additional restrictions.

LAW 9-241.03. (1) Irrespective of the number of

organizations authorized to hold bingo occasions within a premises:

(a) No more than two bingo occasions per calendar week shall be held within a premises; and

(b) No more than four limited period bingos with an aggregate of no more than seven days per license year and no more than two special event bingos with an aggregate of no more than four days per calendar year shall be held within a premises.

(2) Bingo occasions held as part of a limited period bingo or special event bingo, or a bingo occasion that was canceled due to an act of God and rescheduled pursuant to section 9-241.02, shall not be counted in determining whether the use of a premises is in compliance with subdivision (1)(a) of this section.

DOCUMENT: 9-241.04

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Premises; rental or lease; requirements.

LAW 9-241.04. A premises may be rented or leased by a licensed organization for the purpose of conducting bingo. Such rental or lease agreement shall be in writing and may include the rental or lease of personal property, excluding bingo equipment, which is necessary in order to conduct a bingo occasion. Such rental or lease agreement shall be in accordance with the rules and regulations adopted by the department and the following:

(1) Except as provided in section 9-255.06, the premises must be rented or leased from a licensed commercial lessor;

(2) All bingo occasions shall be conducted only by the organization which holds the rental or lease agreement;

(3) No rental or lease payments shall be based on a percentage of the gross receipts or profits from bingo or on the number of persons attending or playing at any bingo occasion;

(4) No rental or lease agreement for real or personal property shall be in excess of fair market value;

(5) No rental or lease agreement for a premises shall contain any right to use bingo supplies or bingo equipment. A rental or lease agreement for bingo equipment shall be separate and distinct from that for a premises; and

(6) All rental and lease agreements shall be subject to prior approval by the department.

DOCUMENT: 9-241.05

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo equipment; obtain from licensed distributor; exceptions.

LAW 9-241.05. (1) A licensed organization shall purchase or otherwise obtain bingo equipment only from a licensed distributor, except that a licensed organization may rent or lease bingo equipment, excluding disposable paper bingo cards, only from:

(a) A licensed distributor; or

(b) The licensed commercial lessor from whom the organization is leasing a premises for the conduct of bingo.

(2) All rental or lease agreements for bingo equipment shall be in writing and shall be subject to prior approval by the department.

(3) No purchase, rental, or lease of bingo equipment shall be in excess of fair market value.

(4) Nothing in this section shall prohibit:

(a) Two licensed organizations which may be conducting bingo within the same premises from equally sharing the cost of purchasing bingo equipment, excluding disposable paper bingo cards, and sharing its use;

(b) A licensed organization from lending its bingo equipment, excluding disposable paper bingo cards, without charge to another licensed organization in an emergency situation or to a qualifying nonprofit organization to use at a special event bingo;

(c) A licensed organization which has purchased or intends to purchase new bingo equipment from selling or donating its old bingo equipment to another licensed organization if prior written approval has been obtained from the department; or

(d) An organization which has voluntarily canceled or allowed its license to conduct bingo to lapse or an organization which has had its license to conduct bingo suspended, canceled, or revoked from selling or donating its bingo equipment to another licensed organization if prior written approval has been obtained from the department.

DOCUMENT: 9-241.06

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo occasion; alcoholic beverages prohibited; exception; food; beverages; sale; expenses.

LAW 9-241.06. No alcoholic beverages shall be sold or served to the public during a bingo occasion unless it is a limited period bingo or special event bingo at which no one under eighteen years of age is permitted to play bingo. Nonalcoholic beverages, as well as food, may be served and sold during any bingo occasion conducted by a licensed organization if all of the profits from the sales are paid to such licensed organization. The proceeds from the sale of such food and beverage items shall not be commingled with the organization's bingo receipts or placed in the bingo checking account. No expense associated with the purchase, preparation, serving, or selling of such food and beverage items shall be paid using bingo receipts.

DOCUMENT: 9-241.07

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Advertising; limitations; exception.

LAW 9-241.07. Only a licensed organization or a qualifying nonprofit organization may advertise a bingo occasion, a limited period bingo, or a special event bingo. No advertising for any bingo occasion or occasions conducted by any organization shall include any reference to an aggregate value of bingo prizes exceeding four thousand dollars.

DOCUMENT: 9-241.08

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo game; participation; conduct of bingo; restrictions.

LAW 9-241.08. (1) No person under eighteen years of age shall play or participate in any bingo game, except that any person may play bingo at a limited period bingo or special event bingo if (a) no alcoholic beverages are served and (b) no prize or prizes to be awarded exceed twenty-five dollars in value per game.

(2) All persons involved in the conduct of bingo must be at least eighteen years of age.

(3) No person who is conducting or assisting in the conduct of a bingo occasion shall be permitted to participate as a player at that bingo occasion.

(4) No licensed commercial lessor, distributor, or manufacturer, person having a substantial interest in a licensed commercial lessor, distributor, or manufacturer, or employee or agent of a licensed commercial lessor, distributor, or manufacturer shall operate, manage, conduct, advise, or assist in the operating, managing, conducting, promoting, or administering of any bingo game or occasion. For purposes of this subsection, the term assist shall include, but not be limited to, the payment of any expense of a licensed organization, whether such payment is by loan or otherwise.

(5) No person, licensee, or permittee or employee or agent thereof shall knowingly permit an individual under eighteen years of age to play or participate in any way in a bingo game conducted pursuant to the Nebraska Bingo Act, excluding those individuals allowed by law to play at a limited period bingo or special event bingo when (a) no alcoholic beverages are served and (b) no prize or prizes that will be awarded exceed twenty-five dollars in value per game.

DOCUMENT: 9-241.09

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo chairperson or alternate bingo chairperson; licensed gaming manager; presence during bingo occasion; when required.

LAW 9-241.09. (1) A bingo chairperson or another member of the licensed organization who has been designated as an alternate bingo chairperson shall be present during the duration of each bingo occasion conducted pursuant to a Class I license.

(2) A licensed gaming manager shall be present during the duration of each bingo occasion conducted pursuant to a Class II license, except that in the case of an emergency, the licensed organization's bingo chairperson or alternate bingo chairperson may substitute for the gaming manager.

DOCUMENT: 9-241.10

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo cards; requirements; department; rules and regulations.

LAW 9-241.10. (1) An organization licensed to conduct bingo under a Class II license shall use only disposable paper bingo cards meeting the requirements of section 9-255.01 to

conduct bingo.

(2) All licensed organizations shall accurately account for and report the sale, use, rental, or lease of all bingo cards used at each bingo occasion. The department shall prescribe by rule and regulation the method by which such sale, use, rental, or lease is to be recorded, including, but not limited to, the manner in which all bingo cards are to be issued and receipted at a bingo occasion.

(3) The department shall establish by rule and regulation the manner in which bingo shall be conducted, including rules for the methods of conducting and playing bingo and for the utilization of bingo supplies and bingo equipment to insure that each player is afforded a fair and equal opportunity to win.

DOCUMENT: 9-255

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo games; selection of designators.

LAW 9-255. Only the following means of random selection of the numbered designators shall be used in the conduct of any bingo game:

(1) An electrically operated blower machine containing balls which the operator may take from the air one at a time while the blower is in operation, or which provides a trap or other mechanical means for automatically catching not more than one ball at a time while the blower is in operation; or

(2) A mechanically or manually operated cage which provides a trap or other mechanical means for automatically catching not more than one ball at a time while the cage is in operation.

For any means of selection permitted by subdivisions

(1) and (2) of this section, the balls to be drawn shall be essentially the same in size, shape, weight, balance, and all other characteristics so that at all times during the conduct of bingo each ball possesses the capacity for equal agitation with any other ball within the receptacle. All balls within the total set shall be subject to random selection at the beginning of each bingo game.

DOCUMENT: 9-255.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Bingo cards, equipment, and supplies; requirements.

LAW 9-255.01. All bingo cards and any other bingo equipment or supplies furnished, sold, rented, or leased for use at any bingo occasion subject to regulation under the Nebraska Bingo Act shall conform in all respects to the specifications imposed by rule and regulation by the department, including, but not limited to, the proper manufacture, assembly, packaging, and numbering of bingo cards. All bingo cards and any other bingo equipment or supplies which do not conform to such specifications shall be considered contraband goods pursuant to section 9-262.01.

DOCUMENT: 9-255.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Prizes; limitations.

LAW 9-255.02. (1) Irrespective of whether a bingo game or a bingo occasion is conducted jointly by two or more licensed organizations, no prize for a single bingo game shall exceed one thousand dollars in value and the aggregate value of all bingo prizes at any bingo occasion shall not exceed four thousand dollars.

(2) A winner shall be determined for each bingo game, and each winner shall be awarded and delivered the prize on the same day that the bingo occasion is conducted.

(3) At least fifty percent of the gross receipts derived from the conduct of bingo shall be awarded in bingo prizes during each quarterly reporting period. The licensed organization shall clearly post at each bingo occasion the percentage of gross receipts paid out in prizes for the last preceding quarter.

(4) In addition to the prizes permitted by subsection (1) of this section, a licensed organization may award promotional prizes in cash or merchandise to players at a bingo occasion if:

(a) No consideration is charged in order to be eligible to win a promotional prize except that given to participate as a player in the bingo occasion;

(b) The total fair market value of all promotional prizes awarded at a bingo occasion does not exceed one hundred dollars in value or, in the case of a limited period bingo, does not exceed two hundred fifty dollars in value;

(c) The winner of any promotional prize is a bingo player who is present at the bingo occasion;

(d) The winners are determined by an element of chance or some other factor which does not involve any scheme which utilizes any type of pickle card, the game of keno, a scratch-off or rub-off ticket, any promotional game tickets authorized by section 9-701, any non-telecommunication-related, player-activated electronic or electromechanical facsimile of any game of chance, or any slot machine of any kind; and

(e) The total fair market value of all promotional prizes awarded at a bingo occasion shall be excluded from determination of the fifty-percent prize payout requirement in subsection (3) of this section.

(5) The licensed organization's cost of promotional prizes permitted by subsection (4) of this section shall be considered a bingo expense that is subject to the expense limitation of fourteen percent of bingo gross receipts provided in section 9-255.04.

DOCUMENT: 9-255.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross receipts; segregation; books and records; commingling of funds.

LAW 9-255.03. (1) The gross receipts, less the amount awarded in prizes at each bingo occasion, shall be segregated

from all other revenue of a licensed organization and placed in a separate bingo checking account of the licensed organization. All lawful purpose donations and all bingo expenses, including expenses for the management, operation, or conduct of bingo but excluding the payment of prizes, shall be paid by a check from such account. Prizes may be paid out in cash by the licensed organization if prize payments in cash of five hundred dollars or more are receipted in a manner prescribed by the department in rule and regulation.

(2) Separate books of the bingo operations shall be maintained by the licensed organization. Records, reports, lists, and all other information required by the Nebraska Bingo Act and any rules and regulations adopted pursuant to the act shall be preserved for at least three years.

(3) A licensed organization may commingle funds received from the conduct of bingo with any general operating funds of the licensed organization by means of a check or electronic funds transfer, but the burden of proof shall be on the licensed organization to demonstrate that such commingled funds are not used to make any payments associated with the conduct of bingo and are used for a lawful purpose.

DOCUMENT: 9-255.04

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Expenses; limitations; allocation; payment of workers; expenses; how paid.

LAW 9-255.04. (1) No expense shall be incurred or amounts paid in connection with the conduct of bingo by a licensed organization except those which are reasonable and necessary.

(2) A licensed organization shall not spend more than fourteen percent of its bingo gross receipts to pay the expenses of conducting bingo. The actual cost of (a) license and local permit fees, (b) any taxes authorized by the Nebraska Bingo Act, (c) bingo prizes other than promotional prizes, (d) the purchase, rental, or lease of bingo equipment, and (e) the rental or lease of a premises for the conduct of bingo as prescribed by the department in rules and regulations shall not be included in determining compliance with the expense limitation contained in this section.

(3) A licensed organization which is also licensed to conduct a lottery by the sale of pickle cards pursuant to the Nebraska Pickle Card Lottery Act may allocate a portion of the expenses associated with the conduct of its bingo occasions to its lottery by the sale of pickle cards conducted at such bingo occasions. Such allocation shall be based upon the percentage that pickle card gross proceeds derived from the sale of pickle cards at the bingo occasions represents to the total of bingo gross receipts and pickle card gross proceeds derived from such bingo occasions for the previous annual period July 1 through June 30. An organization licensed to conduct bingo that has not been previously licensed shall determine such allocation based upon the percentage that pickle card gross proceeds derived from the sale of pickle cards at the bingo occasions represents to the total of bingo gross receipts and pickle card gross proceeds

derived from such bingo occasions for the initial three consecutive calendar months of operation.

(4) The total amount of expenses that may be allocated to the organization's lottery by the sale of pickle cards shall be subject to the limitations on bingo expenses as provided for in the Nebraska Bingo Act with respect to the fourteen-percent expense limitation and the fair-market-value limitation on the purchase, rental, or lease of bingo equipment and the rental or lease of a premises for the conduct of bingo. No portion of the eight percent of the definite profit of a pickle card unit as allowed by section 9-347 to pay the allowable expenses of operating a lottery by the sale of pickle cards shall be used to pay any expenses associated with the sale of pickle cards at a bingo occasion.

(5) All persons paid for working at a bingo occasion, including pickle card sellers but excluding concession workers, shall be paid only by a check written from the licensed organization's bingo checking account and shall not receive any other compensation or payment for working at a bingo occasion from any other source. Such wages shall be at an hourly or occasion rate and shall be included in the amount allowed by the expense limitation provided in subsection (2) of this section. No person shall receive any compensation or payment from a licensed organization based upon a percentage of the organization's bingo gross receipts or profit.

(6) No expenses associated with the conduct of bingo may be paid directly from the licensed organization's pickle card checking account. A licensed organization may transfer funds from its pickle card checking account to its bingo checking account as permitted by subsection (3) of this section by a check drawn on the pickle card checking account or by electronic funds transfer as provided only by section 9-347.

DOCUMENT: 9-255.05

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed organization; annual accounting of gross receipts; report.

LAW 9-255.05. (1) A licensed organization shall report annually to the department, on a form supplied by the department, a complete and accurate accounting of its gross receipts. The annual report shall demonstrate that the gross receipts less cash prizes paid have been retained in the organization's bingo checking account or expended solely for authorized expenses pursuant to section 9-255.04 or lawful purpose donations. The annual report shall cover the organization's bingo activities from July 1 through June 30 of each year and shall be submitted to the department by August 15 of each year.

(2) A copy of the report shall be submitted to the membership of the licensed organization.

(3) In addition to the annual report required by subsection (1) of this section, the department may prescribe by rule or regulation additional periodic reporting as deemed necessary.

DOCUMENT: 9-255.06

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Commercial lessor's license; when required; application; form; contents; fee; bingo equipment; restrictions; conduct of bingo; restrictions; exemption.

LAW 9-255.06. (1) An individual, partnership, limited liability company, corporation, or organization which will be leasing a premises to one or more organizations for the conduct of bingo and which will receive more than two hundred fifty dollars per month as aggregate total rent from leasing such premises for the conduct of bingo shall first obtain a commercial lessor's license from the department. The license shall be applied for on a form prescribed by the department and shall contain:

- (a) The name and home address of the applicant;
- (b) If the applicant is an individual, the applicant's social security number;
- (c) If the applicant is not a resident of this state or is not a corporation, the full name, business address, and home address of a natural person, at least nineteen years of age, who is a resident of and living in this state designated by the applicant as a resident agent for the purpose of receipt and acceptance of service of process and other communications on behalf of the applicant;
- (d) A designated mailing address and legal description of the premises intended to be covered by the license sought;
- (e) The lawful capacity of the premises for public assembly purposes;
- (f) The names and mailing addresses of the officers of the organization which is to conduct bingo at the premises and the place and time the organization intends to conduct bingo;
- (g) The amount of rent to be paid or other consideration to be given directly or indirectly for each bingo occasion to be conducted; and
- (h) Any other information which the department deems necessary.

(2) An application for a commercial lessor's license shall be accompanied by a fee of one hundred dollars for each premises the applicant is seeking to lease pursuant to subsection (1) of this section. A commercial lessor who desires to lease more than one premises for the conduct of bingo shall file a separate application and pay a separate fee for each such premises.

(3) The information required by this section shall be kept current. The commercial lessor shall notify the department within thirty days of any changes to the information contained on or with the application.

(4) A commercial lessor who will be leasing or renting bingo equipment in conjunction with his or her premises shall obtain such equipment only from a licensed distributor, except that a commercial lessor shall not purchase or otherwise obtain disposable paper bingo cards from any source.

(5) A commercial lessor, the owner of a premises, and all parties who lease or sublease a premises which ultimately is leased to an organization for the conduct of bingo shall not be

involved directly with the conduct of any bingo occasion regulated by the Nebraska Bingo Act which may include, but not be limited to, the managing, operating, promoting, advertising, or administering of bingo. Such persons shall not derive any financial gain from any gaming activities regulated by Chapter 9 except as provided in subsection (4) of section 9-347 if the individual is licensed as a pickle card operator, if the individual is licensed as a lottery operator or authorized sales outlet location pursuant to the Nebraska County and City Lottery Act, or if the individual is contracted with as a lottery game retailer pursuant to the State Lottery Act.

(6) A nonprofit organization owning its own premises which in turn rents or leases its premises solely to its own auxiliary shall be exempt from the licensing requirements contained in this section.

DOCUMENT: 9-255.07

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor's license; application; form; contents; renewal; fee; exemption; distributor, spouse, or employee; restrictions on activities.

LAW 9-255.07. (1) Any individual, partnership, limited liability company, or corporation which desires to sell, lease, distribute, or otherwise provide bingo equipment in this state to a licensed commercial lessor or a licensed organization for use in a bingo occasion which is regulated by the Nebraska Bingo Act shall first apply for and obtain a distributor's license from the department. Distributors' licenses may be renewed biennially. The expiration date shall be September 30 of every odd-numbered year or such other date as the department may prescribe by rule and regulation. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license. An applicant for a distributor's license shall have its principal office located within this state. The license shall be applied for on a form prescribed by the department and shall contain:

- (a) The name and home address of the applicant;
 - (b) If the applicant is an individual, the applicant's social security number;
 - (c) The address and legal description of each location where the applicant stores or distributes bingo equipment;
 - (d) A sworn statement by the applicant or appropriate officer of the applicant that the applicant will comply with all provisions of the act and all rules and regulations adopted pursuant to the act; and
 - (e) Any other information which the department deems necessary.
- (2) The information required by this section shall be kept current. The distributor shall notify the department within thirty days of any changes to the information contained on or with the application.
- (3) The application shall be accompanied by a biennial license fee of three thousand fifty dollars.
- (4) Any person licensed as a distributor pursuant to

section 9-330 may act as a distributor pursuant to this section without filing a separate application or submitting the license fee required by this section.

(5) A licensed distributor or person having a substantial interest therein shall not hold any other type of license issued pursuant to Chapter 9 except as provided in sections 9-330 and 9-632.

(6) No distributor or spouse or employee of any distributor shall participate in the conduct or operation of any bingo game or occasion or any other kind of gaming activity which is authorized or regulated under Chapter 9 except to the exclusive extent of his or her statutory duties as a licensed distributor as provided by this section and except as provided in sections 9-330 and 9-632. No distributor or employee or spouse of any distributor shall have a substantial interest in another distributor, a manufacturer, a manufacturer-distributor as defined in section 9-616 other than itself, a licensed organization, or any other licensee regulated under Chapter 9. Membership in a licensed organization shall not be deemed a violation of this section.

DOCUMENT: 9-255.08

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor; purchase or sale of bingo equipment; restrictions; records; reporting.

LAW 9-255.08. (1) A licensed distributor shall purchase or otherwise obtain bingo equipment only from a licensed manufacturer.

(2) A licensed distributor shall sell or otherwise supply bingo equipment for use in a bingo game regulated by the Nebraska Bingo Act only to a licensed organization, a qualifying nonprofit organization, a licensed commercial lessor, or a federally recognized Indian tribe, except that a licensed distributor shall not sell disposable bingo paper in this state to anyone other than a licensed organization or a federally recognized Indian tribe.

(3) A licensed distributor shall keep and maintain a complete set of records which shall include all details of all activities of the distributor related to the conduct of the licensed activity as may be required by the department, including the quantities and types of all bingo equipment purchased and sold. Such records shall be available upon request for inspection by the department. All records required by the department shall be maintained for at least three years after the last day of the distributor's fiscal year.

(4) The department may require by rule and regulation periodic reporting from the licensed distributor relative to its bingo activities in this state.

DOCUMENT: 9-255.09

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer's license; application; form; contents; renewal; fee; exemption; manufacturer, spouse, or employee; restriction on

activities.

LAW 9-255.09. (1) Any individual, partnership, limited liability company, or corporation which desires to sell or otherwise supply bingo equipment in this state to a licensed distributor shall first apply for and obtain a manufacturer's license from the department. Manufacturers' licenses may be renewed biennially. The expiration date shall be September 30 of every odd-numbered year or such other date as the department may prescribe by rule and regulation. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license. The license shall be applied for on a form prescribed by the department and shall contain:

(a) The business name and address of the applicant and the name and address of each of the applicant's separate locations which manufacture or store bingo equipment and any location from which the applicant distributes or promotes bingo equipment;

(b) The name and home address of the applicant;

(c) If the applicant is an individual, the applicant's social security number;

(d) If the applicant is not a resident of this state or is not a corporation, the full name, business address, and home address of a natural person, at least nineteen years of age, who is a resident of and living in this state designated by the applicant as a resident agent for the purpose of receipt and acceptance of service of process and other communications on behalf of the applicant;

(e) A sworn statement by the applicant or appropriate officer of the applicant that the applicant will comply with all provisions of the Nebraska Bingo Act and all rules and regulations adopted pursuant to the act; and

(f) Any other information which the department deems necessary.

(2) The application shall be accompanied by a biennial license fee of three thousand fifty dollars.

(3) The information required by this section shall be kept current. The manufacturer shall notify the department within thirty days of any changes to the information contained on or with the application.

(4) Any person licensed as a manufacturer pursuant to section 9-332 may act as a manufacturer pursuant to this section without filing a separate application or submitting the license fee required by this section.

(5) A licensed manufacturer shall not hold any other type of license issued pursuant to Chapter 9 except as provided in sections 9-332 and 9-632.

(6) No manufacturer or spouse or employee of the manufacturer shall participate in the conduct or operation of any bingo game or occasion or any other kind of gaming activity which is authorized or regulated under Chapter 9 except to the exclusive extent of his or her statutory duties as a licensed manufacturer or employee thereof as provided by this section and except as provided in sections 9-332 and 9-632 and the State Lottery Act. No manufacturer or employee or spouse of any manufacturer shall have a substantial interest in another

manufacturer, a distributor, a manufacturer-distributor as defined in section 9-616 other than itself, a licensed organization, or any other licensee regulated under Chapter 9.

DOCUMENT: 9-255.10

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer; sale of bingo equipment; restrictions; records; department; powers.

LAW 9-255.10. (1) A licensed manufacturer shall sell or otherwise supply bingo equipment in this state only to a licensed distributor or a federally recognized Indian tribe, except that nothing in this section shall prohibit a licensed manufacturer from selling or otherwise supplying bingo equipment, excluding disposable paper bingo cards, to a qualifying nonprofit organization as provided for in section 9-230.01.

(2) A licensed manufacturer shall keep and maintain a complete set of records which shall include all details of all activities of the licensee relating to the conduct of the licensed activity as may be required by the department, including the quantities and types of all bingo equipment sold to each Nebraska-licensed distributor. Such records shall be made available for inspection upon request by the department. All records required by the department shall be maintained for a period of at least three years after the last day of the licensee's fiscal year.

(3) The department may require, by rule and regulation, periodic reporting from the manufacturer relative to its bingo activities in this state.

(4) The department may require departmental approval of bingo equipment prior to the manufacturer offering or marketing such equipment in this state. Approval by the department shall be based upon conformance with specifications imposed by the department by rule and regulation adopted pursuant to the Nebraska Bingo Act.

(5) The department may require a manufacturer seeking approval of any bingo equipment to pay the actual costs incurred by the department in examining the equipment. If required, the anticipated costs shall be paid in advance by the manufacturer. After completion of the examination, the department shall refund overpayments or charge and collect amounts sufficient to reimburse the department for underpayment of actual costs.

DOCUMENT: 9-262

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; penalties; enforcement; venue.

LAW 9-262. (1) Except when another penalty is specifically provided, any person, licensee, or permittee, or employee or agent thereof, who violates any provision of the Nebraska Bingo Act, or who causes, aids, abets, or conspires with another to cause any person, licensee, or permittee, or any employee or agent thereof, to violate the act, shall be guilty of a Class I misdemeanor for the first offense and a Class IV felony for any second or subsequent violation. Any licensee guilty of violating

any provision of the act more than once in a twelve-month period may have its license canceled or revoked.

(2) Each of the following violations of the Nebraska Bingo Act shall be a Class IV felony:

(a) Giving, providing, or offering to give or provide, directly or indirectly, to any public official, employee, or agent of this state, or any agencies or political subdivisions of the state, any compensation or reward or share of the money for property paid or received through gambling activities regulated under Chapter 9 in consideration for obtaining any license, authorization, permission, or privilege to participate in any gaming operation except as authorized by the Nebraska Bingo Act or any rules or regulations adopted and promulgated pursuant to such act;

(b) Intentionally employing or possessing any device to facilitate cheating in a bingo game or using any fraudulent scheme or technique in connection with any bingo game when the amount gained or intended to be gained through the use of such items, schemes, or techniques is three hundred dollars or more;

(c) Knowingly filing a false report under the Nebraska Bingo Act; or

(d) Knowingly falsifying or making any false entry in any books or records with respect to any transaction connected with the conduct of bingo activity.

(3) In all proceedings initiated in any court or otherwise under the Nebraska Bingo Act, it shall be the duty of the Attorney General and appropriate county attorney to prosecute and defend all such proceedings.

(4) The failure to do any act required by or under the Nebraska Bingo Act shall be deemed an act in part in the principal office of the department. Any prosecution under such act may be conducted in any county where the defendant resides or has a place of business or in any county in which any violation occurred.

(5) In the enforcement and investigation of any offense committed under the Nebraska Bingo Act, the department may call to its aid any sheriff, deputy sheriff, or other peace officer in the state.

DOCUMENT: 9-262.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax Commissioner; power to seize contraband; effect.

LAW 9-262.01. (1) The Tax Commissioner or his or her agents or employees, at the direction of the Tax Commissioner, or any peace officer of this state may seize, without a warrant, the following contraband goods found any place in this state:

(a) Any bingo supplies and equipment which do not conform in all respects to specifications imposed by the Nebraska Bingo Act or any rules or regulations adopted and promulgated pursuant to the act;

(b) Any bingo equipment purchased by any licensed organization from any source other than a licensed distributor or as provided in section 9-241.05; and

(c) Any bingo equipment furnished, sold, or rented for

use in a bingo occasion subject to regulation under the act without the proper licenses or approval.

(2) The Tax Commissioner may, upon satisfactory proof, direct return of any confiscated bingo supplies and equipment when he or she has reason to believe that the owner has not willfully or intentionally failed to comply with the act.

(3) The Tax Commissioner may, upon finding that an owner of contraband goods has willfully or intentionally failed to comply with the act, confiscate such goods. Any bingo supplies and equipment confiscated may be destroyed.

(4) The seizure and destruction of bingo supplies and equipment shall not relieve any person from a fine, imprisonment, or other penalty for violation of the act.

(5) The Tax Commissioner or his or her agents or employees, when directed to do so by the Tax Commissioner, or any peace officer of this state shall not be responsible for negligence in any court for the seizure or confiscation of any bingo supplies and equipment pursuant to this section.

DOCUMENT: 9-263

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; standing to sue.

LAW 9-263. Any person in this state, including any law enforcement official, who has cause to believe that (1) any licensed organization, (2) any lessor of facilities or bingo equipment and supplies used for a bingo occasion, (3) any person conducting any game of bingo, (4) any employee or agent of such licensed organization, lessor, or person, or (5) any person acting in concert with such licensed organization, lessor, or person has engaged in or is engaging in any conduct in violation of the Nebraska Bingo Act or has aided or is aiding another in any conduct in violation of such act may commence a civil action in any district court of this state.

DOCUMENT: 9-264

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil action; relief permitted.

LAW 9-264. In any civil action commenced pursuant to section 9-263, a court may allow:

(1) A temporary restraining order or injunction, with or without a bond as the court may direct, prohibiting a party to the action from continuing or engaging in such conduct, aiding in such conduct, or doing any act in furtherance of such conduct;

(2) A declaration that the conduct by a licensed organization or a qualifying nonprofit organization or employee or agent of the organization, which is a party to the action, constitutes a violation of the Nebraska Bingo Act and a determination of the number and times of violations for certification to the department for appropriate license or permit revocation purposes;

(3) A permanent injunction under principles of equity and on reasonable terms;

(4) An accounting of the profits, earnings, or gains

resulting directly and indirectly from such violations, with restitution or a distribution of such profits, earnings, or gains to all licensed organizations or qualifying nonprofit organizations affected by such violations which apply to the court and show that they suffered monetary losses by reason of such violations and with distribution of any remaining profits, earnings, or gains to the state; and
(5) Reasonable attorney's fees and court costs.

DOCUMENT: 9-265

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil procedure statutes; applicability.

LAW 9-265. Proceedings under section 9-263 shall be subject to and governed by the district court civil procedure statutes. Issues properly raised shall be tried and determined as in other civil actions in equity. All orders, judgments, and decrees may be reviewed as other orders, judgments, and decrees.

DOCUMENT: 9-266

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Reports and records; disclosure; limitations; violation; penalty.

LAW 9-266. (1) Except in accordance with a proper judicial order or as otherwise provided by this section or other law, it shall be a Class I misdemeanor for the Tax Commissioner or any employee or agent of the Tax Commissioner to make known, in any manner whatsoever, the contents of any reports or records submitted by a licensed distributor or manufacturer or the contents of any personal history reports submitted by any licensee or license applicant to the department pursuant to the Nebraska Bingo Act and any rules and regulations adopted and promulgated pursuant to such act.

(2) Nothing in this section shall be construed to prohibit (a) the delivery to a licensee, his or her duly authorized representative, or his or her successors, receivers, trustees, personal representatives, administrators, assignees, or guarantors, if directly interested, a certified copy of any report or record, (b) the publication of statistics so classified as to prevent the identification of particular reports or records, (c) the inspection by the Attorney General, a county attorney, or other legal representative of the state of reports or records submitted by a licensed distributor or manufacturer when information on the reports or records is considered by the Attorney General, county attorney, or other legal representative to be relevant to any action or proceeding instituted by the licensee or against whom an action or proceeding is being considered or has been commenced by any state agency or county, (d) the furnishing of any information to the United States Government or to states allowing similar privileges to the Tax Commissioner, (e) the disclosure of information and records to a collection agency contracting with the Tax Commissioner for the collection of delinquent taxes under the Nebraska Bingo Act, (f) the publication or disclosure of final administrative opinions and orders made by the Tax Commissioner in the adjudication of

license or permit denials, suspensions, cancellations, or revocations, (g) the release of any application, without the contents of any submitted personal history report, filed with the department to obtain a license or permit to conduct activities under the act, which shall be deemed a public record, (h) the release of any report filed pursuant to section 9-255.05 or any other report filed by a licensee pursuant to the act, which shall be deemed a public record, or (i) the notification of an applicant, a licensee, or a licensee's duly authorized representative of the existence of and the grounds for an administrative action to deny the license application of, to revoke, cancel, or suspend the license of, or to levy an administrative fine upon any agent or employee of the applicant, the licensee, or any other person upon whom the applicant or licensee relies to conduct activities authorized by the act.

(3) Nothing in this section shall prohibit the Tax Commissioner or any employee or agent of the Tax Commissioner from making known the names of persons, firms, or corporations licensed or issued a permit to conduct activities under the act, the locations at which such activities are conducted by licensees or permittees, or the dates on which such licenses or permits were issued.

(4) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit the Postal Inspector of the United States Postal Service or his or her delegates to inspect reports or records submitted by a licensed distributor or manufacturer pursuant to the act when information on the reports or records is relevant to any action or proceeding instituted or being considered by the United States Postal Service against such person for the fraudulent use of the mails to carry and deliver false and fraudulent tax returns to the Tax Commissioner with the intent to defraud the State of Nebraska or to evade the payment of Nebraska state taxes.

(5) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit other tax officials of this state to inspect reports or records submitted pursuant to the act, but such inspection shall be permitted only for purposes of enforcing a tax law and only to the extent and under the conditions prescribed by the rules and regulations of the Tax Commissioner.

ARTICLE 3 PICKLE CARDS

DOCUMENT: 9-301

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-301. Sections 9-301 to 9-356 shall be known and may be cited as the Nebraska Pickle Card Lottery Act.

DOCUMENT: 9-302

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Purposes of act.

LAW 9-302. (1) The purpose of the Nebraska Pickle Card Lottery Act is to protect the health and welfare of the public, to protect the economic welfare and interest in pickle card sales and winnings, to insure that the profits derived from the operation of lottery by the sale of pickle cards are accurately reported in order that their revenue-raising potential be fully exposed, to insure that the profits are used for legitimate purposes, and to prevent the purposes for which the profits of lottery by the sale of pickle cards are to be used from being subverted by improper elements. Lottery by the sale of pickle cards shall be played and conducted only by those methods permitted in the Nebraska Pickle Card Lottery Act. No other form, means of selection, or method of play shall be authorized or permitted.

(2) The purpose of the Nebraska Pickle Card Lottery Act is also to completely and fairly regulate each level of the traditional marketing scheme of pickle cards to insure fairness, quality, and compliance with the Constitution of the State of Nebraska. To accomplish such purpose, the regulation and licensure of manufacturers of pickle cards, nonprofit organizations, distributors, sales agents, pickle card operators, and any other person involved in the marketing scheme are necessary.

DOCUMENT: 9-303

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definitions, where found.

LAW 9-303. For purposes of the Nebraska Pickle Card Lottery Act, unless the context otherwise requires, the definitions found in sections 9-304 to 9-321.02 shall be used.

DOCUMENT: 9-304

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Allowable expenses, defined.

LAW 9-304. Allowable expenses shall mean:

- (1) All costs associated with the purchasing, printing, or manufacturing of any items to be used or distributed to participants;
- (2) All office expenses;
- (3) All promotional expenses;
- (4) All salaries of persons employed to operate the lottery by the sale of pickle cards;
- (5) Any rental or lease expense;
- (6) Any fee paid to any person associated with the operation of any lottery by the sale of pickle cards including any commission paid to a sales agent and any expense for which a sales agent is reimbursed;
- (7) Any delivery or shipping charge incurred by a licensed organization in connection with the lottery by the sale of pickle cards;
- (8) Any license fees paid to the department to license the organization, each utilization-of-funds member, and any sales agent; and

(9) Any pickle card dispensing device repairs or maintenance paid by the licensed organization.

DOCUMENT: 9-305

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Cancel, defined.

LAW 9-305. Cancel shall mean to discontinue all rights and privileges to hold a license for up to three years.

DOCUMENT: 9-305.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definite profit, defined.

LAW 9-305.01. Definite profit shall mean the gross proceeds from a pickle card unit less all of the possible prizes in the unit.

DOCUMENT: 9-306

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department, defined.

LAW 9-306. Department shall mean the Department of Revenue.

DOCUMENT: 9-306.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Designated premises, defined.

LAW 9-306.01. Designated premises shall mean one location selected by a licensed organization at which individual pickle cards may be sold as opportunities for participation in a lottery by the sale of pickle cards. Only one of the following types of locations may be selected as a designated premises: (1) In the case of an organization holding a certificate of exemption under section 501(c)(3), (c)(4), or (c)(5) of the Internal Revenue Code or a volunteer fire company, one piece of real property which is owned, leased, or used by the organization as its principal office, which is in use by the organization primarily for purposes other than the conduct of gaming activities, and which is not used in connection with any other type of retail business activity other than an occasional sale as defined in section 77-2702.09; or (2) in the case of an organization holding a certificate of exemption under section 501(c)(7), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code, one piece of real property which is owned, leased, or used by the organization as its principal office and which is in use by the organization primarily for purposes other than the conduct of gaming activities. For purposes of this section, principal office shall mean the place where the principal affairs and business of the licensed organization are transacted, including where the officers and members assemble to discuss and transact the business of the organization, where its meetings are held, and generally where its records are kept.

DOCUMENT: 9-307

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor, defined.

LAW 9-307. Distributor shall mean any person licensed pursuant to section 9-330, who purchases or otherwise obtains pickle card units from manufacturers and sells, distributes, or otherwise provides pickle card units in this state to licensed organizations.

DOCUMENT: 9-308

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds, defined.

LAW 9-308. Gross proceeds shall mean the total possible receipts from the sale of all pickle cards in any pickle card unit.

DOCUMENT: 9-308.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross profit, defined.

LAW 9-308.01. Gross profit shall mean the definite profit from the sale of a pickle card unit less any commission paid by a licensed organization to a pickle card operator selling individual pickle cards on behalf of the licensed organization.

DOCUMENT: 9-309

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lawful purpose, defined.

LAW 9-309. (1) Lawful purpose, for a licensed organization making a donation of its net profits derived from its lottery by the sale of pickle cards solely for its own organization, shall mean donating such net profits for any activity which benefits and is conducted by the organization, including any charitable, benevolent, humane, religious, philanthropic, youth sports, educational, civic, or fraternal activity conducted by the organization for the benefit of its members.

(2) Lawful purpose, for a licensed organization making a donation of its net profits derived from its lottery by the sale of pickle cards outside of its organization, shall mean donating such net profits only to:

(a) The State of Nebraska or any political subdivision thereof, but only if the contribution or gift is made exclusively for public purposes;

(b) A corporation, trust, community chest, fund, or foundation:

(i) Created or organized under the laws of Nebraska which has been in existence for five consecutive years

immediately preceding the date of the donation and which has its principal office located in Nebraska;

(ii) Organized and operated exclusively for religious,

charitable, scientific, literary, or educational purposes, for the prevention of cruelty to children or animals, or to foster national or international amateur sports competition;

(iii) No part of the net earnings of which inures to the benefit of any private shareholder or individual;

(iv) Which is not disqualified for tax exemption under section 501(c)(3) of the Internal Revenue Code by reason of attempting to influence legislation; and

(v) Which does not participate in any political campaign on behalf of any candidate for political office;

(c) A post or organization of war veterans or an auxiliary unit or society of, trust for, or foundation for any such post or organization:

(i) Organized in the United States or in any territory or possession thereof; and

(ii) No part of the net earnings of which inures to the benefit of any private shareholder or individual; or

(d) A volunteer fire department or volunteer first-aid, rescue, or emergency squad or volunteer fire company serving any city, village, county, township, or rural or suburban fire protection district.

(3) No donation of net profits under this section shall

(a) inure to the benefit of any individual member of the licensed organization making the donation except to the extent it is in furtherance of the purposes described in this section or (b) be used for any activity which attempts to influence legislation or for any political campaign on behalf of any elected official or person who is or has been a candidate for public office.

(4) Upon dissolution of a licensed organization or in the event a previously licensed organization does not renew its license to conduct a lottery by the sale of pickle cards, its license renewal application is denied, or its license is canceled, suspended, or revoked, all remaining net profits derived from the conduct of a lottery by the sale of pickle cards under the Nebraska Pickle Card Lottery Act shall be utilized for a lawful purpose and shall not be distributed to any private individual or shareholder. The disbursement of such remaining net profits shall be subject to approval by the department.

DOCUMENT: 9-310

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License, defined.

LAW 9-310. License shall mean any license to conduct a lottery by the sale of pickle cards as provided in section 9-326, any license for a utilization-of-funds member as provided in section 9-327, any sales agent's license as provided in section 9-329, any pickle card operator's license as provided in section 9-329.02, any distributor's license as provided in section 9-330, or any manufacturer's license as provided in section 9-332.

DOCUMENT: 9-311

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed organization, defined.

LAW 9-311. Licensed organization shall mean an organization or volunteer fire company licensed to conduct a lottery by the sale of pickle cards under the Nebraska Pickle Card Lottery Act.

DOCUMENT: 9-312

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery by the sale of pickle cards, defined.

LAW 9-312. Lottery by the sale of pickle cards shall mean any gambling scheme in which participants pay or agree to pay something of value for a pickle card. Any lottery by the sale of pickle cards shall be conducted pursuant to and in accordance with the Nebraska Pickle Card Lottery Act.

Lottery by the sale of pickle cards shall not mean or include any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, nor shall lottery by the sale of pickle cards mean or include any activity prohibited under Chapter 28, article 11.

DOCUMENT: 9-313

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer, defined.

LAW 9-313. Manufacturer shall mean any person who assembles from raw materials or subparts a completed piece or pieces of pickle cards and pickle card units.

DOCUMENT: 9-314

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Member, defined.

LAW 9-314. Member shall mean a person who has qualified for and been admitted to membership in a licensed organization pursuant to its bylaws, articles of incorporation, charter, rules, or other written statement for purposes other than conducting activities under the Nebraska Pickle Card Lottery Act. Member shall not include social or honorary members.

DOCUMENT: 9-314.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Net profit, defined.

LAW 9-314.01. Net profit shall mean the gross profit from the sale of a pickle card unit less the unit cost and allowable expenses incurred by a licensed organization in connection with the sale of a pickle card unit.

DOCUMENT: 9-315

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card, defined.

LAW 9-315. Pickle card shall mean any disposable card, board, or ticket which accords a person an opportunity to win a cash prize by opening, pulling, detaching, or otherwise removing one or more tabs from the card, board, or ticket to reveal a set of numbers, letters, symbols, or configurations, or any combination thereof, and shall include, but not be limited to, any card known as a pickle ticket, pickle, break-open, pull-tab, pull-tab board, punchboard, seal card, pull card, or any other similar card, board, or ticket which is included under this section, whether referred to by any other name.

Pickle card shall not mean or include any:

- (1) Card used in connection with bingo conducted pursuant to the Nebraska Bingo Act;
- (2) Racing ticket or wager in connection with any horserace conducted pursuant to Chapter 2, article 12;
- (3) Scrape-off or rub-off ticket;
- (4) Card, ticket, or other device used in connection with any kind of gambling, lottery, raffle, or gift enterprise authorized or regulated under the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or section 9-701; or
- (5) Card, ticket, or other device prohibited under Chapter 28, article 11.

DOCUMENT: 9-316

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card operator, defined.

LAW 9-316. Pickle card operator shall mean any sole proprietorship, partnership, limited liability company, or corporation which sells individual pickle cards on behalf of the licensed organization.

DOCUMENT: 9-317

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card unit, defined.

LAW 9-317. Pickle card unit shall mean a series or complete set of pickle cards, which consists of all winning and losing cards in a particular unit, set, series, deal, or scheme for a lottery by the sale of pickle cards, in the receptacle or box in and with which the unit of pickle cards is sold by a distributor.

DOCUMENT: 9-317.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Premises, defined.

LAW 9-317.01. Premises shall mean a building or a distinct portion of a building and shall not include any area of land surrounding the building.

DOCUMENT: 9-319

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Revoke, defined.

LAW 9-319. Revoke shall mean to permanently void and recall all rights and privileges of an organization or a person to obtain a license.

DOCUMENT: 9-320

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Sales agent, defined.

LAW 9-320. Sales agent shall mean any person who markets, sells, or delivers any pickle card unit on behalf of a licensed organization to any licensed pickle card operator.

DOCUMENT: 9-321

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspend, defined.

LAW 9-321. Suspend shall mean to cause a temporary interruption of all rights and privileges of a license or the renewal thereof.

DOCUMENT: 9-321.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Unit cost, defined.

LAW 9-321.01. Unit cost shall mean the total cost of a pickle card unit paid by a licensed organization to a distributor. Unit cost shall include the tax on definite profit prescribed in section 9-344 and any applicable sales tax. Unit cost shall also include any applicable federal gaming tax for which the licensed organization is liable in connection with its purchase or sale of a pickle card unit.

DOCUMENT: 9-321.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Utilization-of-funds member, defined.

LAW 9-321.02. Utilization-of-funds member shall mean a member of the organization who shall be responsible for supervising the conduct of the lottery by the sale of pickle cards and for the proper utilization of the gross proceeds derived from the conduct of the lottery by the sale of pickle cards.

DOCUMENT: 9-322

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department; powers, functions, and duties.

LAW 9-322. The department shall have the following powers, functions, and duties:

(1) To issue licenses and temporary licenses;

(2) To deny any license application or renewal application for cause. Cause for denial of an application for or renewal of a license shall include instances in which the applicant individually or, in the case of a business entity or a nonprofit organization, any officer, director, employee, or limited liability company member of the applicant or licensee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such applicant or licensee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code, from such applicant or licensee for past or present services in a consulting capacity or otherwise, the licensee, or any person with a substantial interest in the applicant or licensee:

- (a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act or any rules or regulations adopted and promulgated pursuant to such acts;
- (b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of such acts or any rules or regulations adopted and promulgated pursuant to such acts;
- (c) Obtained a license or permit pursuant to such acts by fraud, misrepresentation, or concealment;
- (d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;
- (e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;
- (f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where pickle card activity required to be licensed under the Nebraska Pickle Card Lottery Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;
- (g) Made a misrepresentation of or failed to disclose a material fact to the department;
- (h) Failed to prove by clear and convincing evidence his, her, or its qualifications to be licensed in accordance with the Nebraska Pickle Card Lottery Act;
- (i) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act or any other taxes imposed pursuant to the Nebraska Revenue Act of 1967;
- (j) Failed to pay an administrative fine levied

pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(k) Failed to demonstrate good character, honesty, and integrity; or

(l) Failed to demonstrate, either individually or, in the case of a business entity or a nonprofit organization, through its managers, employees, or agents, the ability, experience, or financial responsibility necessary to establish or maintain the activity for which the application is made.

No license renewal shall be issued when the applicant for renewal would not be eligible for a license upon a first application;

(3) To revoke, cancel, or suspend for cause any license. Cause for revocation, cancellation, or suspension of a license shall include instances in which the licensee individually or, in the case of a business entity or a nonprofit organization, any officer, director, employee, or limited liability company member of the licensee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such licensee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such licensee for past or present services in a consulting capacity or otherwise, or any person with a substantial interest in the licensee:

(a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts;

(b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of the Nebraska Pickle Card Lottery Act or any rules or regulations adopted and promulgated pursuant to the act;

(c) Obtained a license pursuant to the Nebraska Pickle Card Lottery Act by fraud, misrepresentation, or concealment;

(d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;

(e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;

(f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where pickle card activity required to be licensed under the act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;

(g) Made a misrepresentation of or failed to disclose a

material fact to the department;

(h) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Pickle Card Lottery Act;

(i) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(j) Failed to demonstrate good character, honesty, and integrity; or

(k) Failed to demonstrate, either individually or, in the case of a business entity or a nonprofit organization, through its managers, employees, or agents, the ability, experience, or financial responsibility necessary to maintain the activity for which the license was issued;

(4) To issue and cause to be served upon any licensee or other person an order requiring the licensee or other person to cease and desist from violations of the Nebraska Pickle Card Lottery Act. The order shall give reasonable notice of the rights of the licensee or other person to request a hearing and shall state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the Tax Commissioner, and within twenty days after the date of the hearing, the Tax Commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be held in accordance with the rules and regulations adopted and promulgated by the department. If the licensee or other person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the licensee or other person shall be deemed in default and the proceeding may be determined against the licensee or other person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(5) To levy an administrative fine on an individual, partnership, limited liability company, corporation, or organization for cause. For purposes of this subdivision, cause shall include instances in which the individual, partnership, limited liability company, corporation, or organization violated the provisions, requirements, conditions, limitations, or duties imposed by the act or any rule or regulation adopted and promulgated pursuant to the act. In determining whether to levy an administrative fine and the amount of the fine if any fine is levied, the department shall take into consideration the seriousness of the violation, the intent of the violator, whether the violator voluntarily reported the violation, whether the violator derived financial gain as a result of the violation and the extent thereof, and whether the violator has had previous violations of the act, rules, or regulations. A fine levied on a violator under this section shall not exceed one thousand dollars for each violation of the act or any rule or regulation adopted and promulgated pursuant to the act plus the financial benefit derived by the violator as a result of each violation. If an administrative fine is levied, the fine shall not be paid from pickle card lottery gross proceeds of an organization and shall be remitted by the violator to the department within thirty days after the date of the order issued by the department levying such

fine;

(6) To enter or to authorize any law enforcement officer to enter at any time upon any premises where lottery by the sale of pickle cards activity required to be licensed under the act is being conducted to determine whether any of the provisions of such act or any rules or regulations adopted and promulgated under such act have been or are being violated and at such time to examine such premises;

(7) To require periodic reports of lottery by the sale of pickle cards activity from licensed manufacturers, distributors, nonprofit organizations, sales agents, pickle card operators, and any other persons, organizations, limited liability companies, or corporations as the department deems necessary to carry out the act;

(8) To require annual registration of coin-operated and currency-operated devices used for the dispensing of pickle cards, to issue registration decals for such devices, to prescribe all forms necessary for the registration of such devices, and to impose administrative penalties for failure to properly register such devices;

(9) To examine or to cause to have examined, by any agent or representative designated by the department for such purpose, any books, papers, records, or memoranda relating to the conduct of lottery by the sale of pickle cards of any licensee, to require by administrative order or summons the production of such documents or the attendance of any person having knowledge in the premises, to take testimony under oath, and to require proof material for its information. If any such person willfully refuses to make documents available for examination by the department or its agent or representative or willfully fails to attend and testify, the department may apply to a judge of the district court of the county in which such person resides for an order directing such person to comply with the department's request. If any documents requested by the department are in the custody of a corporation, the court order may be directed to any principal officer of the corporation. If the documents requested by the department are in the custody of a limited liability company, the court order may be directed to any member when management is reserved to the members or otherwise to any manager. Any person who fails or refuses to obey such a court order shall be guilty of contempt of court;

(10) Unless specifically provided otherwise, to compute, determine, assess, and collect the amounts required to be paid as taxes imposed by the act in the same manner as provided for sales and use taxes in the Nebraska Revenue Act of 1967;

(11) To inspect pickle cards and pickle card units as provided in section 9-339;

(12) To confiscate, seize, or seal pickle cards, pickle card units, or coin-operated or currency-operated pickle card dispensing devices pursuant to section 9-350;

(13) To adopt and promulgate such rules and regulations and prescribe all forms as are necessary to carry out the Nebraska Pickle Card Lottery Act; and

(14) To employ staff, including auditors and inspectors, as necessary to carry out the act.

DOCUMENT: 9-322.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Administrative fine; disposition; collection.

LAW 9-322.01. (1) All money collected by the department as an administrative fine shall be transmitted on a monthly basis to the State Treasurer who shall deposit such money in the permanent school fund.

(2) Any administrative fine levied under section 9-322 and unpaid shall constitute a debt to the State of Nebraska which may be collected by lien foreclosure, or sued for and recovered in any proper form of action, in the name of the State of Nebraska, in the district court of the county in which the violator resides or owns property.

DOCUMENT: 9-322.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Denial of application; procedure.

LAW 9-322.02. (1) Before any application is denied pursuant to section 9-322, the department shall notify the applicant in writing of the department's intention to deny the application and the reasons for the denial. Such notice shall inform the applicant of his or her right to request an administrative hearing for the purpose of reconsideration of the intended denial of the application.

(2) A request for a hearing by the applicant shall be in writing and shall be filed with the department within thirty days after the service of notice to the applicant of the department's intended denial of the application. If a request for hearing is not filed within the thirty-day period, the application denial shall become final at the expiration of such period.

(3) If a request for hearing is filed within the thirty-day period, the Tax Commissioner shall grant the applicant a hearing and shall, at least ten days before the hearing, serve notice upon the applicant by certified mail, return receipt requested, of the time, date, and place of the hearing. Such proceedings shall be considered contested cases pursuant to the Administrative Procedure Act.

DOCUMENT: 9-322.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Administrative order; issuance; when.

LAW 9-322.03. In any administrative action initiated by the department pursuant to subdivision (3) or (5) of section 9-322, an administrative order shall be issued within forty-five days following the conclusion of any hearing on such action.

DOCUMENT: 9-323

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspension of license; limitation; procedure.

LAW 9-323. (1) The Tax Commissioner may suspend any license issued pursuant to the Nebraska Pickle Card Lottery Act except a license issued pursuant to section 9-326, except that no order to suspend any license shall be issued unless the department determines that the licensee is not operating in accordance with the purposes and intent of the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts. The Tax Commissioner may suspend a license issued pursuant to section 9-326 after a hearing upon a finding by the department that the licensee is not operating in accordance with the purposes and intent of such acts.

(2) Before any license is suspended prior to a hearing, notice of an order to suspend a license shall be mailed to or personally served upon the licensee at least fifteen days before the order of suspension takes effect.

(3) The order of suspension may be withdrawn if the licensee provides the department with evidence that any prior findings or violations have been corrected and that the licensee is now in full compliance, whether before or after the effective date of the order of suspension.

(4) The Tax Commissioner may issue an order of suspension pursuant to subsections (1) and (2) of this section when an action for suspension, cancellation, or revocation is pending. The Tax Commissioner may also issue an order of suspension after a hearing for a limited time of up to one year without an action for cancellation or revocation pending.

(5) The hearing for suspension, cancellation, or revocation of the license shall be held within twenty days after the date the suspension takes effect. A request by the licensee to hold the hearing after the end of the twenty-day period shall extend the suspension until the hearing.

(6) The decision of the department shall be made within twenty days after the conclusion of the hearing. The suspension shall continue in effect until the decision is issued. If the decision is that an order of suspension, revocation, or cancellation is not appropriate, the suspension shall terminate immediately by order of the Tax Commissioner. If the decision is an order for the suspension, revocation, or cancellation of the license, the suspension shall continue pending an appeal of the decision of the department.

(7) Any period of suspension prior to the issuance of an order of suspension issued by the Tax Commissioner shall count toward the total amount of time a licensee shall be suspended from gaming activities under the Nebraska Pickle Card Lottery Act. Any period of suspension prior to the issuance of an order of cancellation shall not reduce the period of the cancellation. Any period of suspension after the issuance of the order and during an appeal shall be counted as a part of the period of cancellation.

DOCUMENT: 9-324

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Hearing; required; when; notice.

LAW 9-324. Before the adoption, amendment, or repeal of any rule or regulation, the suspension, revocation, or cancellation of any license pursuant to section 9-322, or the levying of an administrative fine pursuant to section 9-322, the department shall set the matter for hearing. Such suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine shall be contested cases pursuant to the Administrative Procedure Act.

At least ten days before the hearing, the department shall (1) in the case of suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine, serve notice upon the licensee or violator by personal service or certified mail, return receipt requested, of the time, date, and place of any hearing or (2) in the case of adoption, amendment, or repeal of any rule or regulation, issue a public notice of the time, date, and place of such hearing.

This section shall not apply to an order of suspension by the Tax Commissioner prior to a hearing as provided in section 9-323.

DOCUMENT: 9-325

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Proceeding before department; service; security; appeal.

LAW 9-325. (1) A copy of the order or decision of the department in any proceeding before it, certified under the seal of the department, shall be served upon each party of record to the proceeding before the department. Service upon any attorney of record for any such party shall be deemed to be service upon such party. Each party appearing before the department shall enter his or her appearance and indicate to the department his or her address for the service of a copy of any order, decision, or notice. The mailing of any copy of any order or decision or of any notice in the proceeding, to such party at such address, shall be deemed to be service upon such party.

(2) At the time of making an appearance before the department, each party shall deposit in cash or furnish a sufficient security for costs in an amount the department deems adequate to cover all costs liable to accrue, including costs for (a) reporting the testimony to be adduced, (b) making up a complete transcript of the hearing, and (c) extending reporter's original notes in typewriting.

(3) Any decision of the department in any proceeding before it may be appealed, and the appeal shall be in accordance with the Administrative Procedure Act.

DOCUMENT: 9-326

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; qualified applicants.

LAW 9-326. (1) Any nonprofit organization holding a certificate of exemption under section 501(c)(3), (c)(4), (c)(5),

(c)(7), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code or any volunteer fire company organized and operated pursuant to Chapter 35, article 1, may apply for a license to conduct a lottery by the sale of pickle cards.

(2) Prior to applying for any license, an organization shall:

- (a) Be incorporated in this state as a not-for-profit corporation or organized in this state as a religious or not-for-profit organization. For purposes of this subsection, a domesticated foreign corporation shall not be considered incorporated in this state as a not-for-profit corporation;
- (b) Conduct activities within this state in addition to the conduct of lottery by the sale of pickle cards;
- (c) Be authorized by its constitution, articles, charter, or bylaws to further in this state a lawful purpose;
- (d) Operate without profit to its members, and no part of the net earnings of such organization shall inure to the benefit of any private shareholder or individual; and
- (e) Be a volunteer fire department or an organization devoted solely to the operation of youth amateur athletics or have been in existence in this state for five years immediately preceding its application for a license and have had during that period a bona fide membership actively engaged in furthering a lawful purpose. A society defined in section 21-608 which is chartered in Nebraska under a state, grand, supreme, national, or other governing body may use the charter date of its parent organization to satisfy such five-year requirement.

DOCUMENT: 9-327

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; application; contents; enumerated; duty to keep current.

LAW 9-327. (1) Each applicant for a license to conduct a lottery by the sale of pickle cards shall file with the department an application on a form prescribed by the department.

(2) Each application shall include:

- (a) The name and address of the applicant;
- (b) Sufficient facts relating to the incorporation or organization of the applicant to enable the department to determine if the applicant is eligible for a license under section 9-326;
- (c) The name and address of each officer of the applicant organization;
- (d) The name, address, social security number, date of birth, and years of membership of a bona fide and active member of the applicant organization to be licensed as a utilization-of-funds member. Such person shall have been an active and bona fide member of the applicant organization for at least one year preceding the date the application is filed with the department unless the applicant organization can provide evidence that the one-year requirement would impose an undue hardship on the organization. Such person shall sign a sworn statement indicating that he or she agrees to comply with all provisions of the Nebraska Pickle Card Lottery Act and all rules and regulations adopted pursuant to the act, that no commission,

fee, rent, salary, profits, compensation, or recompense will be paid to any person or organization, except payments authorized by the Nebraska Pickle Card Lottery Act, and that all net profits will be spent only for lawful purposes. The department may prescribe a separate application for such license;

(e) A roster of members if the department deems it necessary and proper; and

(f) Other information which the department deems necessary.

(3) The information required by this section shall be kept current. An organization shall notify the department within thirty days

if any information in the application is no longer correct and shall supply the correct information.

(4) The department may prescribe a separate application form for renewal purposes.

DOCUMENT: 9-328

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licenses; renewal; annual application; requirements; classes; fees.

LAW 9-328. (1) All licenses to conduct a lottery by the sale of pickle cards and licenses issued to utilization-of-funds members shall expire on September 30 of each year or such other date as the department may prescribe by rule and regulation and may be renewed annually. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license unless such application only pertains to the conduct of a lottery by the sale of pickle cards at a special function as provided in section 9-345.01.

(2) The department shall establish classes of licenses for licensed organizations based upon the manner in which the licensed organization intends to sell the pickle cards. The classes shall include:

(a) Class I licenses which shall include organizations which sell individual pickle cards only at the organization's designated premises and at the organization's licensed regularly scheduled bingo occasions pursuant to the Nebraska Bingo Act; and

(b) Class II licenses which shall include organizations which sell the pickle cards on the premises of one or more licensed pickle card operators.

A licensed organization holding a Class II license shall be required to market its pickle cards through a licensed sales agent.

(3) A license fee of one hundred dollars shall be charged for each Class I license, one hundred fifty dollars for each Class II license, and twenty dollars for a license for each utilization-of-funds member.

(4) The department shall adopt and promulgate rules and regulations establishing reporting requirements for each class of license.

DOCUMENT: 9-329

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Sales agent; license required; application; contents; fee; temporary license.

LAW 9-329. (1) No sales agent shall market, sell, or deliver any pickle card unit to any pickle card operator without first obtaining a license.

(2) Any person wishing to operate as a sales agent in this state shall file an application with the department for a license on a form prescribed by the department. Each application for a license shall include (a) the name, address, and social security number of the person applying for the license, (b) the name and state identification number of the licensed organization for which any pickle card units are to be marketed or sold by the applicant, and (c) such other information which the department deems necessary.

A statement signed by the person licensed as a utilization-of-funds member signifying that such licensed organization approves the applicant to act as a sales agent on behalf of such organization shall accompany each sales agent's application for a license. No person licensed as a utilization-of-funds member shall be licensed as a sales agent. A fee of fifty dollars shall be charged for each license issued pursuant to this section. The department shall remit the proceeds from such fee to the State Treasurer for credit to the Charitable Gaming Operations Fund. Such licenses shall expire on September 30 of each year or such other date which the department may prescribe by rule and regulation and may be renewed annually. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license.

(3) The information required by this section shall be kept current. A sales agent shall notify the department within thirty days if any information in the application is no longer correct and shall supply the correct information.

(4) The department may prescribe a separate application form for renewal purposes.

(5) The department may issue a temporary license pending receipt of additional information or further inquiry.

DOCUMENT: 9-329.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Sales agent; license applicant; qualifications; licensee; limitations.

LAW 9-329.01. (1) Prior to applying for a license as a sales agent for a licensed organization, the applicant shall have been an active and bona fide member of the licensed organization for one year preceding the date the application is filed with the department.

(2) No person applying for a license under this section shall hold a license as a sales agent for more than one licensed organization. This subsection shall not prohibit a licensed sales agent from applying for a license to represent another licensed organization as a sales agent if he or she has ceased

being a sales agent for and will not continue to market pickle card units on behalf of the organization for which he or she is currently licensed and has obtained a written release of any legal obligations he or she has to such licensed organization. Such release shall be signed by a person licensed as a utilization-of-funds member and an officer of the licensed organization and shall state that the sales agent has satisfied all legal obligations he or she has to the licensed organization in connection with the lottery by the sale of pickle cards. When applicable, a copy of the written release shall accompany any application for a license to become a sales agent.

(3) Any sales agent licensed under the Nebraska Pickle Card Lottery Act shall not be connected with or interested in, directly or indirectly, any person, partnership, limited liability company, firm, corporation, or other party licensed as a distributor, manufacturer, or pickle card operator under section 9-329.03, 9-330, or 9-332 and, unless such sales agent does not directly or indirectly receive payment of any commission, salary, or fee for the sale, marketing, or delivery of pickle cards on behalf of the licensed organization or any other service on behalf of the licensed organization, shall not be a director, manager, trustee, or member of any governing committee, board, or body of the licensed organization on behalf of which the sales agent sells pickle card units.

DOCUMENT: 9-329.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card operator; license required; application; contents; fee; restrictions; authorization required; equipment requirements.

LAW 9-329.02. (1) A pickle card operator shall not be eligible to sell individual pickle cards as opportunities to participate in a lottery by the sale of pickle cards without first obtaining a license.

(2) Any sole proprietorship, partnership, limited liability company, or corporation wishing to operate as a pickle card operator in this state shall file an application with the department for a license on a form prescribed by the department. Each application for a license shall include (a) the name, address, and state identification number of the sole proprietorship, partnership, limited liability company, or corporation applying for the license, (b) a description of the premises on which the pickle cards will be sold or offered for sale, (c) if the applicant is an individual, the applicant's social security number, and (d) such other information which the department deems necessary. The information required by this subsection shall be kept current. A pickle card operator shall notify the department within thirty days if any information in the application is no longer correct and shall supply the correct information.

(3) A fee of fifty dollars shall be charged for each license issued pursuant to this section and shall be paid for by the applicant. A licensed organization shall not pay the required licensing fees of a pickle card operator as an

inducement for the pickle card operator to sell individual pickle cards on its behalf. Such licenses shall expire on September 30 of each year or such other date as the department may prescribe by rule and regulation and may be renewed annually. The department shall remit the proceeds from such license fees to the State Treasurer for credit to the Charitable Gaming Operations Fund. An application for license renewal shall be submitted to the department at least sixty days prior to the expiration date of the license.

(4) One license issued to any sole proprietorship, partnership, limited liability company, or corporation under this section as a pickle card operator shall cover the sole proprietorship, partnership, limited liability company, or corporation and the employees of the licensed pickle card operator. Any license issued pursuant to this section shall be valid only for the sole proprietorship, partnership, limited liability company, or corporation in the name of which it was issued and shall allow the sale of individual pickle cards only on the premises described in the pickle card operator's application for a license. A pickle card operator's license may not be transferred under any circumstances including change of ownership.

(5) The department may prescribe a separate application form for renewal purposes.

(6) A licensed pickle card operator shall not sell individual pickle cards on behalf of a licensed organization until an authorization has been obtained from the department by the licensed organization. The licensed organization shall file an application with the department for such authorization on a form prescribed by the department. Each application for an authorization shall include (a) the name, address, and state identification number of the licensed pickle card operator and (b) such other information which the department deems necessary. The application shall include a statement signed by a person licensed as a utilization-of-funds member signifying that such licensed organization approves the pickle card operator to sell individual pickle cards on behalf of such organization.

(7) A pickle card operator may sell individual pickle cards on behalf of more than one licensed organization. Each licensed organization for which the pickle card operator desires to sell individual pickle cards shall obtain the authorization described in subsection (6) of this section.

(8) A pickle card operator who sells individual pickle cards through a coin-operated or currency-operated dispensing device shall purchase, lease, or rent its own equipment. If such equipment is obtained from a licensed organization or distributor, it shall be purchased, leased, or rented at a rate not less than fair market value. A licensed organization or distributor shall not provide such equipment to a pickle card operator free of charge or at a rate less than fair market value as an inducement for the pickle card operator to sell a licensed organization's individual pickle cards. The department may require a licensed organization, distributor, or pickle card operator to provide such documentation as the department deems necessary to verify that a pickle card operator has purchased, leased, or rented the equipment for a rate not less than fair

market value.

(9) No pickle card operator shall generate revenue from the sale of individual pickle cards which exceeds the revenue generated from other retail sales on an annual basis. For purposes of this subsection, retail sales shall not include revenue generated from other charitable gaming activities authorized by Chapter 9.

DOCUMENT: 9-329.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card operator; qualified applicant; licensee; limitations.

LAW 9-329.03. (1) Any sole proprietorship, partnership, limited liability company, or corporation, which holds a retailer's license for consumption on the premises or a bottle club license issued by the Nebraska Liquor Control Commission pursuant to the Nebraska Liquor Control Act or which holds a retailer's license for consumption off the premises, may apply for a pickle card operator's license to sell individual pickle cards as opportunities to participate in a lottery by the sale of pickle cards.

(2) A pickle card operator licensed under the Nebraska Pickle Card Lottery Act shall not be connected with or interested in, directly or indirectly, any person, partnership, limited liability company, firm, corporation, or other party licensed as a distributor or manufacturer under section 9-330 or 9-332.

(3) A sole proprietor, partner in a partnership, member in a limited liability company, or officer or director of a corporation licensed as a pickle card operator shall not be licensed as a sales agent.

(4) A sole proprietor, partner in a partnership, member in a limited liability company, or officer or director of a corporation licensed as a pickle card operator shall not be a director, manager, trustee, or member of any governing committee, board, or body of the licensed organization on behalf of which the pickle card operator sells individual pickle cards.

DOCUMENT: 9-330

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor's license; application; requirements; fee; renewal.

LAW 9-330. Any applicant for a distributor's license, including renewal thereof, shall file an application with the department on a form prescribed by the department. Each application shall be accompanied by a biennial license fee of three thousand fifty dollars. At a minimum, the application shall include the name and address of the applicant, including all shareholders who own ten percent or more of the outstanding stock if the applicant is a corporation, the location of its office or business, a current list, if requested, of those organizations within the state to whom the applicant is selling pickle card units, and, if the applicant is an individual, the applicant's social security number. All applications shall include a sworn statement by the applicant or the appropriate officer thereof that the applicant will comply with all

provisions of the Nebraska Pickle Card Lottery Act and all rules and regulations adopted and promulgated under such act.

The principal office of an applicant for a distributor's license or of a licensed distributor shall be located in Nebraska.

No person shall be issued a distributor's license if such person is not doing business or authorized to do business in this state.

Distributors' licenses shall expire on September 30 of every odd-numbered year or such other date as the department may prescribe by rule or regulation. Distributors' licenses may be renewed biennially. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license.

DOCUMENT: 9-331

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor; employee or spouse; participation in gambling; restrictions.

LAW 9-331. (1) No person, except a distributor operating pursuant to the Nebraska Pickle Card Lottery Act, shall sell or distribute any pickle card units to any licensed organization.

(2) No distributor shall hold a license to conduct a lottery by the sale of pickle cards or any other kind of gambling activity which is authorized or regulated under Chapter 9 or a license to act as a sales agent, pickle card operator, or manufacturer of pickle cards or pickle card units except as provided in sections 9-255.07 and 9-632.

(3) If a distributor delivers any pickle card unit, he or she shall deliver such unit only to a licensed utilization-of-funds member for pickle cards, a licensed sales agent, a licensed gaming manager, a bingo chairperson designated by an organization licensed to conduct bingo pursuant to the Nebraska Bingo Act, or a person who serves as a manager for a licensed organization which is exempt under section 501(c)(8), (c)(10), or (c)(19) of the Internal Revenue Code and shall not deliver any pickle card unit to any other person, including a pickle card operator.

(4) No distributor shall offer or agree to offer anything of value to any person in exchange for an agreement or commitment by such person to exclusively sell pickle cards sold by such distributor. Nothing in this section shall prohibit a licensed organization or pickle card operator from exclusively selling pickle cards sold by a single distributor. No licensed organization or pickle card operator shall accept or agree to accept anything of value from a distributor in exchange for an agreement or commitment by such licensed organization or pickle card operator to exclusively sell pickle cards sold by such distributor.

(5) No distributor or employee or spouse of any distributor shall participate in the conduct or operation of any lottery by the sale of pickle cards or any other kind of gambling activity which is authorized or regulated under Chapter 9 except to the exclusive extent of his or her statutory duties as a

licensed distributor and as provided in sections 9-255.07 and 9-632. No distributor or employee or spouse of any distributor shall have a substantial interest in another distributor, a manufacturer, a manufacturer-distributor as defined in section 9-616 other than itself, or a licensed organization or any other licensee regulated under Chapter 9. Membership in any organization shall not be deemed a violation of this section.

(6) A distributor shall purchase or otherwise obtain pickle card units only from a licensed manufacturer and shall pay for such units by check within fifteen days of delivery.

DOCUMENT: 9-332

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer of pickle cards; license required; application; fee; change in information; renewal.

LAW 9-332. A manufacturer shall obtain a license from the department prior to manufacturing or selling or supplying to any licensed distributor in this state any pickle cards or pickle card units or engaging in any interstate activities relating to such pickle cards or pickle card units, except that nothing in this section shall prohibit a manufacturer from marketing, selling, or otherwise providing pickle cards or pickle card units to a federally recognized Indian tribe for use in a Class II gaming activity authorized by the federal Indian Gaming Regulatory Act. The applicant shall include with the application form prescribed by the department a biennial license fee of three thousand fifty dollars, a sworn statement by the applicant or appropriate officer of the applicant that the applicant will comply with all provisions of the Nebraska Pickle Card Lottery Act and all rules and regulations adopted and promulgated pursuant to the act, and such other information as the department deems necessary. If the applicant is an individual, the application shall include the applicant's social security number. The applicant shall notify the department within thirty days of any change in the information submitted on or with the application form. The applicant shall comply with all applicable laws of the United States and the State of Nebraska and all applicable rules and regulations of the department. Manufacturers' licenses shall expire on September 30 of every odd-numbered year or such other date as the department may prescribe by rule and regulation. Manufacturers' licenses may be renewed biennially. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license.

DOCUMENT: 9-332.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer; preselling activities; approval required.

LAW 9-332.01. Each manufacturer shall receive departmental approval prior to selling in this state any type of pickle card, pickle card unit, punchboard, or other similar card, board, or ticket included in section 9-315 whether referred to by any other name intended for resale in Nebraska. Approval by the department

shall be based upon, but not limited to, the manufacture, assembly, and packaging of pickle cards or pickle card units and any other specifications imposed by the Nebraska Pickle Card Lottery Act or any rule or regulation adopted and promulgated pursuant to the act.

DOCUMENT: 9-333

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer; records.

LAW 9-333. Each manufacturer shall keep and maintain a complete set of records detailing the manufacturer's pickle card activities, including the name and state identification number of each distributor purchasing pickle card units, the quantity and type of each pickle card unit sold, and any other information concerning pickle card units which the department deems necessary. Such records shall be made available to the department upon request. The department may require by rule and regulation periodic reporting from a manufacturer relative to its pickle card activities.

DOCUMENT: 9-334

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Nonresident manufacturer; designated agent for service of process.

LAW 9-334. Each manufacturer selling pickle cards and pickle card units in this state that is not a resident or corporation shall designate a natural person who is a resident of and living in this state and is nineteen years of age or older as a resident agent for the purpose of receipt and acceptance of service of process and other communications on behalf of the manufacturer. The name, business address where service of process and delivery of mail can be made, and home address of such agent shall be filed with the department.

DOCUMENT: 9-335

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer; employee or spouse; restriction on activities.

LAW 9-335. No manufacturer shall be licensed to conduct any other activity under the Nebraska Pickle Card Lottery Act. No manufacturer shall hold a license to conduct any other kind of gambling activity which is authorized or regulated under Chapter 9 except as provided in sections 9-255.09 and 9-632. No manufacturer or employee or spouse of any manufacturer shall participate in the conduct or operation of any lottery by the sale of pickle cards or any other kind of gambling activity which is authorized or regulated under Chapter 9 except to the exclusive extent of his or her statutory duties as a licensed manufacturer or employee thereof, as a lottery contractor pursuant to the State Lottery Act, and as provided in sections 9-255.09 and 9-632. No manufacturer or employee or spouse of any manufacturer shall have a substantial interest in any other manufacturer, any distributor, any manufacturer-distributor as

defined in section 9-616 other than itself, or any licensed organization or any other licensee regulated under Chapter 9.

DOCUMENT: 9-336

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card or pickle card unit; serial number required; manufacturer; duties.

LAW 9-336. Each manufacturer of pickle cards or pickle card units shall assign a serial number to each unit of pickle cards he or she manufactures and place such number on each flare card supplied by such manufacturer and on each pickle card in the unit. No manufacturer shall sell or furnish to any person a unit of pickle cards with the same serial number as a unit which such manufacturer has previously distributed in this or any other state within the three years prior to such sale or furnishing.

DOCUMENT: 9-337

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle cards; construction standards.

LAW 9-337. (1) Pickle cards shall be constructed so that it is impossible to determine the covered or concealed number, letter, symbol, configuration, or combination thereof on the pickle card until it has been dispensed to and opened by the player, by any method or device, including, but not limited to, the use of a marking, variance in size, variance in paper fiber, or light.

(2) All pickle cards shall be constructed to ensure that, when offered for sale to the public, the pickle card is virtually opaque and free of security defects so that winning pickle cards cannot be determined, prior to being opened, through the use of high-intensity lights or any other method.

(3) All pickle cards shall be constructed to conform in all other respects to the provisions and specifications imposed by the Nebraska Pickle Card Lottery Act or by rule or regulation as to the manufacture, assembly, or packaging of pickle cards or pickle card units.

DOCUMENT: 9-338

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card or pickle card unit; restrictions on manufacturer; contraband.

LAW 9-338. (1) No manufacturer or representative thereof, with knowledge or in circumstances under which he or she reasonably should have known, shall manufacture, possess, display, sell, or otherwise furnish to any person any pickle card or pickle card unit:

(a) In which the winning tab or tabs have not been completely and randomly distributed and mixed among all other tabs in a series;

(b) In which the location or approximate location of any of the winning tab or tabs can be determined in advance of opening the tab or tabs in any manner or by any device,

including, but not limited to, any pattern in the manufacture, assembly, or packaging of the tabs or pickle cards by the manufacturer, by any markings on the tabs or container, or by the use of a light;

(c) Which offers both a chance for an instant prize and a possible chance to participate in a subsequent lottery activity, except that pickle card units may utilize a seal card to award prizes; or

(d) Which does not conform in all other respects to the requirements of the Nebraska Pickle Card Lottery Act and any other specifications imposed by the department by rule and regulation as to the manufacture, assembly, or packaging of pickle cards.

Any such cards or units shall be contraband goods for purposes of section 9-350.

(2) No manufacturer or representative thereof shall use as a sales promotion any statement, demonstration, or implication that any certain portion of a series of pickle cards contains more winners than other portions of the series or that any series of pickle cards or pickle card units may be sold by the organization or its designated sales agent or pickle card operator in a particular manner that would give the seller any advantage in selling more of the pickle cards before having to pay out winners.

DOCUMENT: 9-339

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card or pickle card unit; department; examination.

LAW 9-339. In addition to any other authority of the department and its authorized agents to conduct inspections, the department and its agents shall have the authority to select any pickle card or pickle card unit held by a distributor, licensed organization, sales agent, pickle card operator, or manufacturer and to examine the quality and integrity of such card or unit in any manner, including pulling all chances remaining thereon. If the pickle card or pickle card unit so inspected is thereby altered in any manner and no defect, alteration, deceptive condition, or other violation is discovered, the owner shall be reimbursed by the department for the cost of the pickle card or pickle card unit and the pickle card or pickle card unit shall become property of the department.

DOCUMENT: 9-340

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card or pickle card unit; restrictions; costs of examination.

LAW 9-340. (1) No manufacturer shall sell or otherwise provide any pickle cards or pickle card units to any person in Nebraska except a licensed distributor or a federally recognized Indian tribe for use in a Class II gaming activity authorized by the federal Indian Gaming Regulatory Act. No distributor licensed in Nebraska shall purchase or otherwise obtain any pickle cards or pickle card units except from manufacturers

licensed in Nebraska.

(2) No distributor shall sell or otherwise provide any pickle card units except to an organization licensed to conduct a lottery by the sale of pickle cards pursuant to the Nebraska Pickle Card Lottery Act or to a federally recognized Indian tribe for use in a Class II gaming activity authorized by the federal Indian Gaming Regulatory Act. No pickle cards shall be sold by a distributor except in the form of pickle card units. No distributor shall market or sell any pickle card unit for use in this state:

- (a) Which has not been approved and authorized by the department;
- (b) Which has a card or play count in excess of six thousand per pickle card unit;
- (c) Which offers less than sixty-five percent or more than eighty percent of the gross proceeds to be paid out in prizes;
- (d) Which contains any pickle card or punch on a punchboard, the individual purchase price of which exceeds one dollar;
- (e) In which any individual pickle card awards a prize or prizes in excess of one thousand dollars;
- (f) Which may be used for any gift enterprise as defined in section 9-701;
- (g) Unless and until a stamp obtained from the department containing an identifying number has been permanently and conspicuously affixed upon the flare card supplied by the manufacturer for identification purposes. Once placed, such stamp shall not be removed or tampered with by any person. The state identification stamp shall be placed on each punchboard such that the complete number, together with the symbol appearing thereon, is plainly visible. State identification stamps shall be obtained only from the department and only by a licensed distributor for ten cents each. Such stamps shall be placed by the licensed distributor only on items sold or furnished to licensed organizations in this state. Such stamps shall not be transferred or furnished to any other person unless already placed upon a punchboard or pickle card unit; or
- (h) Without the information required in section 9-346.

(3) The department may require a manufacturer seeking approval of any pickle card unit to pay the actual costs incurred by the department in examining the unit. If required, the anticipated costs shall be paid in advance by the manufacturer. After completion of the examination, the department shall refund overpayments or charge and collect amounts sufficient to reimburse the department for underpayment of actual costs.

DOCUMENT: 9-340.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor; provide purchaser with invoice.

LAW 9-340.01. Each distributor shall, in a manner prescribed by the department, provide each purchaser of a pickle card unit or punchboard with an invoice of sale. The invoice

shall contain the purchaser's name and complete address and any other information the department deems necessary.

DOCUMENT: 9-340.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle card units; dispensing devices; payment; definite profit; how remitted; delivery; credit; limitations.

LAW 9-340.02. (1) All pickle card units purchased by a licensed organization from a licensed distributor shall be paid for by a check drawn on the pickle card bank account of the licensed organization either in advance of or upon delivery of the pickle card units.

(2) A licensed pickle card operator shall remit the definite profit, less not more than thirty percent of the definite profit as allowed by subsection (4) of section 9-347, of all pickle card units received to the sponsoring licensed organization by check either in advance of or upon delivery of the pickle card units from the sales agent to the pickle card operator. Upon delivery of the pickle card units, the sales agent shall issue the pickle card operator a standard receipt prescribed by the department.

(3) Pickle card units shall be delivered by the sales agent to the pickle card operator in any manner which results in a signed receipt from the pickle card operator, including personal delivery or delivery through the mail or by a common carrier.

(4) No licensed organization conducting a lottery by the sale of pickle cards shall extend credit in any form, including, but not limited to, the extension of any credit with regard to the receipt of the definite profit, less not more than thirty percent of the definite profit as allowed by subsection (4) of section 9-347, of a pickle card unit from a pickle card operator upon delivery of a pickle card unit to the pickle card operator and the extension of any credit with regard to the sale or lease of any equipment or coin-operated or currency-operated pickle card dispensing device used in connection with a lottery by the sale of pickle cards.

(5) All payments for the purchase, lease, or rental of a coin-operated or currency-operated pickle card dispensing device by a licensed organization shall be made by a check drawn on the organization's pickle card checking account.

(6) All payments for the purchase, lease, or rental of a coin-operated or currency-operated pickle card dispensing device by a licensed pickle card operator from a licensed organization shall be made by a check drawn on the business checking account of the pickle card operator or a personal checking account of an owner, partner, or officer of the pickle card operator, either at the time of or before placement of the device or on or before the first day of the period of the lease, whichever comes first.

(7) All lease or rental agreements between a licensed organization and a licensed pickle card operator for coin-operated or currency-operated pickle card dispensing devices shall be subject to approval by the department.

DOCUMENT: 9-341

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed manufacturer; duty to keep records.

LAW 9-341. Every licensed manufacturer shall keep and maintain a complete set of records which shall include all details of all activities of the licensee related to the conduct of the licensed activity as may be required by the department, including the total number of pickle card units sold to any Nebraska-licensed distributor. Such records shall be available for inspection by the department. The records shall be maintained for a period of not less than three years from the date of the end of the licensee's fiscal year.

DOCUMENT: 9-342

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed organization; pickle cards; powers and duties; purchases; limitation.

LAW 9-342. (1) Any organization licensed to conduct a lottery by the sale of pickle cards shall purchase units for such purposes from a distributor and shall use the net profit from the sale of the pickle cards for a lawful purpose.

(2) When any organization licensed to conduct a lottery by the sale of pickle cards purchases units from a distributor, such organization shall provide the distributor with a copy of the organization's license or other adequate identification indicating that such organization has a valid license issued pursuant to section 9-327.

(3) Only a person (a) licensed pursuant to section 9-327 as a utilization-of-funds member, (b) licensed pursuant to section 9-329 as a sales agent, (c) licensed pursuant to section 9-232.01 as a gaming manager, (d) designated as a bingo chairperson by an organization licensed to conduct bingo pursuant to the Nebraska Bingo Act, or (e) who serves as a manager for a licensed organization which is exempt under section 501(c)(8), (c)(10), or (c)(19) of the Internal Revenue Code shall order pickle card units from a distributor on behalf of the organization. Only a person licensed as a utilization-of-funds member shall purchase pickle card units from a distributor on behalf of the organization. No pickle card operator shall order or purchase any pickle card or pickle card unit from a distributor.

DOCUMENT: 9-343

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor; records; reports.

LAW 9-343. (1) A distributor shall maintain records of total sales of pickle card units and, within thirty days after the end of the calendar month or by the last day of the month following each monthly period, whichever comes first, shall report to the department, in a manner prescribed by the department, detailed information concerning each sale, which

information shall include, but not be limited to, (a) the total number of units sold by such distributor, (b) the aggregate price for which such cards will be sold by the purchasing organization, and (c) any other information the department deems necessary.

(2) A distributor shall maintain a record of the serial number of each unit sold and the corresponding state identification stamp number assigned to each unit. Such information shall be made available to the department upon request.

DOCUMENT: 9-344

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Distributor; taxation; deficiencies.

LAW 9-344. (1) Accompanying the monthly reports required in section 9-343, the distributor shall remit to the department a tax equal to ten percent of the definite profit of each pickle card unit sold by the distributor. Such tax shall be remitted with and reported on a form prescribed by the department on a monthly basis and shall be due and payable within thirty days after each monthly period or by the last day of the month following each monthly period, whichever comes first. The department shall remit the tax to the State Treasurer for credit to the Charitable Gaming Operations Fund. The distributor shall include the tax due under this section in the selling price of units and shall separately state such tax on the invoice. All deficiencies of the tax prescribed in this section shall accrue interest and be subject to a penalty as provided for sales and use taxes in the Nebraska Revenue Act of 1967.

(2) Unless otherwise provided in the Nebraska Pickle Card Lottery Act, no occupation tax on any proceeds derived from the conduct of a lottery by the sale of pickle cards shall be levied, assessed, or collected from any licensee under the act by any county, township, district, city, village, or other governmental subdivision or body having power to levy, assess, or collect such tax.

(3) For purposes of proper administration of the tax imposed by this section and to prevent evasion of the tax, it shall be presumed that each pickle card unit sold by a distributor or obtained from a manufacturer and not accounted for by a distributor is subject to the tax until the contrary is established. The burden of proving the contrary shall be upon the distributor.

DOCUMENT: 9-345

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Participation; age limitation.

LAW 9-345. (1) No person under eighteen years of age shall play or participate in any way in any lottery by the sale of pickle cards.

(2) No person or licensee, or employee or agent thereof, shall knowingly permit an individual under eighteen years of age to play or participate in any way in any lottery by

the sale of pickle cards conducted pursuant to the Nebraska Pickle Card Lottery Act.

DOCUMENT: 9-345.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Conduct of lottery; location; special function.

LAW 9-345.01. A licensed organization may conduct a lottery by the sale of pickle cards only at its designated premises, at its regularly scheduled bingo occasion and its limited period bingo conducted pursuant to the Nebraska Bingo Act, and at the premises of one or more pickle card operators. A licensed organization may obtain an authorization from the department to sell its individual pickle cards at a festival, bazaar, picnic, carnival, or similar special function conducted by the licensed organization outside of the organization's designated premises one time per license year not to exceed seven consecutive days if the special function is conducted within the county in which the licensed organization has its principal office and the pickle cards are sold only by volunteer members of the licensed organization. A licensed organization shall make written request to the department for such authorization at least ten days prior to the start of the special function.

DOCUMENT: 9-345.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Flare cards; punchboards; posting; identification.

LAW 9-345.02. (1) Licensed organizations and pickle card operators selling individual pickle cards or punchboards shall conspicuously post the flare card for each pickle card unit in play at that location.
(2) Licensed organizations and pickle card operators shall identify each flare card or punchboard in a manner prescribed by the department indicating the name and state identification number of each nonprofit organization on behalf of which individual pickle cards and punches from punchboards are sold at such location.

DOCUMENT: 9-345.03

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Pickle cards; dispensing device; registration; application; fee; decal; nontransferable; access; violations; penalties.

LAW 9-345.03. (1) Any person who places a coin-operated or currency-operated pickle card dispensing device in operation in this state without a current registration decal affixed permanently and conspicuously to the device shall be subject to an administrative penalty of thirty dollars for each violation. The department shall remit the proceeds from such penalties to the State Treasurer for credit to the Charitable Gaming Operations Fund.
(2) Registration of the device with the department shall be made by application to the department and shall be the

responsibility of the licensed organization when such device is to be used in a licensed organization's designated premises or at the location of its regularly scheduled bingo occasion or of the licensed pickle card operator when such device is to be used on the premises of the pickle card operator.

(3) Each application for registration shall include (a) the name and address of the licensed pickle card operator or licensed organization registering the device, (b) the state identification number of the licensed pickle card operator or licensed organization registering the device, (c) a detailed description of the physical appearance and operation of the device, and (d) such other information which the department deems necessary.

(4) A fee of fifty dollars shall be charged for each decal issued pursuant to this section. The department shall remit the proceeds from the fee to the State Treasurer for credit to the Charitable Gaming Operations Fund. All decals issued by the department pursuant to this section shall expire on December 31 of each year and shall be renewed annually.

(5) The registration decal issued by the department pursuant to this section shall not be transferable.

(6) Upon request by the Tax Commissioner or his or her agents or employees, the licensed organization or pickle card operator responsible for registering the device shall provide the requesting individual immediate access to any pickle cards contained within such device.

(7) Any person violating any provision of this section shall be deemed guilty of a Class II misdemeanor. Each day on which any person engages in or conducts the business of operating any device subject to this section without having paid the penalty or the registration as provided constitutes a separate offense.

DOCUMENT: 9-345.04

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Seal cards; authorized; requirements.

LAW 9-345.04. A lottery by the sale of pickle cards may be conducted utilizing a seal card comprised of a board or placard that contains a seal or seals which, when removed or opened, reveal predesignated winning numbers, letters, symbols, or any combination thereof. All rules governing the handling of prizes awarded in conjunction with seal cards shall be posted prominently in the area where such pickle card units are played.

DOCUMENT: 9-346

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Determination of winner; pickle cards; requirements.

LAW 9-346. (1) The winning cards, boards, or tickets in any lottery by the sale of pickle cards shall be determined by a comparison of those numbers, letters, symbols, or configurations, or combination thereof, which are revealed on the pickle cards, to a set of numbers, letters, symbols, or configurations, or combination thereof, which has been previously specified as a

winning combination. Whenever the winning combinations do not comprise a statement of the cash prize won, the winning combinations shall be printed on every pickle card that is wider than one inch or longer than two and one-half inches. Pickle cards that are smaller than such dimensions shall have the winning combinations printed on a flare card that is publicly displayed at the point of sale of the pickle cards.

(2) The winning chances of any pickle card shall not be determined or otherwise known until after its purchase and only upon opening, pulling, detaching, breaking open, or otherwise removing the tab or tabs to clearly reveal or otherwise appropriately revealing the combination. The winning chances shall be determined by and based upon an element of chance.

(3) Any person possessing a winning pickle card shall receive the appropriate cash prize previously determined and specified for that winning combination.

(4) All pickle cards shall legibly bear on the outside of each pickle card the name of the licensed organization conducting the lottery by the sale of pickle cards and such organization's state identification number.

(5) Nothing in this section shall prohibit (a) punchboards which allow the person who purchases the last punch on the punchboard to receive a cash prize predetermined by the manufacturer as a result of purchasing the last punch, (b) pickle card units which utilize a seal card which allows a seal card winner to receive a cash prize predetermined by the manufacturer, or (c) pickle card units which utilize a seal card as described in this section which allow the person who purchases the last pickle card of such a unit to receive a cash prize predetermined by the manufacturer as a result of purchasing the last pickle card.

DOCUMENT: 9-347

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds; definite profit; use; restrictions; allocation of expenses.

LAW 9-347. (1) The gross proceeds of any lottery by the sale of pickle cards shall be used solely for lawful purposes, awarding of prizes, payment of the unit cost, any commission paid to a pickle card operator, allowable expenses, and allocations for bingo expenses as provided by subsection (5) of this section.

(2) Not less than sixty-five percent or more than eighty percent of the gross proceeds of any lottery by the sale of pickle cards shall be used for the awarding of prizes.

(3) Not more than eight percent of the definite profit of a pickle card unit shall be used by the licensed organization to pay the allowable expenses of operating a lottery by the sale of pickle cards, except that license fees paid to the department to license the organization, each utilization-of-funds member, and any sales agent and pickle card dispensing device registration fees shall not be included in determining the eight-percent limitation on expenses and no portion of such eight percent shall be used to pay any expenses associated with the sale of pickle cards at a bingo occasion conducted pursuant to

the Nebraska Bingo Act, and of such eight percent not more than four percent of the definite profit may be used by the licensed organization for the payment of any commission, salary, or fee to a sales agent in connection with the marketing of a pickle card unit. When determining the eight percent of definite profit that is permitted to pay the allowable expenses of operating a lottery by the sale of pickle cards, the definite profit from the sale of pickle cards at the organization's bingo occasions shall not be included.

(4) Not more than thirty percent of the definite profit of a pickle card unit shall be used by a licensed organization to pay a pickle card operator a commission, fee, or salary for selling individual pickle cards as opportunities for participation in a lottery by the sale of pickle cards on behalf of the licensed organization.

(5) An organization licensed to conduct bingo pursuant to the Nebraska Bingo Act may allocate a portion of the expenses associated with the conduct of its bingo occasions to its lottery by the sale of pickle cards conducted at such bingo occasions. Such allocation shall be based upon the percentage that pickle card gross proceeds derived from the sale of pickle cards at the bingo occasions represents to the total of bingo gross receipts and pickle card gross proceeds derived from such bingo occasions for the previous annual period July 1 through June 30. An organization licensed to conduct bingo that has not been previously licensed shall determine such allocation based upon the percentage that pickle card gross proceeds derived from the sale of pickle cards at the bingo occasions represents to the total of bingo gross receipts and pickle card gross proceeds derived from such bingo occasions for the initial three consecutive calendar months of operation. The total amount of expenses that may be allocated to the organization's lottery by the sale of pickle cards shall be subject to the limitations on bingo expenses as provided for in the Nebraska Bingo Act with respect to the fourteen-percent expense limitation and the fair-market-value limitation on the purchase, rental, or lease of bingo equipment and the rental or lease of a premises for the conduct of bingo. No expenses associated with the conduct of bingo may be paid directly from the pickle card checking account. A licensed organization which needs to allocate a portion of the expenses associated with the conduct of its bingo occasions to its lottery by the sale of pickle cards conducted at such bingo occasions to pay bingo expenses as provided by this section shall transfer funds from the pickle card checking account to the bingo checking account by a check drawn on the pickle card checking account or by electronic funds transfer.

DOCUMENT: 9-347.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definite profit; distribution; net profit; use.

LAW 9-347.01. (1) For each type of pickle card unit marketed in this state, the department shall determine the following: (a) When a licensed organization sells pickle cards through pickle card operators, the portion of the definite profit

from that pickle card unit which shall go to the licensed organization, such amount to be not less than seventy percent of the definite profit from such pickle card unit; (b) the maximum amount of the definite profit from the sale of a pickle card unit that a licensed organization may pay a pickle card operator as a commission, fee, or salary to sell its pickle cards, such amount not to exceed thirty percent of the definite profit from such pickle card unit; (c) the portion of the definite profit from the sale of a pickle card unit which may be expended by a licensed organization for allowable expenses, such amount not to exceed eight percent of the definite profit from such pickle card unit; and (d) the portion of the definite profit from the sale of a pickle card unit which may be utilized by a licensed organization for payment of a sales agent selling pickle cards on behalf of the licensed organization, such amount to be a portion of the allowable expenses and not to exceed four percent of the definite profit from such pickle card unit.

(2) The licensed organization's net profit from the sale of a pickle card unit shall be used exclusively for a lawful purpose. A licensed organization shall not donate or promise to donate its net profit or any portion of the net profit to a recipient outside of its organization as an inducement for or in exchange for (a) a payment, gift, or other thing of value from the recipient to any person, organization, or corporation, including, but not limited to, the licensed organization or any of its members, employees, or agents, or (b) a pickle card operator's agreement to sell pickle cards on behalf of the licensed organization.

DOCUMENT: 9-348

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Segregation of definite profit; manner of payment; records; requirements.

LAW 9-348. (1) The definite profit, less not more than thirty percent of the definite profit as allowed by subsection (4) of section 9-347, of any lottery by the sale of pickle cards and all amounts received by any licensed organization from the sale, lease, or rental of coin-operated or currency-operated pickle card dispensing devices shall be segregated from other revenue of any licensed organization conducting the lottery and placed in a separate checking account. All lawful purpose donations and expenses relating to the licensed organization's lottery by the sale of pickle cards, including the allowable expenses, any license fees paid to the department to license the organization, each utilization-of-funds member, and any sales agent, coin-operated or currency-operated pickle card dispensing device registration fees, and the unit cost but excluding the payment of prizes for winning pickle cards, shall be paid by check from such account and shall be made payable to the ultimate use of such lawful purpose donations or expenses.

(2) Separate records shall be maintained by any licensed organization conducting a lottery by the sale of pickle cards. Each nonprofit organization conducting a lottery by the sale of pickle cards shall keep a record of all locations or

persons who are paid to sell pickle cards. Records and lists required by the Nebraska Pickle Card Lottery Act shall be preserved for at least three years. Any law enforcement agency or other agency of government shall have the authority to investigate the records relating to lotteries by the sale of pickle cards and gross proceeds from such lotteries at any time. Organizations shall, upon proper written request, deliver all such records to the department, law enforcement agency, or other agency of government for investigation.

DOCUMENT: 9-348.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery by the sale of pickle cards; sources of funding; payments; restrictions.

LAW 9-348.01. (1) A lottery by the sale of pickle cards shall fund itself after its first year of existence and shall not receive money from any other source, including the operation of other charitable gaming activities, for the payment of prizes, unit cost, allowable expenses, any commission paid to a pickle card operator, lawful purpose donations, or any other expense associated with the operation of the lottery by the sale of pickle cards except as provided in subsection (2) of this section.

(2) A licensed organization establishing a lottery by the sale of pickle cards may finance such lottery with money from the general fund of the licensed organization during the first year of operation of the lottery by the sale of pickle cards. General fund money used to finance a lottery by the sale of pickle cards may be repaid from funds received by the lottery by the sale of pickle cards.

(3) A licensed organization may commingle funds received from the sale of pickle cards with any general operating funds of the licensed organization by means of a check drawn on the pickle card checking account or by electronic funds transfer from that account, but the burden of proof shall be on the licensed organization to demonstrate that such commingled funds are not used to make any payments associated with the operation of the lottery by the sale of pickle cards and are used for a lawful purpose.

DOCUMENT: 9-349

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery by the sale of pickle cards; reports.

LAW 9-349. A licensed organization conducting a lottery by the sale of pickle cards shall report annually to the department a complete and accurate accounting of its gross proceeds from the lottery by the sale of pickle cards on a form prescribed by the department. The annual report shall demonstrate that the organization's definite profit from pickle card sales has been retained in the organization's pickle card checking account or expended solely for allowable expenses, unit costs, any pickle card operator commissions, lawful purpose donations, any license fees paid to the department to license the organization, each

utilization-of-funds member, and any sales agent, coin-operated or currency-operated pickle card dispensing device registration fees, or any bingo expenses allocated to the sale of pickle cards as provided for in section 9-347. A copy of the annual report shall be submitted to the organization's membership. The annual report shall cover the organization's lottery by the sale of pickle cards activities from July 1 through June 30 of each year and shall be submitted to the department on or before August 15 of each year.

DOCUMENT: 9-350

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax Commissioner; power to seize contraband; effect.

LAW 9-350. (1) The Tax Commissioner or his or her agents or employees, at the direction of the Tax Commissioner, or any peace officer of this state may seize, without a warrant, the following contraband goods found any place in this state: (a) Any pickle cards and pickle card units declared to be contraband goods in section 9-338; (b) any pickle cards that are not properly printed as required in section 9-346 or on which the tax has not been paid, except for pickle cards in the possession of a licensed distributor or licensed manufacturer; (c) any pickle cards or pickle card units purchased by any licensed organization from any source other than a licensed distributor; (d) any pickle cards or pickle card units that are being sold without all of the proper licenses; (e) any pickle card units or pickle cards that have been sold in violation of the Nebraska Pickle Card Lottery Act or any rules or regulations adopted and promulgated pursuant to such act; (f) any pickle cards or pickle card units in the possession of any licensee whose license has been revoked, canceled, or suspended or any pickle cards or pickle card units in the possession of any former licensee whose license has expired; or (g) any coin-operated or currency-operated pickle card dispensing device which contains any pickle cards deemed to be contraband goods pursuant to this subsection or any such device which does not have permanently and conspicuously affixed to it a current registration decal required by section 9-345.03.

(2) The Tax Commissioner may, upon satisfactory proof, direct return of any confiscated pickle cards or pickle card units when he or she has reason to believe that the entity from whom the pickle cards or pickle card units were confiscated has not willfully or intentionally evaded any tax or failed to comply with the Nebraska Pickle Card Lottery Act. Upon receipt of an affidavit of ownership, the Tax Commissioner shall relinquish possession of a seized coin-operated or currency-operated pickle card dispensing device to the lawful owners of the device if the device is not needed as evidence by the department, any county attorney, or the Attorney General at an administrative or judicial hearing, if contraband pickle cards have been removed from the device, and in the event the device was seized due to a violation of subsection (2) of section 9-345.03, if the entity who was utilizing the device has applied for and has received a current registration decal for the seized device.

(3) The Tax Commissioner may, upon finding that an

entity in possession of contraband goods has willfully or intentionally evaded any tax or failed to comply with the act, confiscate such goods. Any pickle cards or pickle card units confiscated shall be destroyed.

(4) The seizure and destruction of coin-operated or currency-operated pickle card dispensing devices, pickle cards, or pickle card units shall not relieve any person from a fine, imprisonment, or other penalty for violation of the act.

(5) The Tax Commissioner or his or her agents or employees, at the direction of the Tax Commissioner, may seal any pickle cards, pickle card units, or coin-operated or currency-operated pickle card dispensing devices deemed to be contraband goods pursuant to this section. Such seal shall not be broken until authorized by the Tax Commissioner or his or her agents or employees. If the seal on a coin-operated or currency-operated pickle card dispensing device is broken prior to payment of the penalty and registration of the device required under section 9-345.03, the device shall be subject to forfeiture and sale by the Tax Commissioner.

(6) The Tax Commissioner or his or her agents or employees, when directed to do so by the Tax Commissioner, or any peace officer of this state shall not be responsible for negligence in any court for the sealing, seizure, or confiscation of any coin-operated or currency-operated pickle card dispensing device, pickle card, or pickle card unit pursuant to this section.

(7) Possession of pickle cards or pickle card units which are deemed to be contraband goods pursuant to this section shall be a violation of the Nebraska Pickle Card Lottery Act.

DOCUMENT: 9-351

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Unauthorized sale or possession of pickle cards; violation; penalty.

LAW 9-351. (1) No person or organization other than those qualifying under section 9-326 and licensed pursuant to section 9-327 shall be permitted to conduct a lottery by the sale of pickle cards in this state.

(2) No person other than a licensed distributor or manufacturer shall possess pickle cards that are not properly printed with the information required in section 9-346.

(3) Any person who violates this section shall be guilty of a Class I misdemeanor.

DOCUMENT: 9-352

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; penalties; enforcement; venue.

LAW 9-352. (1) Except when another penalty is specifically provided, any person or licensee, or employee or agent thereof, who violates any provision of the Nebraska Pickle Card Lottery Act, or who causes, aids, abets, or conspires with another to cause any person or licensee or any employee or agent thereof to violate the act, shall be guilty of a Class I misdemeanor for the

first offense and a Class IV felony for any second or subsequent violation. Any licensee guilty of violating any provision of the act more than once in a twelve-month period may have its license canceled or revoked. Such matters may also be referred to any other state licensing agencies for appropriate action.

(2) Each of the following violations of the Nebraska Pickle Card Lottery Act shall be a Class IV felony:

(a) Giving, providing, or offering to give or provide, directly or indirectly, to any public official, employee, or agent of this state, or any agencies or political subdivisions of this state, any compensation or reward or share of the money for property paid or received through gambling activities regulated under Chapter 9 in consideration for obtaining any license, authorization, permission, or privilege to participate in any gaming operations except as authorized under Chapter 9 or any rules and regulations adopted and promulgated pursuant to such chapter;

(b) Making or receiving payment of a portion of the purchase price of pickle cards by a seller of pickle cards to a buyer of pickle cards to induce the purchase of pickle cards or to improperly influence future purchases of pickle cards;

(c) Using bogus, counterfeit, or nonopaque pickle cards, pull tabs, break opens, punchboards, jar tickets, or any other similar card, board, or ticket or substituting or using any pickle cards, pull tabs, or jar tickets that have been marked or tampered with;

(d) Intentionally employing or possessing any device to facilitate cheating in any lottery by the sale of pickle cards or use of any fraudulent scheme or technique in connection with any lottery by the sale of pickle cards when the amount gained or intended to be gained through the use of such items, schemes, or techniques is three hundred dollars or more;

(e) Knowingly filing a false report under the Nebraska Pickle Card Lottery Act;

(f) Knowingly falsifying or making any false entry in any books or records with respect to any transaction connected with the conduct of a lottery by the sale of pickle cards; or

(g) Knowingly selling or distributing or knowingly receiving with intent to sell or distribute pickle cards or pickle card units without first obtaining a license in accordance with the Nebraska Pickle Card Lottery Act pursuant to section 9-329, 9-329.03, 9-330, or 9-332.

(3) In all proceedings initiated in any court or otherwise under the act, it shall be the duty of the Attorney General and appropriate county attorney to prosecute and defend all such proceedings.

(4) The failure to do any act required by or under the Nebraska Pickle Card Lottery Act shall be deemed an act in part in the principal office of the department. Any prosecution under such act may be conducted in any county where the defendant resides or has a place of business or in any county in which any violation occurred.

(5) In the enforcement and investigation of any offense committed under the act, the department may call to its aid any sheriff, deputy sheriff, or other peace officer in the state.

DOCUMENT: 9-353

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; standing to sue.

LAW 9-353. Any person in this state, including any law enforcement official, who has cause to believe that (1) any licensed organization, (2) any employee or agent of such licensed organization, (3) any person acting in concert with such licensed organization, or (4) any person in connection with a lottery by the sale of pickle cards has engaged in or is engaging in any conduct in violation of the Nebraska Pickle Card Lottery Act or has aided or is aiding another in any conduct in violation of the act may commence a civil action in any district court of this state.

DOCUMENT: 9-354

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil action; relief permitted.

LAW 9-354. In any civil action commenced pursuant to section 9-353, a court may allow:

- (1) A temporary restraining order or injunction, with or without a bond as the court may direct, prohibiting a party to the action from continuing or engaging in such conduct, aiding in such conduct, or doing any act in furtherance of such conduct;
- (2) A declaration that the conduct by a licensed organization or employee or agent of a licensed organization, which is a party to the action, constitutes a violation of the Nebraska Pickle Card Lottery Act and a determination of the number and times of violations for certification to the department for appropriate license revocation purposes;
- (3) A permanent injunction under principles of equity and on reasonable terms;
- (4) An accounting of the profits, earnings, or gains resulting directly and indirectly from such violations, with restitution or a distribution of such profits, earnings, or gains to all licensed organizations existing at the time of such violations which apply to the court and show that they suffered monetary losses by reason of such violations and with distribution of any remaining profits, earnings, or gains to the state; and
- (5) Reasonable attorney's fees and court costs.

DOCUMENT: 9-355

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil procedure statutes; applicability.

LAW 9-355. Proceedings under section 9-353 shall be subject to and governed by the district court civil procedure statutes. Issues properly raised shall be tried and determined as in other civil actions in equity. All orders, judgments, and decrees rendered may be reviewed as other orders, judgments, and decrees.

DOCUMENT: 9-356

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Returns, reports, and records; disclosure; limitations; violation; penalty.

LAW 9-356. (1) Except in accordance with a proper judicial order or as otherwise provided by this section or other law, it shall be a Class I misdemeanor for the Tax Commissioner or any employee or agent of the Tax Commissioner to make known, in any manner whatsoever, the contents of any tax return or any reports or records submitted by a licensed distributor or manufacturer or the contents of any personal history reports submitted by any licensee or license applicant to the department pursuant to the Nebraska Pickle Card Lottery Act and any rules and regulations adopted and promulgated pursuant to such act.

(2) Nothing in this section shall be construed to prohibit (a) the delivery to a taxpayer, licensee, or his or her duly authorized representative or his or her successors, receivers, trustees, executors, administrators, assignees, or guarantors, if directly interested, a certified copy of any tax return or report or record, (b) the publication of statistics so classified as to prevent the identification of particular tax returns or reports or records, (c) the inspection by the Attorney General, a county attorney, or other legal representative of the state of tax returns or reports or records submitted by a licensed distributor or manufacturer when information on the tax returns or reports or records is considered by the Attorney General, county attorney, or other legal representative to be relevant to any action or proceeding instituted by the taxpayer or licensee or against whom an action or proceeding is being considered or has been commenced by any state agency or county, (d) the furnishing of any information to the United States Government or to states allowing similar privileges to the Tax Commissioner, (e) the disclosure of information and records to a collection agency contracting with the Tax Commissioner for the collection of delinquent taxes under the Nebraska Pickle Card Lottery Act, (f) the publication or disclosure of final administrative opinions and orders made by the Tax Commissioner in the adjudication of license denials, suspensions, cancellations, or revocations or the levying of fines, (g) the release of any application, without the contents of any submitted personal history report, filed with the department to obtain a license to conduct activities under the act, which shall be deemed a public record, (h) the release of any report filed pursuant to section 9-349 or any other report filed by a licensed organization, sales agent, or pickle card operator pursuant to the act, which shall be deemed a public record, or (i) the notification of an applicant, a licensee, or a licensee's duly authorized representative of the existence of and the grounds for any administrative action to deny the license application of, to revoke, cancel, or suspend the license of, or to levy an administrative fine upon any agent or employee of the applicant, the licensee, or any other person upon whom the applicant or licensee relies to conduct activities authorized by the act.

(3) Nothing in this section shall prohibit the Tax Commissioner or any employee or agent of the Tax Commissioner from making known the names of persons, firms, or corporations licensed to conduct activities under the act, the locations at

which such activities are conducted by license holders, or the dates on which such licenses were issued.

(4) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit the Postal Inspector of the United States Postal Service or his or her delegates to inspect a tax return or reports or records submitted by a licensed distributor or manufacturer pursuant to the act when information on the returns or reports or records is relevant to any action or proceeding instituted or being considered by the United States Postal Service against such person for the fraudulent use of the mails to carry and deliver false and fraudulent tax returns to the Tax Commissioner with the intent to defraud the State of Nebraska or to evade the payment of Nebraska state taxes.

(5) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit other tax officials of this state to inspect a tax return or reports or records submitted pursuant to the act, but such inspection shall be permitted only for purposes of enforcing a tax law and only to the extent and under the conditions prescribed by the rules and regulations of the Tax Commissioner.

ARTICLE 4 LOTTERIES AND RAFFLES

DOCUMENT: 9-401

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-401. Sections 9-401 to 9-437 shall be known and may be cited as the Nebraska Lottery and Raffle Act.

DOCUMENT: 9-402

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Purpose of act.

LAW 9-402. (1) The purpose of the Nebraska Lottery and Raffle Act is to protect the health and welfare of the public, to protect the economic welfare and interest in certain lotteries with gross proceeds greater than one thousand dollars and certain raffles with gross proceeds greater than five thousand dollars, to insure that the profits derived from the operation of any such lottery or raffle are accurately reported in order that their revenue-raising potential be fully exposed, to insure that the profits are used for legitimate purposes, and to prevent the purposes for which the profits of any such lottery or raffle are to be used from being subverted by improper elements.

(2) The purpose of the Nebraska Lottery and Raffle Act is also to completely and fairly regulate each level of the traditional marketing scheme of tickets or stubs for such lotteries and raffles to insure fairness, quality, and compliance with the Constitution of Nebraska. To accomplish such purpose, the regulation and licensure of nonprofit organizations and any other person involved in the marketing scheme are necessary.

(3) The Nebraska Lottery and Raffle Act shall apply to all lotteries with gross proceeds in excess of one thousand dollars, except for lotteries by the sale of pickle cards

conducted in accordance with the Nebraska Pickle Card Lottery Act, lotteries conducted by a county, city, or village in accordance with the Nebraska County and City Lottery Act, and lottery games conducted in accordance with the State Lottery Act, and to all raffles with gross proceeds in excess of five thousand dollars. All such lotteries and raffles shall be played and conducted only by the methods permitted in the act. No other form, means of selection, or method of play shall be allowed.

DOCUMENT: 9-403

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definitions, where found.

LAW 9-403. For purposes of the Nebraska Lottery and Raffle Act, unless the context otherwise requires, the definitions found in sections 9-404 to 9-417.01 shall be used.

DOCUMENT: 9-404

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Allowable expenses, defined.

LAW 9-404. Allowable expenses shall mean:

- (1) All costs associated with the purchasing, printing, or manufacturing of any items to be used or distributed to participants such as tickets;
- (2) All office expenses;
- (3) All promotional expenses;
- (4) The tax on gross proceeds prescribed in section 9-429;
- (5) All license and permit fees prescribed by the Nebraska Lottery and Raffle Act;
- (6) Any tax or fee imposed pursuant to section 9-433; and
- (7) Any fee paid to any person associated with the operation of any lottery or raffle.

DOCUMENT: 9-405

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Cancel, defined.

LAW 9-405. Cancel shall mean to discontinue all rights and privileges to hold a license or permit for up to three years.

DOCUMENT: 9-406

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department, defined.

LAW 9-406. Department shall mean the Department of Revenue.

DOCUMENT: 9-407

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds, defined.

LAW 9-407. Gross proceeds shall mean the total receipts received from the conduct of the lottery or raffle without any reduction for prizes, discounts, taxes, or allowable expenses. Gross proceeds shall include receipts from any required admission costs or any other required purchase, to the extent such admission cost or purchase itself constitutes a chance in the lottery or raffle, and the value of any free tickets or stubs or free plays used.

DOCUMENT: 9-408

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lawful purpose, defined.

LAW 9-408. (1) Lawful purpose shall mean charitable or community betterment purposes, including, but not limited to, one or more of the following:

(a) Benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering, or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded;

(b) Initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; and

(c) Lessening the burdens borne by government or voluntarily supporting, augmenting, or supplementing services which government would normally render to the people.

(2) Lawful purpose shall not include any activity consisting of an attempt to influence legislation or participate in any political campaign on behalf of any elected official or person who is or has been a candidate for public office.

(3) Nothing in this section shall prohibit any organization licensed pursuant to the Nebraska Lottery and Raffle Act from using its proceeds or profits derived from activities under the act in any activity which benefits and is conducted by the organization, including any charitable, benevolent, humane, religious, philanthropic, recreational, social, educational, civic, or fraternal activity conducted by the organization for the benefit of its members.

DOCUMENT: 9-409

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License, defined.

LAW 9-409. License shall mean any license to conduct a lottery or raffle as provided in section 9-424 or any license for a utilization-of-funds member as provided in such section.

DOCUMENT: 9-410

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensed organization, defined.

LAW 9-410. Licensed organization shall mean a nonprofit organization or a volunteer fire company licensed to conduct a lottery or raffle under the Nebraska Lottery and Raffle Act.

DOCUMENT: 9-411

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery, defined.

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

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

DOCUMENT: 9-412

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Member, defined.

LAW 9-412. Member shall mean a person who is recognized and acknowledged by a licensed organization as a member for purposes other than conducting activities under the Nebraska Lottery and Raffle Act. Member shall not include social or honorary members.

DOCUMENT: 9-413

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Permit, defined.

LAW 9-413. Permit shall mean a special permit to conduct one raffle and one lottery as provided in section 9-426.

DOCUMENT: 9-414

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Profit, defined.

LAW 9-414. Profit shall mean the gross proceeds less reasonable sums necessarily and actually expended for prizes, taxes, and allowable expenses.

DOCUMENT: 9-415

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Raffle, defined.

LAW 9-415. (1) Raffle shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) winners are determined by a random drawing of the tickets or by the method set forth in section 9-426.01, and (d) at least eighty percent of all of the prizes to be awarded are merchandise prizes which are not directly or indirectly redeemable for cash by the licensed organization conducting the raffle or any agent of the organization.

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

DOCUMENT: 9-416

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Revoke, defined.

LAW 9-416. Revoke shall mean to permanently void and recall all rights and privileges to obtain a license or permit.

DOCUMENT: 9-417

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspend, defined.

LAW 9-417. Suspend shall mean to cause a temporary interruption of all rights and privileges of a license or permit or the renewal thereof.

DOCUMENT: 9-417.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Utilization-of-funds member, defined.

LAW 9-417.01. Utilization-of-funds member shall mean a member of the organization who shall be responsible for supervising the conduct of a lottery or raffle and for the proper utilization of the gross proceeds derived from the conduct of a lottery or raffle.

DOCUMENT: 9-418

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department; powers, functions, and duties.

LAW 9-418. The department shall have the following powers,

functions, and duties:

(1) To issue licenses, temporary licenses, and permits;

(2) To deny any license or permit application or renewal application for cause. Cause for denial of an application or renewal of a license or permit shall include instances in which the applicant individually or, in the case of a nonprofit organization, any officer, director, or employee of the applicant, licensee, or permittee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such applicant, licensee, or permittee which directly or indirectly receives compensation other than distributions from a bona fide retirement plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such applicant, licensee, or permittee for past or present services in a consulting capacity or otherwise, the licensee, the permittee, or any person with a substantial interest in the applicant, licensee, or permittee:

(a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act or any rules or regulations adopted and promulgated pursuant to such acts;

(b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of such acts or any rules or regulations adopted and promulgated pursuant to such acts;

(c) Obtained a license or permit pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act by fraud, misrepresentation, or concealment;

(d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;

(e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;

(f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where lottery or raffle activity required to be licensed under the Nebraska Lottery and Raffle Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;

(g) Made a misrepresentation of or failed to disclose a material fact to the department;

(h) Failed to prove by clear and convincing evidence his, her, or its qualifications to be licensed in accordance with the Nebraska Lottery and Raffle Act;

(i) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle

Card Lottery Act or any other taxes imposed pursuant to the Nebraska Revenue Act of 1967;

(j) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(k) Failed to demonstrate good character, honesty, and integrity; or

(l) Failed to demonstrate, either individually or, in the case of a nonprofit organization, through its managers or employees, the ability, experience, or financial responsibility necessary to establish or maintain the activity for which the application is made.

No license renewal shall be issued when the applicant for renewal would not be eligible for a license upon a first application;

(3) To revoke, cancel, or suspend for cause any license or permit. Cause for revocation, cancellation, or suspension of a license or permit shall include instances in which the licensee or permittee individually or, in the case of a nonprofit organization, any officer, director, or employee of the licensee or permittee, other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such licensee or permittee which directly or indirectly receives compensation other than distributions from a bona fide retirement plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such licensee or permittee for past or present services in a consulting capacity or otherwise, or any person with a substantial interest in the licensee or permittee:

(a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts;

(b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of the Nebraska Lottery and Raffle Act or any rules or regulations adopted and promulgated pursuant to the act;

(c) Obtained a license or permit pursuant to the act by fraud, misrepresentation, or concealment;

(d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;

(e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding filing of the application;

(f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where lottery or raffle activity required to be licensed under the Nebraska Lottery and Raffle Act is being

conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;

(g) Made a misrepresentation of or failed to disclose a material fact to the department;

(h) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Lottery and Raffle Act;

(i) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;

(j) Failed to demonstrate good character, honesty, and integrity; or

(k) Failed to demonstrate, either individually or, in the case of a nonprofit organization, through its managers or employees, the ability, experience, or financial responsibility necessary to maintain the activity for which the license was issued;

(4) To examine or to cause to have examined, by any agent or representative designated by the department for such purpose, any books, papers, records, or memoranda relating to lottery or raffle activities required to be licensed pursuant to the Nebraska Lottery and Raffle Act, to require by summons the production of such documents or the attendance of any person having knowledge in the premises, to take testimony under oath, and to require proof material for its information. If any such person willfully refuses to make documents available for examination by the department or its agent or representative or willfully fails to attend and testify, the department may apply to a judge of the district court of the county in which such person resides for an order directing such person to comply with the department's request. If any documents requested by the department are in the custody of a corporation, the court order may be directed to any principal officer of the corporation. Any person who fails or refuses to obey such a court order shall be guilty of contempt of court;

(5) To levy an administrative fine on an individual, partnership, limited liability company, corporation, or organization for cause. For purposes of this subdivision, cause shall include instances in which the individual, partnership, limited liability company, corporation, or organization violated the provisions, requirements, conditions, limitations, or duties imposed by the act or any rule or regulation adopted and promulgated pursuant to the act. In determining whether to levy an administrative fine and the amount of the fine if any fine is levied, the department shall take into consideration the seriousness of the violation, the intent of the violator, whether the violator voluntarily reported the violation, whether the violator derived financial gain as a result of the violation and the extent thereof, and whether the violator has had previous violations of the act, rules, or regulations. A fine levied on a violator under this section shall not exceed one thousand dollars for each violation of the act or any rule or regulation adopted and promulgated pursuant to the act plus the financial benefit derived by the violator as a result of each violation. If an administrative fine is levied, the fine shall not be paid from

lottery or raffle gross proceeds of an organization and shall be remitted by the violator to the department within thirty days after the date of the order issued by the department levying such fine;

(6) Unless specifically provided otherwise, to compute, determine, assess, and collect the amounts required to be paid to the state as taxes imposed by the act in the same manner as provided for sales and use taxes in the Nebraska Revenue Act of 1967;

(7) To confiscate and seize lottery or raffle tickets or stubs pursuant to section 9-432; and

(8) To adopt and promulgate such rules and regulations, prescribe such forms, and employ such staff, including inspectors, as are necessary to carry out the Nebraska Lottery and Raffle Act.

DOCUMENT: 9-418.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Denial of application; procedure.

LAW 9-418.01. (1) Before any application is denied pursuant to section 9-418, the department shall notify the applicant in writing of the department's intention to deny the application and the reasons for the denial. Such notice shall inform the applicant of his or her right to request an administrative hearing for the purpose of reconsideration of the intended denial of the application.

(2) A request for a hearing by the applicant shall be in writing and shall be filed with the department within thirty days after the service of notice to the applicant of the department's intended denial of the application. If a request for hearing is not filed within the thirty-day period, the denial shall become final at the expiration of such period.

(3) If a request for hearing is filed within the thirty-day period, the Tax Commissioner shall grant the applicant a hearing and shall, at least ten days before the hearing, serve notice upon the applicant by certified mail, return receipt requested, of the time, date, and place of the hearing. Such proceedings shall be considered contested cases pursuant to the Administrative Procedure Act.

DOCUMENT: 9-418.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Administrative fines; disposition; collection.

LAW 9-418.02. (1) All money collected by the department as an administrative fine shall be remitted on a monthly basis to the State Treasurer for credit to the permanent school fund.

(2) Any administrative fine levied under section 9-418 and unpaid shall constitute a debt to the State of Nebraska which may be collected by lien foreclosure or sued for and recovered in any proper form of action, in the name of the State of Nebraska, in the district court of the county in which the violator resides or owns property.

DOCUMENT: 9-419

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspension of license or permit; limitation; procedure.

LAW 9-419. (1) The Tax Commissioner may suspend any license or permit, except that no order to suspend any license or permit shall be issued unless the department determines that the licensee or permittee is not operating in accordance with the purposes and intent of the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts.

(2) Before any license or permit is suspended prior to a hearing, notice of an order to suspend a license or permit shall be mailed to or personally served upon the licensee or permittee at least fifteen days before the order of suspension takes effect.

(3) The order of suspension may be withdrawn if the licensee or permittee provides the department with evidence that any prior findings or violations have been corrected and that the licensee or permittee is now in full compliance, whether before or after the effective date of the order of suspension.

(4) The Tax Commissioner may issue an order of suspension pursuant to subsections (1) and (2) of this section when an action for suspension, cancellation, or revocation is pending. The Tax Commissioner may also issue an order of suspension after a hearing for a limited time of up to one year without an action for cancellation or revocation pending.

(5) The hearing for suspension, cancellation, or revocation of the license or permit shall be held within twenty days after the date the suspension takes effect. A request by the licensee or permittee to hold the hearing after the end of the twenty-day period shall extend the suspension until the hearing.

(6) The decision of the department shall be made within twenty days after the conclusion of the hearing. The suspension shall continue in effect until the decision is issued. If the decision is that an order of suspension, revocation, or cancellation is not appropriate, the suspension shall terminate immediately by order of the Tax Commissioner. If the decision is an order for the suspension, revocation, or cancellation of the license or permit, the suspension shall continue pending an appeal of the decision of the department.

(7) Any period of suspension prior to the issuance of an order of suspension shall count toward the total amount of time a licensee may be suspended from gaming activities under the Nebraska Lottery and Raffle Act. Any period of suspension prior to the issuance of an order of cancellation shall not reduce the period of the cancellation. Any period of suspension after the issuance of the order and during an appeal shall be counted as a part of the period of cancellation.

DOCUMENT: 9-420

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Hearing; required; when; notice.

LAW 9-420. Before the adoption, amendment, or repeal of any rule or regulation, the suspension, revocation, or cancellation of any license or permit, or the levying of an administrative fine pursuant to section 9-418, the department shall set the matter for hearing. Such suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine shall be considered contested cases pursuant to the Administrative Procedure Act.

At least ten days before the hearing, the department shall (1) in the case of suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine, serve notice by personal service or certified mail, return receipt requested, upon the licensee, permittee, or violator of the time, date, and place of any hearing or (2) in the case of adoption, amendment, or repeal of any rule or regulation, issue a public notice of the time, date, and place of such hearing.

This section shall not apply to an order of suspension by the Tax Commissioner prior to a hearing as provided in section 9-419.

DOCUMENT: 9-421

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Proceeding before department; service; security; appeal.

LAW 9-421. (1) A copy of the order or decision of the department in any proceeding before it, certified under the seal of the department, shall be served upon each party of record to the proceeding before the department. Service upon any attorney of record for any such party shall be deemed to be service upon such party. Each party appearing before the department shall enter his or her appearance and indicate to the department his or her address for the service of a copy of any order, decision, or notice. The mailing of any copy of any order or decision or of any notice in the proceeding, to such party at such address, shall be deemed to be service upon such party.

(2) At the time of making an appearance before the department, each party shall deposit in cash or furnish a sufficient security for costs in an amount the department deems adequate to cover all costs liable to accrue, including costs for (a) reporting the testimony to be adduced, (b) making up a complete transcript of the hearing, and (c) extending reporter's original notes in typewriting.

(3) Any decision of the department in any proceeding before it may be appealed, and the appeal shall be in accordance with the Administrative Procedure Act.

DOCUMENT: 9-422

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery or raffle; restriction on gross proceeds; violation; penalty.

LAW 9-422. No person, except a licensed organization operating pursuant to the Nebraska Lottery and Raffle Act, shall

conduct any lottery with gross proceeds in excess of one thousand dollars or any raffle with gross proceeds in excess of five thousand dollars. Any lottery or raffle conducted in violation of this section is hereby declared to be a public nuisance. Any person who violates this section shall be guilty of a Class III misdemeanor. Nothing in this section shall be construed to apply to any lottery conducted in accordance with the Nebraska County and City Lottery Act, any lottery by the sale of pickle cards conducted in accordance with the Nebraska Pickle Card Lottery Act, or any lottery game conducted pursuant to the State Lottery Act.

DOCUMENT: 9-423

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; qualified applicants.

LAW 9-423. (1) Any nonprofit organization holding a certificate of exemption under section 501 of the Internal Revenue Code or any volunteer fire company organized and operated pursuant to Chapter 35, article 1, may apply for a license to conduct a lottery or raffle.

(2) Prior to applying for any license, an organization shall:

- (a) Be incorporated in this state as a not-for-profit corporation or organized in this state as a religious or not-for-profit organization;
- (b) Have at least ten members in good standing;
- (c) Conduct activities within this state in addition to the conduct of lotteries or raffles;
- (d) Be authorized by its constitution, articles, charter, or bylaws to further in this state a lawful purpose; and
- (e) Operate without profit to its members, and no part of the net earnings of such organization shall inure to the benefit of any private shareholder or individual.

DOCUMENT: 9-424

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License; application; contents; fee; duty to keep current.

LAW 9-424. (1) Each applicant for a license to conduct a lottery or raffle shall file with the department an application on a form prescribed by the department. Each application shall include:

- (a) The name and address of the applicant and, if the applicant is an individual, his or her social security number;
- (b) Sufficient facts relating to the incorporation or organization of the applicant to enable the department to determine if the applicant is eligible for a license under section 9-423;
- (c) The name and address of each officer of the applicant organization;
- (d) The name, address, social security number, date of birth, and years of membership of a bona fide and active member of the applicant organization to be licensed as a utilization-of-funds member. Such person shall have been an

active and bona fide member of the applicant organization for at least one year preceding the date the application is filed with the department unless the applicant organization can provide evidence that the one-year requirement would impose an undue hardship on the organization. Such person shall sign a sworn statement indicating that he or she agrees to comply with all provisions of the Nebraska Lottery and Raffle Act and all rules and regulations adopted pursuant to the act, that no commission, fee, rent, salary, profits, compensation, or recompense will be paid to any person or organization except payments authorized by the act, and that all net profits will be spent only for lawful purposes. The department may prescribe a separate application for such license;

(e) A roster of members, if the department deems it necessary and proper;

(f) Other information which the department deems necessary; and

(g) A fifteen-dollar license fee for the organization and a twenty-dollar license fee for each utilization-of-funds member.

(2) The information required by this section shall be kept current. An organization shall notify the department within thirty days if any information in the application is no longer correct and shall supply the correct information.

DOCUMENT: 9-425

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licenses; renewal; annual application; requirements; temporary license.

LAW 9-425. All licenses to conduct a lottery or raffle and licenses issued to utilization-of-funds members shall expire on September 30 of each year or such other date as the department may prescribe by rule and regulation and may be renewed annually. An application for license renewal shall be submitted to the department at least thirty days prior to the starting date of the first lottery or raffle ticket sales for the license year. The department may issue a temporary license prior to receiving all necessary information from the applicant.

DOCUMENT: 9-426

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Special permit to conduct raffle and lottery; fee.

LAW 9-426. (1) A licensed organization may obtain from the department a special permit to conduct one raffle and one lottery. The cost of the special permit shall be ten dollars. The special permit shall exempt the licensed organization from subsections (2) and (3) of section 9-427 and from section 9-430. The organization shall comply with all other requirements of the Nebraska Lottery and Raffle Act.

(2) The special permit shall be valid for three calendar months and shall be issued by the department upon the proper application by the licensed organization. The special permit shall become invalid upon termination, revocation, or

cancellation of the organization's license to conduct a lottery or raffle. The application shall be in such form and contain such information as the department may prescribe. No licensed organization may obtain more than one special permit for each calendar year.

(3) No licensed organization conducting a raffle or lottery pursuant to a special permit shall pay persons selling tickets or stubs for the raffle or lottery, except that nothing in this subsection shall prohibit the awarding of prizes to such persons based on ticket or stub sales.

DOCUMENT: 9-426.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Race utilizing floating objects; requirements.

LAW 9-426.01. (1) Pursuant to a special permit obtained in accordance with section 9-426, a licensed organization may conduct a lottery or raffle in which the winners are to be determined by a race utilizing inanimate, buoyant objects floated along a river, canal, or other waterway. The objects shall each bear a number or other unique identifying mark which corresponds to sequentially numbered tickets which are sold to participants in the lottery or raffle. A licensed organization utilizing this method of winner determination shall comply with all other requirements of the Nebraska Lottery and Raffle Act and any rules and regulations adopted and promulgated pursuant to the act.

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

DOCUMENT: 9-427

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery or raffle; gross proceeds; use; restrictions.

LAW 9-427. (1) The gross proceeds of any lottery or raffle shall be used solely for lawful purposes, awarding of prizes, and allowable expenses.

(2) Not less than sixty-five percent of the gross proceeds of any lottery shall be used for the awarding of prizes, and not more than ten percent of the gross proceeds shall be used to pay the allowable expenses of operating such scheme.

(3) Not less than sixty-five percent of the gross proceeds of any raffle shall be used for the awarding of prizes, and not more than ten percent of the gross proceeds shall be used to pay the allowable expenses of operating such scheme, except that if prizes are donated to the licensed organization to be awarded in connection with such raffle, the prizes awarded shall have a fair market value equal to at least sixty-five percent of the gross proceeds and the licensed organization shall use the proceeds for allowable expenses, optional additional prizes, and a lawful purpose.

DOCUMENT: 9-428

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Segregation of gross proceeds; records; requirements.

LAW 9-428. The gross proceeds of any lottery or raffle shall be segregated from other revenue of any licensed organization conducting the lottery or raffle and placed in a separate account. Separate records shall be maintained by any licensed organization conducting a lottery or raffle. Each licensed organization conducting a lottery or raffle shall keep a record of all persons who are paid to sell tickets or stubs. Records required by the Nebraska Lottery and Raffle Act shall be preserved for at least three years. Any law enforcement agency or other agency of government shall have the authority to investigate the records relating to lotteries or raffles and gross proceeds from such lottery or raffle at any time. Organizations shall, upon proper written request, deliver all such records to the department or other law enforcement agency for investigation.

DOCUMENT: 9-429

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery or raffle; gross proceeds; tax; deficiencies.

LAW 9-429. Any licensed organization or any other organization or person conducting a lottery or raffle activity required to be licensed pursuant to the Nebraska Lottery and Raffle Act shall pay to the department a tax of two percent of the gross proceeds of each lottery having gross proceeds of more than one thousand dollars or raffle having gross proceeds of more than five thousand dollars. Such tax shall be remitted quarterly, within thirty days of the end of the quarter, on forms approved and provided by the department. The department shall remit the tax to the State Treasurer for credit to the Charitable Gaming Operations Fund. All deficiencies of the tax imposed by this section shall accrue interest and be subject to a penalty as provided for sales and use taxes in the Nebraska Revenue Act of 1967.

DOCUMENT: 9-430

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Participation; age limitation.

LAW 9-430. (1) No person under eighteen years of age shall participate in any way in any lottery or raffle, except that a person under eighteen years of age may participate in a lottery or raffle conducted by a licensed organization pursuant to a permit issued under section 9-426.

(2) No person, licensee, or permittee or employee or agent thereof shall knowingly permit an individual under eighteen years of age to play or participate in any way in a lottery or raffle conducted pursuant to the Nebraska Lottery and Raffle Act, excluding those conducted by a licensed organization with a special permit issued under section 9-426.

DOCUMENT: 9-431

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery or raffle ticket or stub; requirements.

LAW 9-431. Each licensed organization conducting a lottery or raffle conducted pursuant to the Nebraska Lottery and Raffle Act shall have its name and identification number clearly printed on each lottery or raffle ticket or stub used in such lottery or raffle. No such ticket or stub shall be sold unless such name and identification number is so printed thereon. In addition, all lottery or raffle tickets or stubs shall bear a number, which numbers shall be in sequence and clearly printed on the ticket or stub.

Each ticket or stub shall have an equal chance of being chosen in the drawing. Each ticket or stub shall be constructed of the same material, shall have the same surface, and shall be substantially the same shape, size, form and weight.

Each licensed organization conducting a lottery or raffle shall keep a record of all locations where its tickets or stubs are sold.

DOCUMENT: 9-432

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax Commissioner; power to seize contraband; effect.

LAW 9-432. (1) The Tax Commissioner or his or her agents or employees, at the direction of the Tax Commissioner, or any peace officer of this state may seize, without a warrant, the following contraband goods found any place in this state: (a) Any lottery or raffle tickets or stubs that are being sold which are not properly printed as required in section 9-431 or which do not meet the other requirements of such section; (b) any lottery or raffle tickets or stubs that are being sold without the proper license or permit; or (c) any lottery or raffle tickets or stubs that have been sold in violation of the Nebraska Lottery and Raffle Act or any rule or regulation adopted and promulgated pursuant to the act.

(2) The Tax Commissioner may, upon satisfactory proof, direct return of any confiscated lottery or raffle tickets or stubs when he or she has reason to believe that the owner has not willfully or intentionally failed to comply with the Nebraska Lottery and Raffle Act.

(3) The Tax Commissioner may, upon finding that an owner of contraband goods has willfully or intentionally failed to comply with the act, confiscate such goods. Any lottery or raffle tickets or stubs confiscated shall be destroyed.

(4) The seizure of lottery or raffle tickets or stubs under this section shall not relieve any person from a fine, imprisonment, or other penalty for violation of the act.

(5) The Tax Commissioner or his or her agents or employees, when directed to do so by the Tax Commissioner, or any peace officer of this state shall not be responsible for negligence in any court for the seizure or confiscation of any lottery or raffle ticket or stub pursuant to this section.

DOCUMENT: 9-433

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery or raffle; local control; section, how construed.

LAW 9-433. (1) Except as provided in subsection (2) of this section, any county or incorporated municipality may, by resolution or ordinance, tax, regulate, control, or prohibit any lottery or raffle within the boundaries of such county or the corporate limits of such incorporated municipality. No county may impose a tax or otherwise regulate, control, or prohibit any lottery within the corporate limits of an incorporated municipality. Any tax imposed pursuant to this subsection shall be remitted to the general fund of the county or incorporated municipality imposing such tax.

(2) No licensed organization may conduct a lottery or raffle and no person may engage in lottery or raffle activity within the boundaries of any Class 6 or Class 7 county as classified under section 23-1114.01 or within the corporate limits of any city of the metropolitan or primary class until specific authorization has been granted by ordinance or resolution of the city or county to conduct a lottery, raffle, or related activity. Any ordinance or resolution that provides specific authorization for a lottery, raffle, or related activity may tax, regulate, or otherwise control such lottery, raffle, or related activity.

(3) Nothing in this section shall be construed to authorize any lottery or raffle not otherwise authorized under Nebraska law.

DOCUMENT: 9-434

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; penalties; enforcement; venue.

LAW 9-434. (1) Except when another penalty is specifically provided, any person, licensee, or permittee, or employee or agent thereof, who violates any provision of the Nebraska Lottery and Raffle Act, or who causes, aids, abets, or conspires with another to cause any person, licensee, or permittee or employee or agent thereof to violate the act, shall be guilty of a Class I misdemeanor for the first offense and a Class IV felony for any second or subsequent violation. Any licensee guilty of violating any provision of the act more than once in a twelve-month period may have its license canceled or revoked.

(2) Each of the following violations of the Nebraska Lottery and Raffle Act shall be a Class IV felony:

(a) Giving, providing, or offering to give or provide, directly or indirectly, to any public official or employee or agent of this state, or any agencies or political subdivisions of this state, any compensation or reward or share of the money for property paid or received through gambling activities authorized under Chapter 9 in consideration for obtaining any license, authorization, permission, or privileges to participate in any gaming operations except as authorized under Chapter 9 or any rules and regulations adopted and promulgated pursuant to such chapter;

(b) Intentionally employing or possessing any device to facilitate cheating in any lottery or raffle or using any

fraudulent scheme or technique in connection with any lottery or raffle when the amount gained or intended to be gained through the use of items, schemes, or techniques is three hundred dollars or more; or

(c) Knowingly filing a false report under the Nebraska Lottery and Raffle Act.

(3) In all proceedings initiated in any court or otherwise under the act, it shall be the duty of the Attorney General and appropriate county attorney to prosecute and defend all such proceedings.

(4) The failure to do any act required by or under the Nebraska Lottery and Raffle Act shall be deemed an act in part in the principal office of the department. Any prosecution under such act may be conducted in any county where the defendant resides or has a place of business or in any county in which any violation occurred.

(5) In the enforcement and investigation of any offense committed under the act, the department may call to its aid any sheriff, deputy sheriff, or other peace officer in the state.

DOCUMENT: 9-435

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; standing to sue.

LAW 9-435. Any person in this state, including any law enforcement official, who has cause to believe that (1) any licensed organization, (2) any employee or agent of such licensed organization, (3) any person acting in concert with such licensed organization, or (4) any person in connection with a lottery or raffle has engaged in or is engaging in any conduct in violation of the Nebraska Lottery and Raffle Act or has aided or is aiding another in any conduct in violation of such act may commence a civil action in any district court of this state.

DOCUMENT: 9-436

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil action; relief permitted.

LAW 9-436. In any civil action commenced pursuant to section 9-435, a court may allow:

- (1) A temporary restraining order or injunction, with or without a bond as the court may direct, prohibiting a party to the action from continuing or engaging in such conduct, aiding in such conduct, or doing any act in furtherance of such conduct;
- (2) A declaration that the conduct by a licensed organization or employee or agent of a licensed organization, which is a party to the action, constitutes a violation of the Nebraska Lottery and Raffle Act and a determination of the number and times of violations for certification to the department for appropriate license or permit revocation purposes;
- (3) A permanent injunction under principles of equity and on reasonable terms;
- (4) An accounting of the profits, earnings, or gains resulting directly and indirectly from such violations, with restitution or a distribution of such profits, earnings, or gains

to all licensed organizations existing at the time of such violations which apply to the court and show that they suffered monetary losses by reason of such violations and with distribution of any remaining profits, earnings, or gains to the state; and

(5) Reasonable attorney's fees and court costs.

DOCUMENT: 9-437

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil procedure statutes; applicability.

LAW 9-437. Proceedings under section 9-435 shall be subject to and governed by the district court civil procedure statutes. Issues properly raised shall be tried and determined as in other civil actions in equity. All orders, judgments, and decrees rendered may be reviewed as other orders, judgments, and decrees.

ARTICLE 5 SMALL LOTTERIES AND RAFFLES

DOCUMENT: 9-501

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-501. Sections 9-501 to 9-513 shall be known and may be cited as the Nebraska Small Lottery and Raffle Act.

DOCUMENT: 9-502

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, purpose.

LAW 9-502. The purpose of the Nebraska Small Lottery and Raffle Act is to allow qualifying nonprofit organizations to conduct lotteries with gross proceeds not greater than one thousand dollars or raffles with gross proceeds not greater than five thousand dollars subject to minimal regulation. The Nebraska Small Lottery and Raffle Act shall apply to all lotteries with gross proceeds not greater than one thousand dollars, except for lotteries by the sale of pickle cards conducted in accordance with the Nebraska Pickle Card Lottery Act, lotteries conducted by a county, city, or village in accordance with the Nebraska County and City Lottery Act, and lottery games conducted pursuant to the State Lottery Act, and to all raffles with gross proceeds not greater than five thousand dollars. All such lotteries and raffles shall be played and conducted only by the methods permitted in the act. No other form or method shall be authorized or permitted.

DOCUMENT: 9-503

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definitions, sections found.

LAW 9-503. For purposes of the Nebraska Small Lottery and

Raffle Act, unless the context otherwise requires, the definitions found in sections 9-504 to 9-509 shall be used.

DOCUMENT: 9-504

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Charitable or community betterment purposes, defined.

LAW 9-504. (1) Charitable or community betterment purposes shall mean (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering, or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded, (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures, and (c) lessening the burdens borne by government or voluntarily supporting, augmenting, or supplementing services which government would normally render to the people.

(2) Charitable or community betterment purposes shall not include any activity consisting of an attempt to influence legislation or participate in any political campaign on behalf of any elected official or person who is or has been a candidate for public office.

(3) Nothing in this section shall prohibit any qualifying nonprofit organization from using its proceeds or profits derived from activities under the Nebraska Small Lottery and Raffle Act in any activity which benefits and is conducted by the qualifying nonprofit organization, including any charitable, benevolent, humane, religious, philanthropic, recreational, social, educational, civic, or fraternal activity conducted by the organization for the benefit of its members.

DOCUMENT: 9-505

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Expenses, defined.

LAW 9-505. Expenses shall mean (1) all costs associated with the purchasing, printing, or manufacturing of any items to be used or distributed in the lottery or raffle, (2) all office or clerical expenses in connection with the lottery or raffle, (3) all promotional expenses, (4) all salaries of persons employed to operate, conduct, or supervise any lottery or raffle, (5) any rental or lease expense, and (6) any fee or commission paid to any person associated with the lottery or raffle.

DOCUMENT: 9-506

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds, defined.

LAW 9-506. Gross proceeds shall mean the total aggregate receipts received from the conduct of any lottery or raffle conducted by any qualifying nonprofit organization without any reduction for prizes, discounts, or expenses and shall include

receipts from admission costs, any consideration necessary for participation, and the value of any free tickets, games, or plays used.

DOCUMENT: 9-507

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery, defined.

LAW 9-507. (1) Lottery shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) the winners are to be determined by a random drawing of the tickets, and (d) the holders of the winning tickets are to receive something of value.

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

DOCUMENT: 9-508

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Qualifying nonprofit organization, defined.

LAW 9-508. Qualifying nonprofit organization shall mean any nonprofit organization holding a certificate of exemption under section 501 of the Internal Revenue Code or whose major activities, exclusive of conducting any lottery or raffle, are conducted for charitable and community betterment purposes. A qualifying nonprofit organization shall have its principal office located in this state and shall conduct a majority of its activities in Nebraska.

DOCUMENT: 9-509

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Raffle, defined.

LAW 9-509. (1) Raffle shall mean a gambling scheme in which (a) participants pay or agree to pay something of value for an opportunity to win, (b) winning opportunities are represented by tickets differentiated by sequential enumeration, (c) winners are to be determined by a random drawing of tickets, and (d) at least eighty percent of all of the prizes to be awarded are merchandise prizes which are not directly or indirectly redeemable for cash by the qualifying nonprofit organization conducting the raffle or any agent of the organization.

(2) Raffle shall not include (a) any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value,

free games redeemable for something of value, or tickets or stubs redeemable for something of value, (b) any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the State Lottery Act, section 9-701, or Chapter 2, article 12, or (c) any activity prohibited under Chapter 28, article 11.

DOCUMENT: 9-510

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Nonprofit organization; conduct lotteries; conditions.

LAW 9-510. Any qualifying nonprofit organization may conduct a lottery that has gross proceeds not greater than one thousand dollars. Each chance in such lottery shall have an equal likelihood of being a winning chance. The gross proceeds of the lottery shall be used solely for charitable or community betterment purposes, awarding of prizes, and expenses. No more than one lottery shall be conducted by any qualifying organization within any calendar month.

DOCUMENT: 9-511

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Nonprofit organization; conduct raffles; conditions.

LAW 9-511. Any qualifying nonprofit organization may conduct a raffle that has gross proceeds not greater than five thousand dollars. Each chance in such raffle shall have an equal likelihood of being a winning chance. The gross proceeds shall be used solely for charitable or community betterment purposes, awarding of prizes, and expenses. Any qualifying nonprofit organization may conduct one or more raffles in a calendar month if the total gross proceeds from such raffles do not exceed five thousand dollars during such month.

DOCUMENT: 9-512

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department of Revenue; law enforcement agency; powers and duties.

LAW 9-512. The Department of Revenue or any law enforcement agency may require any proper investigation or audit of any qualifying nonprofit organization which conducts any lottery or raffle under the Nebraska Small Lottery and Raffle Act, either for the specific purpose of determining whether the provisions of the Nebraska Small Lottery and Raffle Act are being complied with or for the specific purpose of ensuring that the provisions of the Nebraska Bingo Act, the Nebraska Pickle Card Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska County and City Lottery Act are not being violated. No audit or investigation shall be conducted under this section except as is absolutely necessary for the department or the agency to fulfill its necessary and proper duties.

DOCUMENT: 9-513

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; penalties.

LAW 9-513. Any person who violates any provision of the Nebraska Small Lottery and Raffle Act shall be guilty of a Class IV misdemeanor for the first offense and of a Class II misdemeanor for any second or subsequent offense.

ARTICLE 6 COUNTY AND CITY LOTTERIES

DOCUMENT: 9-601

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-601. Sections 9-601 to 9-653 shall be known and may be cited as the Nebraska County and City Lottery Act.

DOCUMENT: 9-602

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Purpose of act.

LAW 9-602. The purpose of the Nebraska County and City Lottery Act is to allow any county, city, or village to conduct a lottery for community betterment purposes. Any lottery conducted by a county, city, or village shall be conducted only by those methods and under those circumstances prescribed in the act. No other form or method shall be authorized or allowed.

DOCUMENT: 9-603

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Definitions, where found.

LAW 9-603. For purposes of the Nebraska County and City Lottery Act, the definitions found in sections 9-603.01 to 9-618 shall be used.

DOCUMENT: 9-603.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Cancel, defined.

LAW 9-603.01. Cancel shall mean to discontinue all rights and privileges to hold a license for up to three years.

DOCUMENT: 9-604

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Community betterment purposes, defined.

LAW 9-604. (1) Community betterment purposes shall mean (a) benefiting persons by enhancing their opportunity for educational advancement, by relieving or protecting them from disease, suffering, or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, by providing them with

opportunities to contribute to the betterment of the community, or by increasing their comprehension of and devotion to the principles upon which this nation was founded, (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures, (c) lessening the burdens borne by government or voluntarily supporting, augmenting, or supplementing services which government would normally render to the people, or (d) providing tax relief for the community.

(2) Community betterment purposes shall not include any activity consisting of an attempt to influence legislation or participate in any political campaign on behalf of any elected official or person who is or has been a candidate for public office.

DOCUMENT: 9-604.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department, defined.

LAW 9-604.01. Department shall mean the Department of Revenue.

DOCUMENT: 9-605

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Expenses, defined.

LAW 9-605. Expenses shall mean (1) all costs associated with the purchasing, printing, or manufacturing of any items to be used or distributed in the lottery, (2) all office or clerical expenses in connection with the lottery, (3) all promotional expenses for the lottery, (4) all salaries of persons employed to operate, conduct, or supervise the lottery, (5) any rental or lease expense related to the lottery, (6) any fee or commission paid to any person associated with the lottery, (7) license fees paid to the department, and (8) any other costs associated with the conduct of a lottery by a county, city, or village. Expenses shall not include taxes paid pursuant to section 9-648 or prizes awarded to participants.

DOCUMENT: 9-606

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds, defined.

LAW 9-606. Gross proceeds shall mean the total aggregate receipts received from the conduct of any lottery conducted by any county, city, or village without any reduction for prizes, discounts, taxes, or expenses and shall include receipts from admission costs, any consideration necessary for participation, and the value of any free tickets, games, or plays used.

DOCUMENT: 9-606.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License, defined.

LAW 9-606.01. License shall mean a license issued to any county, city, or village to conduct a lottery for community betterment purposes, any license issued to any lottery operator, any license issued to any manufacturer-distributor, any license issued to an authorized sales outlet location, and any license to perform work directly related to the conduct of a lottery.

DOCUMENT: 9-607

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery, defined; manner of play; designation.

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

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

(b) Winning opportunities are represented by tickets;

(c) Winners are solely determined by one of the following two methods:

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

(ii) By use of a game known as keno in which a player selects up to twenty numbers from a total of eighty numbers on a paper ticket and a computer, other electronic selection device, or electrically operated blower machine which is not player-activated randomly selects up to twenty numbers from the same pool of eighty numbers and the winning players are determined by the correct matching of the numbers on the paper ticket selected by the players with the numbers randomly selected by the computer, other electronic selection device, or electrically operated blower machine, except that no keno game shall permit or require player access or activation of lottery equipment and the random selection of numbers by the computer, other electronic selection device, or electrically operated blower machine shall not occur within five minutes of the completion of the previous selection of random numbers; and

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

(2) Lottery shall not include:

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

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

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

(3) Notwithstanding the requirement in subdivision (1)(c)(ii) of this section that a player select up to twenty numbers, a player may select more than twenty numbers on a paper

ticket when a top or bottom, left or right, edge, or way ticket is played. For a top or bottom ticket, the player shall select all numbers from one through forty or all numbers from forty-one through eighty. For a left or right ticket, the player shall select all numbers ending in one through five or all numbers ending in six through zero. For an edge ticket, the player shall select all of the numbers comprising the outside edge of the ticket. For a way ticket, the player shall select a combination of groups of numbers in multiple ways on a single ticket.

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

DOCUMENT: 9-613

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery equipment, defined.

LAW 9-613. Lottery equipment shall mean all proprietary devices, machines, and parts used in the manufacture or maintenance of equipment which is used in and is an integral part of the conduct of any lottery activity authorized or regulated under the Nebraska County and City Lottery Act.

DOCUMENT: 9-614

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery operator, defined.

LAW 9-614. Lottery operator shall mean any individual, sole proprietorship, partnership, limited liability company, or corporation which operates a lottery on behalf of a county, city, or village.

A lottery operator shall be a resident of Nebraska or, if a partnership, limited liability company, or corporation, shall be organized under the laws of this state as a partnership, formed under the Limited Liability Company Act, or incorporated under the Business Corporation Act.

DOCUMENT: 9-615

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery supplies, defined.

LAW 9-615. Lottery supplies shall mean all tickets, cards, boards, sheets, or other supplies which are used in and are an integral part of the conduct of any lottery activity authorized or regulated under the Nebraska County and City Lottery Act.

DOCUMENT: 9-616

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor, defined.

LAW 9-616. Manufacturer-distributor shall mean any individual, sole proprietorship, partnership, limited liability company, or corporation which assembles, produces, makes, prints, or supplies lottery equipment or supplies for sale, use, or distribution in this state.

DOCUMENT: 9-617

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Revoke, defined.

LAW 9-617. Revoke shall mean to permanently void and recall all rights and privileges to obtain or hold a license.

DOCUMENT: 9-618

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Suspend, defined.

LAW 9-618. Suspend shall mean to cause a temporary interruption of all rights and privileges of a license or renewal thereof.

DOCUMENT: 9-619

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Regulation of lotteries; department; duty.

LAW 9-619. The department shall regulate lotteries conducted by counties, cities, and villages to insure fairness, equity, and uniformity.

DOCUMENT: 9-620

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Department; powers, functions, and duties.

LAW 9-620. The department shall have the following powers, functions, and duties:

- (1) To issue licenses and temporary licenses;
- (2) To deny any license application or renewal application for cause. Cause for denial of an application or renewal of a license shall include instances in which the applicant individually, or in the case of a business entity, any officer, director, employee, or limited liability company member of the applicant or licensee other than an employee whose duties are purely ministerial in nature, any other person or entity

directly or indirectly associated with such applicant or licensee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such applicant or licensee for past or present services in a consulting capacity or otherwise, the licensee, or any person with a substantial interest in the applicant or licensee:

- (a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts;
- (b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of such acts or any rules or regulations adopted and promulgated pursuant to such acts;
- (c) Obtained a license or permit pursuant to such acts by fraud, misrepresentation, or concealment;
- (d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or a misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;
- (e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;
- (f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where activity required to be licensed under the Nebraska County and City Lottery Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;
- (g) Made a misrepresentation of or failed to disclose a material fact to the department;
- (h) Failed to prove by clear and convincing evidence his, her, or its qualifications to be licensed in accordance with the Nebraska County and City Lottery Act;
- (i) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act or any other taxes imposed pursuant to the Nebraska Revenue Act of 1967;
- (j) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska Pickle Card Lottery Act;
- (k) Failed to demonstrate good character, honesty, and integrity; or
- (l) Failed to demonstrate, either individually or in the case of a business entity through its managers, employees, or agents, the ability, experience, or financial responsibility

necessary to establish or maintain the activity for which the application is made.

No license renewal shall be issued when the applicant for renewal would not be eligible for a license upon a first application;

(3) To revoke, cancel, or suspend for cause any license. Cause for revocation, cancellation, or suspension of a license shall include instances in which the licensee individually, or in the case of a business entity, any officer, director, employee, or limited liability company member of the licensee other than an employee whose duties are purely ministerial in nature, any other person or entity directly or indirectly associated with such licensee which directly or indirectly receives compensation other than distributions from a bona fide retirement or pension plan established pursuant to Chapter 1, subchapter D of the Internal Revenue Code from such licensee for past or present services in a consulting capacity or otherwise, or any person with a substantial interest in the licensee:

(a) Violated the provisions, requirements, conditions, limitations, or duties imposed by the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or any rules or regulations adopted and promulgated pursuant to such acts;

(b) Knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the provisions of the Nebraska County and City Lottery Act or any rules or regulations adopted and promulgated pursuant to the act;

(c) Obtained a license pursuant to the Nebraska County and City Lottery Act by fraud, misrepresentation, or concealment;

(d) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any offense or crime, whether a felony or a misdemeanor, involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a governmental agency at any level;

(e) Was convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony other than those described in subdivision (d) of this subdivision within the ten years preceding the filing of the application;

(f) Denied the department or its authorized representatives, including authorized law enforcement agencies, access to any place where activity required to be licensed under the Nebraska County and City Lottery Act is being conducted or failed to produce for inspection or audit any book, record, document, or item required by law, rule, or regulation;

(g) Made a misrepresentation of or failed to disclose a material fact to the department;

(h) Failed to pay any taxes and additions to taxes, including penalties and interest, required by the Nebraska County and City Lottery Act;

(i) Failed to pay an administrative fine levied pursuant to the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, or the Nebraska

Pickle Card Lottery Act;

(j) Failed to demonstrate good character, honesty, and integrity; or

(k) Failed to demonstrate, either individually or in the case of a business entity through its managers, employees, or agents, the ability, experience, or financial responsibility necessary to maintain the activity for which the license was issued;

(4) To issue and cause to be served upon any licensee or other person an order requiring the licensee or other person to cease and desist from violations of the Nebraska County and City Lottery Act. The order shall give reasonable notice of the rights of the licensee or other person to request a hearing and shall state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the Tax Commissioner, and within twenty days after the date of the hearing, the Tax Commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be held in accordance with the rules and regulations adopted and promulgated by the department. If the licensee or other person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the licensee or other person shall be deemed in default and the proceeding may be determined against the licensee or other person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(5) To levy an administrative fine on an individual, partnership, limited liability company, corporation, or organization for cause. For purposes of this subdivision, cause shall include instances in which the individual, partnership, limited liability company, corporation, or organization violated the provisions, requirements, conditions, limitations, or duties imposed by the act or any rule or regulation adopted and promulgated pursuant to the act. In determining whether to levy an administrative fine and the amount of the fine if any fine is levied, the department shall take into consideration the seriousness of the violation, the intent of the violator, whether the violator voluntarily reported the violation, whether the violator derived financial gain as a result of the violation and the extent thereof, and whether the violator has had previous violations of the act and regulations. A fine levied on a violator under this section shall not exceed twenty-five thousand dollars for each violation of the act or any rules and regulations adopted and promulgated pursuant to the act plus the financial benefit derived by the violator as a result of each violation. If an administrative fine is levied, the fine shall not be paid from lottery gross proceeds of the county, city, or village and shall be remitted by the violator to the department within thirty days from the date of the order issued by the department levying such fine;

(6) To enter or to authorize any law enforcement officer to enter at any time upon any premises where lottery activity required to be licensed under the act is being conducted to determine whether any of the provisions of the act or any rules or regulations adopted and promulgated under it have been or are being violated and at such time to examine such premises;

- (7) To require periodic reports of lottery activity from licensed counties, cities, villages, manufacturer-distributors, and lottery operators and any other persons, organizations, limited liability companies, or corporations as the department deems necessary to carry out the act;
- (8) To audit, examine, or cause to have examined, by any agent or representative designated by the department for such purpose, any books, papers, records, or memoranda relating to the conduct of a lottery, to require by administrative order or summons the production of such documents or the attendance of any person having knowledge in the premises, to take testimony under oath, and to require proof material for its information. If any such person willfully refuses to make documents available for examination by the department or its agent or representative or willfully fails to attend and testify, the department may apply to a judge of the district court of the county in which such person resides for an order directing such person to comply with the department's request. If any documents requested by the department are in the custody of a corporation, the court order may be directed to any principal officer of the corporation. If the documents requested by the department are in the custody of a limited liability company, the court order may be directed to any member when management is reserved to the members or otherwise to any manager. Any person who fails or refuses to obey such a court order shall be guilty of contempt of court;
- (9) Unless specifically provided otherwise, to compute, determine, assess, and collect the amounts required to be paid as taxes imposed by the act in the same manner as provided for sales and use taxes in the Nebraska Revenue Act of 1967;
- (10) To confiscate and seize lottery equipment or supplies pursuant to section 9-649;
- (11) To investigate the activities of any person applying for a license under the Nebraska County and City Lottery Act or relating to the conduct of any lottery activity under the act. Any license applicant or licensee shall produce such information, documentation, and assurances as may be required by the department to establish by a preponderance of the evidence the financial stability, integrity, and responsibility of the applicant or licensee, including, but not limited to, bank account references, business and personal income and disbursement schedules, tax returns and other reports filed with governmental agencies, business entity and personal accounting records, and check records and ledgers. Any such license applicant or licensee shall authorize the department to examine bank accounts and other such records as may be deemed necessary by the department;
- (12) To adopt and promulgate such rules and regulations and prescribe all forms as are necessary to carry out the act; and
- (13) To employ staff, including auditors and inspectors, as necessary to carry out the act.

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Administrative fines; disposition; collection.

LAW 9-621. (1) All money collected by the department as an administrative fine shall be remitted on a monthly basis to the State Treasurer for credit to the permanent school fund.

(2) Any administrative fine levied under section 9-620 and unpaid shall constitute a debt to the State of Nebraska which may be collected by lien foreclosure or sued for and recovered in any proper form of action in the name of the State of Nebraska in the district court of the county in which the violator resides or owns property.

DOCUMENT: 9-622

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Application; denial; hearing.

LAW 9-622. (1) Before any application is denied pursuant to section 9-620, the department shall notify the applicant in writing of the department's intention to deny the application and the reasons for the denial. Such notice shall inform the applicant of his or her right to request an administrative hearing for the purpose of reconsideration of the intended denial of the application.

(2) A request for a hearing by the applicant shall be in writing and shall be filed with the department within thirty days after the service of notice to the applicant of the department's intended denial of the application. If a request for hearing is not filed within the thirty-day period, the application denial shall become final at the expiration of such period.

(3) If a request for hearing is filed within the thirty-day period, the Tax Commissioner shall grant the applicant a hearing and shall, at least ten days before the hearing, serve notice upon the applicant by certified mail, return receipt requested, of the time, date, and place of the hearing. Such proceedings shall be considered contested cases pursuant to the Administrative Procedure Act.

DOCUMENT: 9-623

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Hearing; required; when; notice.

LAW 9-623. Before the adoption, amendment, or repeal of any rule or regulation, the suspension, revocation, or cancellation of any license pursuant to section 9-620, or the levying of an administrative fine pursuant to such section, the department shall set the matter for hearing. Such suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine shall be contested cases pursuant to the Administrative Procedure Act.

At least ten days before the hearing, the department shall (1) in the case of suspension, revocation, or cancellation proceedings or proceedings to levy an administrative fine, serve notice upon the licensee or violator by personal service or certified mail, return receipt requested, of the time, date, and

place of any hearing or (2) in the case of adoption, amendment, or repeal of any rule or regulation, issue a public notice of the time, date, and place of such hearing.

DOCUMENT: 9-624

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Proceeding before department; service; decision; appeal.

LAW 9-624. (1) A copy of the order or decision of the department in any proceeding before it pursuant to the Nebraska County and City Lottery Act shall be served upon each party of record to the proceeding before the department. Service upon any attorney of record for any such party shall be deemed to be service upon such party. Each party appearing before the department shall enter his or her appearance and indicate to the department his or her address for the service of a copy of any order, decision, or notice. The mailing of any copy of any order or decision or of any notice in the proceeding, to such party at such address, shall be deemed to be service upon such party. (2) Any decision of the department in any proceeding before it pursuant to the act may be appealed, and the appeal shall be in accordance with the Administrative Procedure Act.

DOCUMENT: 9-625

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lotteries; established by political subdivision; election; approval required; joint lottery.

LAW 9-625. Any county, city, or village may establish and conduct a lottery if an election is first held pursuant to this section. Only one scheme or type of lottery may be conducted by a county, city, or village at one time. No county, city, or village shall establish and conduct a lottery until such course of action has been approved by a majority of the registered voters of such county, city, or village casting ballots on the issue at a regular election or a special election called by the governing board of the county, city, or village for such purpose. This section shall not be construed to prohibit any county, city, or village from conducting a lottery if such course of action was approved prior to July 17, 1986, by a majority of the registered voters of such county, city, or village casting ballots on the issue.

Any lottery established pursuant to this section which is authorized by an election held on or after October 1, 1989, pursuant to this section that is not in operation for any four consecutive years shall no longer be authorized under this section. If the voters in a county, city, or village approve a lottery on or after October 1, 1989, pursuant to this section but the lottery does not actually begin operation within four years of the date that the results of the election are certified, the lottery shall no longer be authorized under this section. Any lottery no longer authorized under this section because it did not operate within the four-year period provided in this section may be reauthorized by a majority vote of the registered voters of the county, city, or village casting ballots on the issue at a

subsequent election pursuant to this section.
Except for any restriction imposed pursuant to section 9-643, any county, city, or village may conduct a lottery only within the boundaries of such county, city, or village, or within a licensed racetrack enclosure which abuts the corporate limits thereof or which is within the zoning jurisdiction of a city, except that nothing in this section shall prohibit a county, city, or village from entering into an agreement pursuant to the Interlocal Cooperation Act to conduct a joint lottery with another county, city, or village which has established a lottery in accordance with this section.

DOCUMENT: 9-626

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Continuation of lottery; election; form; restrictions.

LAW 9-626. (1) A governing board of a county, city, or village may submit to the registered voters of such county, city, or village the question whether an existing lottery should be continued. The question may be submitted at a regular election or a special election called by the governing board of the county, city, or village for such purpose.

(2) The question shall be submitted in substantially the following form:

Shall the (county, city, or village) of (here insert the name of the county, city, or village) continue operating a lottery pursuant to the Nebraska County and City Lottery Act?

___ For continued operation of lottery

___ Against continued operation of lottery

(3) A majority of the voters voting on the issue shall determine such issue. The vote shall be binding on the affected county, city, or village, and if the majority vote is to discontinue the lottery, such county, city, or village shall discontinue the lottery within sixty days of the certification of the election results.

(4) An election pursuant to this section shall not be held within two years of the election authorized under section 9-625 and shall not be held more often than once every two years.

(5) An election held by a county, city, or village pursuant to section 9-625 shall not be held within two years of an election authorized under this section and section 9-627 if such election results in the discontinuation of the lottery in the county, city, or village.

DOCUMENT: 9-627

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Continuation of lottery; petition; election.

LAW 9-627. (1) The registered voters of any county, city, or village shall have the right to vote on the question of whether an existing lottery should be continued. The question shall be submitted to such voters whenever petitions calling for its submission, signed by at least twenty percent of the number of persons voting in the county, city, or village at the last preceding general election, are presented to the governing board

of the county, city, or village.

(2) Upon receipt of the petitions provided under subsection (1) of this section, it shall be the duty of the governing board to submit the question at a special election to be held not less than thirty nor more than forty-five days after receipt of the petitions, except that if any other election is to be held in such county, city, or village within ninety days of receipt of the petitions, the governing board may provide for the holding of the lottery election on the same day.

(3) The governing board shall give notice of the submission of the question of whether an existing lottery should be continued, not more than twenty days nor less than ten days prior to the election, by publication one time in one or more newspapers published in or of general circulation in the county, city, or village in which such question is to be submitted. Such notice shall be in addition to any other notice required under the general election laws of this state.

(4) The question shall be submitted to the registered voters in the form provided in subsection (2) of section 9-626.

(5) A majority of the voters voting on the issue shall determine such issue. The vote shall be binding on the affected county, city, or village, and if the majority vote is to discontinue the lottery, such county, city, or village shall discontinue the lottery within sixty days of the certification of the election results.

DOCUMENT: 9-628

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Contract; termination provision required.

LAW 9-628. On and after October 1, 1989, any contract entered into by a county, city, or village relating to the conduct of a lottery shall include a provision permitting the county, city, or village to terminate the contract by giving thirty days' notice to the other party if such lottery has been discontinued by an election authorized under section 9-626 or 9-627.

DOCUMENT: 9-629

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds; use; audit and legal expenses, defined.

LAW 9-629. (1) The gross proceeds of any lottery conducted by a county, city, or village shall be used solely for community betterment purposes, awarding of prizes, taxes, and expenses. (2) Not less than sixty-five percent of the gross proceeds shall be used for the awarding of prizes, except that for purposes of conducting a lottery authorized by subdivision (1)(c)(ii) of section 9-607, not less than sixty-five percent of the gross proceeds during an annual period from July 1 to June 30 of each year shall be used for the awarding of prizes.

(3) Not more than fourteen percent of the gross proceeds shall be used to pay the expenses of operating the lottery, except that license fees paid to the department and audit or legal expenses incurred by the county, city, or village

which relate directly to the conduct of operating such lottery need not be included in determining the fourteen-percent limitation on expenses.

(4) For purposes of this section, audit and legal expenses shall include all expenses relating to: (a) The governmental organization of the lottery; (b) government maintenance, monitoring, and examination of lottery records; and (c) enforcement, regulatory, administrative, investigative, and litigation functions undertaken by government, but shall not include the expenses of the actual conduct of the game. Audit and legal expenses during an annual period from July 1 to June 30 of each year in excess of one percent of gross proceeds or five thousand dollars, whichever is greater, shall be subject to the fourteen-percent limitation on expenses under subsection (3) of this section. In the case of a joint lottery conducted pursuant to an interlocal agreement as provided for in section 9-625, the combined gross proceeds of the joint lottery shall be used to determine that portion of audit and legal expenses that are not subject to the fourteen-percent limitation on expenses.

DOCUMENT: 9-629.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds; use; professional baseball organization.

LAW 9-629.01. As authorized in section 19-4701, a city of the metropolitan or primary class or a county in which a city of the metropolitan class is located which conducts a lottery pursuant to the Nebraska County and City Lottery Act may use a portion of the gross proceeds from such lottery for the acquisition, purchase, and maintenance of a professional baseball organization.

DOCUMENT: 9-629.02

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Repealed. Laws 1995, LB 344, s. 36.

LAW 9-629.02.

DOCUMENT: 9-630

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Conduct of lottery; license required; application; contents; enumerated; duty to keep current.

LAW 9-630. (1) No county, city, village, or lottery operator shall conduct a lottery without having first been issued a license by the department. An applicant for such license shall apply on a form prescribed by the department.

(2) Each application by any county, city, or village shall include:

- (a) The name and address of the applicant;
- (b) A certified copy of the election results at which the lottery was approved by a majority of the registered voters of the county, city, or village in the manner prescribed in section 9-625;
- (c) Any approval by ordinance or resolution approved by

a governing board of a county, city, or village sanctioning the conduct of a lottery;

(d) The names, addresses, and dates of birth of each person employed by the county, city, or village to conduct the lottery;

(e) The name and address of at least one person employed by the county, city, or village who shall represent the county, city, or village in all matters with the department regarding the conduct of the lottery;

(f) A written statement describing the type of lottery to be conducted by the county, city, or village;

(g) If the county, city, or village enters into a written agreement with a lottery operator, a copy of the proposed contract or written agreement between the county, city, or village and the chosen lottery operator; and

(h) Any other information which the department deems necessary.

(3) Each application by any lottery operator shall include:

(a) The name, address, social security number, and date of birth of every individual who is the lottery operator, the sole proprietor, a partner, a member, or a corporate officer of the lottery operator, or a person or entity holding in the aggregate ten percent or more of the debt or equity of the lottery operator if a corporation;

(b) The name and state identification number of the county, city, or village on whose behalf a lottery will be conducted;

(c) A statement signed by an authorized representative of the county, city, or village signifying that such county, city, or village approves the applicant to act as a lottery operator on behalf of such county, city, or village; and

(d) Any other information which the department deems necessary.

A separate license shall be obtained by a lottery operator for each county, city, or village on whose behalf a lottery will be conducted.

(4) The information required by this section shall be kept current. A county, city, village, or lottery operator shall notify the department within thirty days of any changes in the information originally submitted in the application form.

(5) The department may prescribe a separate application form for renewal purposes.

DOCUMENT: 9-631

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE License to conduct lottery; renewal; fee.

LAW 9-631. (1) All licenses issued to any county, city, or village to conduct a lottery and licenses issued to any lottery operator may be renewed biennially. The biennial expiration date shall be September 30 of every odd-numbered year or such other date as the department may prescribe by rule or regulation. Applications for renewal of a county, city, or village license and for a lottery operator license shall be submitted to the

department at least sixty days prior to the expiration date of the license.

(2) A biennial license fee of one hundred dollars shall be charged for each license issued to any county, city, or village to conduct a lottery. A biennial license fee of five hundred dollars shall be charged for each license issued to a lottery operator.

DOCUMENT: 9-631.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery workers; application; contents; duty to keep current; investigation; probationary license; regular license.

LAW 9-631.01. (1) No person shall be eligible to perform any work directly related to the conduct of a lottery unless he or she has completed, signed, and filed with the department and the county, city, or village, if required by the county, city, or village, an application prepared by the department which includes:

- (a) The name, address, date of birth, and social security number of the applicant;
 - (b) The name and state identification number of the county, city, or village, lottery operator, and sales outlet location or locations for which the person will be performing work;
 - (c) A description of the person's duties;
 - (d) A statement that the applicant has not been convicted of, forfeited bond upon a charge of, or pleaded guilty or nolo contendere to any felony within ten years preceding the date of the application or any felony or misdemeanor involving fraud, theft, or any gambling activity; and
 - (e) The date of signing and the signature of the person, under penalty of perjury, verifying that the information is true and accurate.
- (2) Either the department or the county, city, or village shall have the right to conduct an investigation concerning the applicant as may be necessary or appropriate to maintain the integrity of the game.
- (3) For purposes of this section, work directly related to the conduct of a lottery shall mean any work involving the actual day-to-day conduct of the lottery, including, but not limited to, ticket writing, winning number selection, prize payout to winners, record keeping, shift checkout and review of keno writer banks, and security.
- (4) The information required by this section shall be kept current, and a new application shall be filed with the department if any information on the application is no longer current.
- (5) Falsification of information on the application by the applicant shall disqualify such applicant from work directly related to the conduct of the lottery in addition to any other penalties which may be imposed under the laws of this state.
- (6) The applicant shall be granted a probationary license to perform work directly related to the conduct of a lottery which shall be valid for a period of one hundred twenty

days after the filing is received by the department unless such application is denied by the department. If proceedings to deny the license application have not been initiated by the department during such probationary period, the applicant shall be granted a regular license to perform work directly related to the conduct of a lottery. The license shall be valid to allow such person to perform work for the county, city, village, lottery operator, or sales outlet location or locations unless otherwise suspended, canceled, revoked, or denied by the department. The cost of all investigations conducted by the department pursuant to this section shall be borne by the department.

DOCUMENT: 9-632

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; license required; application; fee; expiration; renewal.

LAW 9-632. (1) No individual, sole proprietorship, partnership, limited liability company, or corporation shall manufacture, sell, print, or distribute lottery equipment or supplies for use or play in this state without having first been issued a manufacturer-distributor license by the department.

(2) The department shall charge a biennial license fee of one thousand five hundred twenty-five dollars for the issuance or renewal of a manufacturer-distributor license. The department shall remit the proceeds from such license fees to the State Treasurer for credit to the Charitable Gaming Operations Fund. All manufacturer-distributor licenses may be renewed biennially. The biennial expiration date shall be September 30 of every odd-numbered year or such other date as the department may prescribe by rule and regulation. An application for license renewal shall be submitted to the department at least forty-five days prior to the expiration date of the license.

(3) An applicant for issuance or renewal of a manufacturer-distributor license shall apply for a license on a form prescribed by the department. The application form shall include:

- (a) The name and address of the applicant and the name and address of each of its separate locations manufacturing or distributing lottery equipment or supplies;
- (b) The name and home address of all owners or members of the manufacturer-distributor business if the business is not a corporation. If the business is a corporation, the name and home address of each of the officers and directors of the corporation and of each stockholder owning ten percent or more of any class of stock in the corporation shall be supplied;
- (c) If the applicant is an individual, the applicant's social security number;
- (d) If the applicant is a foreign manufacturer-distributor, the full name, business address, and home address of the agent who is a resident of this state designated pursuant to section 9-633; and
- (e) Such other information as the department deems necessary.

(4) The applicant shall notify the department within

thirty days of any change in the information submitted on or with the application form. The applicant shall comply with all applicable laws of the United States and the State of Nebraska and all applicable rules and regulations of the department.

(5) Any person licensed as a manufacturer pursuant to section 9-255.09 or 9-332 or as a distributor pursuant to section 9-255.07 or 9-330 may act as a manufacturer-distributor pursuant to this section upon the filing of the proper application form and payment of a biennial license fee of one thousand five hundred twenty-five dollars.

DOCUMENT: 9-633

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; resident agent; when required.

LAW 9-633. Each manufacturer-distributor selling lottery equipment or supplies in this state that is not a resident of this state or is not a corporation shall designate a natural person who is a resident of and living in this state and is nineteen years of age or older as a resident agent for the purpose of receipt and acceptance of service of process and other communications on behalf of the manufacturer-distributor. The name, business address where service of process and delivery of mail can be made, and home address of such agent shall be filed with the department.

DOCUMENT: 9-634

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; lottery supplies; approval required.

LAW 9-634. Each manufacturer-distributor shall receive departmental approval of lottery supplies prior to offering or marketing in this state any type of lottery supplies for use in a lottery conducted pursuant to the Nebraska County and City Lottery Act. Approval by the department shall be based upon, but not be limited to, conformance with specifications imposed by the department regarding the manufacture, assembly, and packaging of lottery supplies, the provisions of the act, and any other specifications imposed by rule or regulation adopted and promulgated pursuant to the act.

DOCUMENT: 9-635

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; lottery equipment; approval required; costs of examination.

LAW 9-635. (1) Each manufacturer-distributor shall receive departmental approval of lottery equipment prior to offering or marketing in this state any type of lottery equipment for use in a lottery conducted pursuant to the Nebraska County and City Lottery Act. Approval by the department shall be based upon, but not be limited to, conformance with the provisions of the act and any other specifications imposed by rule or regulation adopted and promulgated pursuant to the act.

(2) Lottery equipment shall not be submitted for

approval by the department until the manufacturer-distributor has obtained a license as required in section 9-632.

(3) The department may require a manufacturer-distributor seeking approval of any lottery equipment to pay the anticipated actual costs of the examination of the equipment by the department. If required, such costs shall be paid in advance by the manufacturer-distributor. After completion of the examination, the department shall refund overpayments or charge and collect amounts sufficient to reimburse the department for underpayments of actual costs.

(4) Lottery equipment which does not conform in all respects to the requirements of the act and any other specifications imposed by the department by rule and regulation shall be contraband goods for purposes of section 9-649.

DOCUMENT: 9-636

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery supplies; requirements.

LAW 9-636. (1) All lottery supplies shall be constructed to conform in all respects to the provisions and specifications imposed by the Nebraska County and City Lottery Act and the rules and regulations adopted and promulgated pursuant to the act as to the manufacture, assembly, printing, and packaging of lottery supplies.

(2) Any lottery supplies which do not conform in all respects to the requirements of the act and any other specifications imposed by the department by rule and regulation shall be contraband goods for purposes of section 9-649.

DOCUMENT: 9-637

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Ticket; purchase price limitation.

LAW 9-637. No ticket used in the conduct of any lottery shall have an individual purchase price in excess of one hundred dollars.

DOCUMENT: 9-638

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; information requirements.

LAW 9-638. Each manufacturer-distributor shall maintain the following information: (1) The name of each purchaser of lottery equipment or supplies; (2) relative to each sale, the quantity and type of lottery equipment or supplies sold; and (3) any other information concerning lottery equipment or supplies sold which the department deems necessary. Such information shall be made available to the department upon request.

DOCUMENT: 9-639

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; employee, agent, or spouse; restriction

on activities.

LAW 9-639. No manufacturer-distributor shall be licensed to conduct any other activity under the Nebraska County and City Lottery Act. No manufacturer-distributor shall hold a license to conduct any other kind of gambling activity which is authorized or regulated under Chapter 9 except as provided in section 9-632. No manufacturer-distributor or employee, agent, or spouse of any manufacturer-distributor shall play in any lottery conducted by any county, city, or village or participate in the conduct or operation of any lottery conducted by any county, city, or village or any other kind of gambling activity which is authorized or regulated under Chapter 9 except to the exclusive extent of his or her statutory duties as a licensed manufacturer-distributor and as provided in sections 9-255.07, 9-255.09, 9-330, and 9-332.

DOCUMENT: 9-640

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; lottery equipment or supplies sales and leases; restrictions.

LAW 9-640. (1) No manufacturer-distributor shall sell, lease, or otherwise provide any lottery equipment or supplies to any person in Nebraska except a county, city, or village licensed to conduct a lottery, a licensed lottery operator, or another licensed manufacturer-distributor. No county, city, or village licensed to conduct a lottery or a licensed lottery operator shall purchase, lease, or otherwise obtain any lottery equipment or supplies except from a manufacturer-distributor licensed in Nebraska.

(2) Nothing in this section shall prohibit (a) a licensed county, city, village, or lottery operator which has purchased or intends to purchase new lottery equipment from selling or donating its old lottery equipment to another licensed county, city, village, or lottery operator if prior written approval has been obtained from the department or (b) a county, city, village, or lottery operator which has voluntarily canceled its license or allowed its license to lapse or which has had its license suspended, canceled, or revoked from selling or donating its lottery equipment to another licensed county, city, village, or lottery operator if prior written approval has been obtained from the department.

DOCUMENT: 9-641

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Manufacturer-distributor; records required.

LAW 9-641. Every licensed manufacturer-distributor shall keep and maintain a complete set of records which shall include all details of all activities of the licensee related to the conduct of the licensed activity as may be required by the department, including the total quantity and types of lottery equipment or supplies sold to any county, city, or village, to any licensed lottery operator, and to other licensed manufacturer-distributors. Such records shall be available for

inspection by the department. The records shall be maintained for a period of not less than three years from the date of the end of the licensee's fiscal year.

DOCUMENT: 9-642

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery operator; conflict of interest prohibited.

LAW 9-642. (1) No sole proprietor, partner in a partnership, member in a limited liability company, officer or director of a corporation, or individual with a substantial interest in a sole proprietorship, partnership, limited liability company, or corporation applying for a lottery operator license or licensed as a lottery operator shall be connected with or interested in, directly or indirectly, any person, partnership, limited liability company, firm, corporation, or other party licensed as a distributor, manufacturer, or manufacturer-distributor under section 9-255.07, 9-255.09, 9-330, 9-332, or 9-632.

(2) No member of the governing board or governing official of a county, city, or village shall be connected with or interested in, directly or indirectly, any lottery operator with whom the county, city, or village contracts to conduct its lottery or any manufacturer-distributor.

DOCUMENT: 9-642.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Sales outlet location; qualification standards; notice to department; license; application; renewal.

LAW 9-642.01. (1) Prior to a county, city, village, or lottery operator conducting a lottery at a location other than the location of the lottery operator (a) the county, city, or village shall, by ordinance or resolution, establish qualification standards which shall be met by any individual, sole proprietorship, partnership, limited liability company, or corporation seeking to have its location qualify as an authorized sales outlet location for conducting a lottery and (b) the county, city, or village shall approve or disapprove each sales outlet location and individual, sole proprietorship, partnership, limited liability company, or corporation which desires to conduct the lottery at its sales outlet location solely on the basis of the qualification standards. A copy of the ordinance or resolution setting forth the qualification standards shall be filed with the department within thirty days of its adoption. A county, city, or village shall notify the department of all approved lottery locations within thirty days of approval.

(2) An authorized sales outlet location shall obtain a license issued by the department prior to conducting any lottery activity at such location pursuant to the Nebraska County and City Lottery Act. An applicant for a license as an authorized sales outlet location shall apply on a form prescribed by the department containing the information the department deems necessary, including documentation that reflects that the location has been approved by the county, city, or village in

accordance with the qualification standards required by this section. If the applicant is an individual, the application shall include the applicant's social security number. No fee shall be charged for such license. All licenses for authorized sales outlet locations shall expire on September 30 of every odd-numbered year or such other date as the department may prescribe by rule and regulation and may be renewed biennially. An application for license renewal shall be submitted to the department at least sixty days prior to the expiration date of the license.

DOCUMENT: 9-643

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery; local control; section, how construed.

LAW 9-643. (1) Any county, city, or village may, by resolution or ordinance, tax, regulate, control, or prohibit any lottery conducted pursuant to the Nebraska County and City Lottery Act within the boundaries of such county, city, or village, except that no county may impose a tax or otherwise regulate, control, or prohibit any lottery within the corporate limits of a city or village. Any tax imposed pursuant to this subsection shall be remitted to the general fund of the county, city, or village imposing such tax.

(2) Nothing in this section shall be construed to authorize any lottery not otherwise authorized under Nebraska law.

DOCUMENT: 9-644

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Local control; annexation; effect.

LAW 9-644. If a city or village which has exercised its authority under section 9-643 to prohibit lotteries within its boundaries annexes any area in which a lottery is being lawfully conducted by a county, the county may continue the lottery for a period not to exceed the shorter of (1) the remainder of the term of the county's agreement with the lottery operator or (2) two years. The lottery shall be subject to all taxes, regulations, and controls imposed by the city or village under such section, whether imposed before or after annexation.

DOCUMENT: 9-645

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Licensees; exempt from Uniform Disposition of Unclaimed Property Act.

LAW 9-645. Any county, city, or village licensed to conduct a lottery pursuant to the Nebraska County and City Lottery Act shall be exempt from the Uniform Disposition of Unclaimed Property Act solely with respect to unclaimed lottery prizes.

DOCUMENT: 9-646

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Participation; restrictions.

LAW 9-646. (1) No person under nineteen years of age shall play or participate in any way in any lottery conducted pursuant to the Nebraska County and City Lottery Act.

(2) A county, city, or village which authorizes the conduct of a lottery shall establish by ordinance or resolution the limitations, if any, on the playing of any lottery conducted by the county, city, or village by any member of the governing board, a governing official, or the immediate family of such member or official.

(3) No owner or officer of a lottery operator with whom the county, city, or village contracts to conduct its lottery shall play any lottery conducted by such county, city, or village. An owner or officer of an authorized sales outlet location for such county, city, or village may be prohibited from playing any lottery conducted by such county, city, or village by ordinance or resolution. No employee or agent of a county, city, village, lottery operator, or authorized sales outlet location shall play the lottery of the county, city, or village for which he or she performs work during such time as he or she is actually working at such lottery or while on duty.

(4) No person or licensee, or employee or agent thereof, shall knowingly permit an individual under nineteen years of age to play or participate in any way in any lottery conducted pursuant to the Nebraska County and City Lottery Act.

DOCUMENT: 9-646.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE No extension of credit.

LAW 9-646.01. No person or licensee, or any employee or agent thereof, accepting wagers on a lottery conducted pursuant to the Nebraska County and City Lottery Act shall extend credit from the gross proceeds of a lottery to participants in the lottery for the purchase of lottery tickets. No person shall purchase or be allowed to purchase any lottery ticket or make or be allowed to make any wager pursuant to the act unless he or she pays for such ticket or wager with cash. For purposes of this section, cash shall mean United States currency having the same face value as the price of the ticket or wager.

DOCUMENT: 9-647

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery; time limitation.

LAW 9-647. No lottery shall be conducted between the hours of 1 a.m. and 6 a.m.

DOCUMENT: 9-648

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Gross proceeds; tax; collection.

LAW 9-648. Any county, city, or village which conducts a lottery shall submit to the department on a quarterly basis a tax of two percent of the gross proceeds. Such tax shall be remitted not later than thirty days from the close of the preceding quarter on forms provided by the department. The department shall remit the tax to the State Treasurer for credit to the Charitable Gaming Operations Fund. All deficiencies of the tax imposed by this section shall accrue interest and be subject to a penalty as provided for sales and use taxes in the Nebraska Revenue Act of 1967.

DOCUMENT: 9-649

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax Commissioner; power to seize contraband; effect.

LAW 9-649. (1) The Tax Commissioner or his or her agents or employees, at the direction of the Tax Commissioner, or any peace officer of this state may seize, without a warrant, the following contraband goods found any place in this state: (a) Any lottery equipment or supplies which do not conform in all respects to the requirements of the Nebraska County and City Lottery Act and any other specifications imposed by the department by rule and regulation; (b) any lottery equipment or supplies that are being sold without the proper license; (c) any lottery equipment or supplies that have been sold in violation of the act or any rule or regulation adopted and promulgated pursuant to the act; or (d) any lottery equipment or supplies used in connection with any lottery that has been or is being conducted in violation of the act or any rule or regulation adopted and promulgated pursuant to the act.

(2) The Tax Commissioner may, upon satisfactory proof, direct the return of any seized lottery equipment or supplies when he or she has reason to believe that the owner has not willfully or intentionally failed to comply with the act.

(3) The Tax Commissioner may, upon finding that an owner of contraband goods has willfully or intentionally failed to comply with the act, confiscate such goods. Any lottery equipment or supplies confiscated shall be destroyed.

(4) The seizure of contraband goods under this section shall not relieve any person from a fine, imprisonment, or other penalty for violation of the act.

(5) The Tax Commissioner or his or her agents or employees, when directed to do so by the Tax Commissioner, or any peace officer of this state shall not be responsible for negligence in any court for the seizure or confiscation of any lottery equipment or supplies pursuant to this section.

DOCUMENT: 9-650

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Segregation of gross proceeds; use of interest; records; requirements.

LAW 9-650. The gross proceeds of any lottery, less the amount awarded in prizes and any salary, fee, or commission paid to a licensed lottery operator plus any interest on such funds,

shall be segregated from any other revenue and placed in a separate account of the lottery operator and the county, city, or village. If a lottery operator is conducting a lottery on behalf of a county, city, or village, such proceeds, including any interest, shall be transferred from the lottery operator's separate account to a separate account of the county, city, or village. Any interest received by a county, city, or village from the proceeds of the lottery shall be used solely for community betterment purposes.

Separate records shall be maintained by such licensed county, city, or village. Records required by the Nebraska County and City Lottery Act shall be preserved for at least three years unless otherwise provided by rules and regulations adopted and promulgated by the department. Any law enforcement agency or other agency of government shall have the authority to investigate the records relating to lotteries and gross proceeds from such lottery at any time. Any county, city, or village shall, upon proper written request, deliver all such records to the department or other law enforcement agency for investigation.

DOCUMENT: 9-651

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery ticket; requirements.

LAW 9-651. Each county, city, or village conducting a lottery shall have its name clearly printed on each ticket used in the lottery. No such ticket shall be sold unless the name is printed thereon.

DOCUMENT: 9-652

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Violations; penalties; enforcement; venue.

LAW 9-652. (1) Except when another penalty is specifically provided, any person or licensee, or employee or agent thereof, who knowingly or intentionally violates any provision of the Nebraska County and City Lottery Act, or who causes, aids, abets, or conspires with another to cause any person or licensee or any employee or agent thereof to violate the act, shall be guilty of a Class I misdemeanor for the first offense and a Class IV felony for any second or subsequent violation. Any licensee guilty of violating the act more than once in a twelve-month period may have its license canceled or revoked.

(2) Each of the following violations of the act shall be a Class IV felony:

(a) Giving, providing, or offering to give or provide, directly or indirectly, to any public official, employee, or agent of this state or any agencies or political subdivisions of this state any compensation or reward or share of the money for property paid or received through gambling activities regulated under the act in consideration for obtaining any license, authorization, permission, or privilege to participate in any gaming operations except as authorized under the act or any rules and regulations adopted and promulgated pursuant to such act;

(b) Intentionally employing or possessing any device to

facilitate cheating in any lottery or using any fraudulent scheme or technique in connection with any lottery when the amount gained or intended to be gained through the use of such device, scheme, or technique is three hundred dollars or more;

(c) Knowingly filing a false report under the act; or

(d) Knowingly falsifying or making any false entry in any books or records with respect to any transaction connected with the conduct of a lottery.

(3) It shall be the duty of the Attorney General or appropriate county attorney to prosecute and defend all proceedings initiated in any court or otherwise under the act.

(4) The failure to do any act required by or under the Nebraska County and City Lottery Act shall be deemed an act in part in the principal office of the department. Any prosecution under such act may be conducted in any county where the defendant resides or has a place of business or in any county in which any violation occurred.

(5) In the enforcement and investigation of any offense committed under the act, the department may call to its aid any sheriff, deputy sheriff, or other peace officer in the state.

DOCUMENT: 9-653

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Reports and records; disclosure; limitations; violation; penalty.

LAW 9-653. (1) Except in accordance with a proper judicial order or as otherwise provided by this section or other law, it shall be a Class I misdemeanor for the Tax Commissioner or any employee or agent of the Tax Commissioner to make known, in any manner whatsoever, the contents of any reports or records submitted by a licensed manufacturer-distributor or the contents of any personal history reports submitted by any licensee or license applicant to the department pursuant to the Nebraska County and City Lottery Act and any rules and regulations adopted and promulgated pursuant to the act.

(2) Nothing in this section shall be construed to prohibit (a) the delivery to a licensee, his or her duly authorized representative, or his or her successors, receivers, trustees, personal representatives, administrators, assignees, or guarantors, if directly interested, of a certified copy of any report or record, (b) the publication of statistics so classified as to prevent the identification of particular reports or records, (c) the inspection by the Attorney General, a county attorney, or other legal representative of the state of reports or records submitted by a licensed manufacturer-distributor when information on the reports or records is considered by the Attorney General, county attorney, or other legal representative to be relevant to any action or proceeding instituted by the licensee or against whom an action or proceeding is being considered or has been commenced by any state agency or county, (d) the furnishing of any information to the United States Government or to states allowing similar privileges to the Tax Commissioner, (e) the disclosure of information and records to a collection agency contracting with the Tax Commissioner for the collection of delinquent taxes under the act, (f) the publication

or disclosure of final administrative opinions and orders made by the Tax Commissioner in the adjudication of license denials, suspensions, cancellations, or revocations or the levying of fines, (g) the release of any application, without the contents of any submitted personal history report, filed with the department to obtain a license to conduct activities under the act, which application shall be deemed a public record, (h) the release of any report filed by a licensed county, city, village, or lottery operator pursuant to the act, which report shall be deemed a public record, or (i) the notification of an applicant, a licensee, or a licensee's duly authorized representative of the existence of and the grounds for any administrative action to deny the license application of, to revoke, cancel, or suspend the license of, or to levy an administrative fine upon any agent or employee of the applicant, the licensee, or any other person upon whom the applicant or licensee relies to conduct activities authorized by the act.

(3) Nothing in this section shall prohibit the Tax Commissioner or any employee or agent of the Tax Commissioner from making known the names of persons, firms, or corporations licensed to conduct activities under the act, the locations at which such activities are conducted by licensees, or the dates on which such licenses were issued.

(4) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit the Postal Inspector of the United States Postal Service or his or her delegates to inspect reports or records submitted by a licensed manufacturer-distributor pursuant to the act when information on the reports or records is relevant to any action or proceeding instituted or being considered by the United States Postal Service against such person for the fraudulent use of the mails to carry and deliver false and fraudulent tax returns to the Tax Commissioner with the intent to defraud the State of Nebraska or to evade the payment of Nebraska state taxes.

(5) Notwithstanding subsection (1) of this section, the Tax Commissioner may permit the other tax officials of this state to inspect reports or records submitted pursuant to the act, but such inspection shall be permitted only for purposes of enforcing a tax law and only to the extent and under the conditions prescribed by the rules and regulations of the Tax Commissioner.

ARTICLE 8 STATE LOTTERY

DOCUMENT: 9-801

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Act, how cited.

LAW 9-801. Sections 9-801 to 9-841 shall be known and may be cited as the State Lottery Act.

DOCUMENT: 9-802

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Purpose of act.

LAW 9-802. The purpose of the State Lottery Act is to

establish lottery games which will raise revenue for the purposes set forth in section 9-812.

DOCUMENT: 9-803

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Terms, defined.

LAW 9-803. For purposes of the State Lottery Act:

(1) Director shall mean the Director of the Lottery Division;

(2) Division shall mean the Lottery Division of the Department of Revenue;

(3) Lottery contractor shall mean a lottery vendor or lottery game retailer with whom the division has contracted for the purpose of providing goods or services for the state lottery;

(4) Lottery game shall mean any variation of the following types of games:

(a) An instant-win game in which disposable tickets contain certain preprinted winners which are determined by rubbing or scraping an area or areas on the tickets to match numbers, letters, symbols, or configurations, or any combination thereof, as provided by the rules of the game. An instant-win game may also provide for preliminary and grand prize drawings conducted pursuant to the rules of the game. An instant-win game shall not include the use of any pickle card as defined in section 9-315; and

(b) An on-line lottery game in which lottery game retailer terminals are hooked up to a central computer via a telecommunications system through which (i) a player selects a specified group of numbers or symbols out of a predetermined range of numbers or symbols and purchases a ticket bearing the player-selected numbers or symbols for eligibility in a drawing regularly scheduled in accordance with game rules or (ii) a player purchases a ticket bearing randomly selected numbers for eligibility in a drawing regularly scheduled in accordance with game rules.

Lottery game shall not be construed to mean any video lottery game;

(5) Lottery game retailer shall mean a person who contracts with or seeks to contract with the division to sell tickets in lottery games to the public;

(6) Lottery vendor shall mean any person who submits a bid, proposal, or offer as part of a major procurement;

(7) Major procurement shall mean any procurement or contract for the purchase or lease of goods or services unique to or used primarily for the operation of the state lottery in excess of fifteen thousand dollars, including the printing of tickets, the provision of terminals and other computer equipment, and transportation, accounting, consulting, and advertising services; and

(8) Ticket or lottery ticket shall mean any tangible evidence authorized by the division to prove participation in a lottery game.

DOCUMENT: 9-804

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery Division of the Department of Revenue; established; Director of the Lottery Division.

LAW 9-804. The Lottery Division of the Department of Revenue is hereby established. The division shall be administered by the Director of the Lottery Division who shall be appointed by and serve at the pleasure of the Tax Commissioner. The division shall administer and regulate the lottery games conducted pursuant to the State Lottery Act.

DOCUMENT: 9-805

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Tax Commissioner; agreements authorized; exception.

LAW 9-805. The Tax Commissioner may enter into written agreements with one or more government-authorized lotteries to participate in the conduct and operation of lottery games when necessary or desirable to make lottery games more remunerative for the State of Nebraska, except that no lottery game may be introduced in this state which is inconsistent with the intent and purpose of or which violates the State Lottery Act.

DOCUMENT: 9-806

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Legislative intent.

LAW 9-806. In construing the State Lottery Act, it is the intent of the Legislature that the following policies be implemented:

- (1) The lottery games shall be operated by the division;
- (2) The lottery games shall be operated as a self-sufficient, revenue-raising operation after money generated from the conduct of the lottery is used to repay the initial appropriation plus interest;
- (3) All contracts entered into by the division for the provision of goods and services shall be subject to the act and shall be exempt from any other state law concerning the purchase of goods or services;
- (4) Preference for contracts shall be given to bidders and applicants based in Nebraska if the costs and benefits are equal or superior to those available from competing persons. All major procurements of goods or services essential to the operation of a lottery shall require that the person awarded the contract establish a permanent office in this state;
- (5) Every entity submitting a bid, proposal, or offer to the division shall disclose all information required by the Tax Commissioner; and
- (6) Every entity submitting a bid, proposal, or offer to the division shall be required to meet such other requirements as established by the Tax Commissioner, including the posting of a bond.

DOCUMENT: 9-807

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Division; personnel; bond.

LAW 9-807. (1) Other than the director, all employees of the division shall be classified employees under the rules and regulations of the personnel division of the Department of Administrative Services.

(2) Before entering upon the duties of the office, the director and each employee of the division shall be bonded under the blanket surety bond required by section 11-201.

DOCUMENT: 9-808

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Division; personnel; investigators or security personnel; powers and duties; confidentiality; exception.

LAW 9-808. (1) The Tax Commissioner shall employ or contract with such personnel as necessary to carry out the responsibilities of the division. The Tax Commissioner shall employ investigators or security personnel who shall be vested with the authority and power of a law enforcement officer to carry out the laws of this state administered by the Tax Commissioner or the Department of Revenue.

(2) Investigators or security personnel of the division may enter and search premises and seize all relevant materials pursuant to a warrant issued by a court.

(3)(a) Investigators or security personnel shall, as deemed necessary, conduct background investigations of all individuals seeking employment in the division. Such background investigations shall include, but not be limited to, police records checks, conviction records checks, national and statewide criminal records clearinghouse checks, and fingerprint checks.

(b) It shall be a condition of employment in the division that an individual supply investigators or security personnel with his or her fingerprints for the purpose of conducting a background investigation for employment purposes.

(c) Any individual convicted of any crime involving moral turpitude, fraud, theft, theft of services, and theft by deception and any individual whose constitutional rights have been forfeited and not restored shall not be eligible for employment in the division.

(d) All information obtained through a background investigation performed by the division shall be confidential, except that the Tax Commissioner may exchange such confidential information with state, federal, and local law enforcement agencies.

DOCUMENT: 9-809

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Auditor of Public Accounts; audit; Tax Commissioner; reports.

LAW 9-809. (1) The books, records, funds, and accounts of the division shall be audited at least annually by or under the direction of the Auditor of Public Accounts who shall submit a report of the audit to the Governor and the Legislature. The

expenses of the audit shall be paid from the State Lottery Operation Cash Fund.

(2) The Tax Commissioner shall make an annual written report by November 1 of each year to the Governor and the Legislature, which report shall include a summary of the activities of the division for the previous fiscal year through June 30, a statement detailing lottery revenue, prize disbursements, expenses of the division, and allocation of remaining revenue, and any recommendations for change in the statutes which the Tax Commissioner deems necessary or desirable. The report shall be a public record.

DOCUMENT: 9-810

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery ticket; restrictions on sale and purchase; computation of retail sales; termination of liability; prize credited against certain tax liability or debt; procedure.

LAW 9-810. (1) A person under nineteen years of age shall not purchase a lottery ticket. No lottery ticket shall be sold to any person under nineteen years of age. No person shall purchase a lottery ticket for a person under nineteen years of age, and no person shall purchase a lottery ticket for the benefit of a person under nineteen years of age.

(2) No lottery ticket shall be sold and no prize shall be awarded to the Tax Commissioner, the director, or any employee of the division or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of the Tax Commissioner, the director, or any employee of the division.

(3) With respect to a lottery game retailer under contract to sell lottery tickets whose rental payment for premises is contractually computed in whole or in part on the basis of a percentage of retail sales and when the computation of retail sales is not explicitly defined to include the sale of lottery tickets, the amount of retail sales for lottery tickets by the retailer for purposes of such a computation may not exceed the amount of compensation received by the retailer from the division.

(4) Once any prize is awarded in conformance with the State Lottery Act and any rules and regulations adopted under the act, the state shall have no further liability with respect to that prize.

(5) Prior to the payment of any lottery prize in excess of five hundred dollars for a winning lottery ticket presented for redemption to the division, the division shall check the name and social security number of the winner with a list provided by the Department of Revenue of people identified as having an outstanding state tax liability and a list of people certified by the Department of Health and Human Services as owing a debt as defined in section 77-27,161. The division shall credit any such lottery prize against any outstanding state tax liability owed by such winner and the balance of such prize amount, if any, shall be paid to the winner by the division. The division shall credit any such lottery prize against any certified debt in the manner

set forth in sections 77-27,160 to 77-27,173. If the winner has both an outstanding state tax liability and a certified debt, the division shall add the liability and the debt together and pay the appropriate agency or person a share of the prize in the proportion that the liability or debt owed to the agency or person is to the total liability and debt.

DOCUMENT: 9-811

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Exemption from occupation tax.

LAW 9-811. Lottery games conducted pursuant to the State Lottery Act shall be exempt from any local or occupation tax levied or assessed by any political subdivision having the power to levy, assess, or collect such a tax.

DOCUMENT: 9-811.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery Investigation Petty Cash Fund; establishment; use; investment; Tax Commissioner; department; duties; records and reports.

LAW 9-811.01. The Tax Commissioner may apply to the Director of Administrative Services and the Auditor of Public Accounts to establish and maintain a Lottery Investigation Petty Cash Fund. The money used to initiate and maintain the fund shall be drawn solely from the State Lottery Operation Cash Fund. The Tax Commissioner shall determine the amount of money to be held in the Lottery Investigation Petty Cash Fund, consistent with carrying out the duties and responsibilities of the division but not to exceed five thousand dollars for the entire division. This restriction shall not apply to funds otherwise appropriated to the State Lottery Operation Cash Fund for investigative purposes. When the Director of Administrative Services and the Auditor of Public Accounts have approved the establishment of the Lottery Investigation Petty Cash Fund, a voucher shall be submitted to the Department of Administrative Services accompanied by such information as the department may require for the establishment of the fund. The Director of Administrative Services shall issue a warrant for the amount specified and deliver it to the division. The fund may be replenished as necessary, but the total amount in the fund shall not exceed ten thousand dollars in any fiscal year. The fund shall be audited by the Auditor of Public Accounts.

Any prize amounts won, less any investigative expenditures, by department personnel with funds drawn from the Lottery Investigation Petty Cash Fund or reimbursed from the State Lottery Operation Cash Fund shall be deposited into the Lottery Investigation Petty Cash Fund.

For the purpose of establishing and maintaining legislative oversight and accountability, the Department of Revenue shall maintain records of all expenditures, disbursements, and transfers of cash from the Lottery Investigation Petty Cash Fund.

By September 15 of each year, the department shall

report to the budget division of the Department of Administrative Services and to the Legislative Fiscal Analyst the unexpended balance existing on June 30 of the previous fiscal year relating to investigative expenses in the Lottery Investigation Petty Cash Fund and any funds existing on June 30 of the previous fiscal year in the possession of division personnel involved in investigations. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

DOCUMENT: 9-812

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE State Lottery Operation Trust Fund; State Lottery Prize Trust Fund; State Lottery Operation Cash Fund; created; transfers; Education Innovation Fund; created; use; investment; Excellence in Education Council; established; powers and duties; unclaimed prize money; use.

LAW 9-812. (1) All money received from the operation of lottery games conducted pursuant to the State Lottery Act in Nebraska shall be deposited in the State Lottery Operation Trust Fund, which fund is hereby created. All payments of expenses of the operation of the lottery games shall be made from the State Lottery Operation Cash Fund. In accordance with legislative appropriations, money for payments for expenses of the division shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Operation Cash Fund, which fund is hereby created. All money necessary for the payment of lottery prizes shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Prize Trust Fund, which fund is hereby created. The amount used for the payment of lottery prizes shall not be less than forty percent of the dollar amount of the lottery tickets which have been sold. At least twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred from the State Lottery Operation Trust Fund to the Education Innovation Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund. Forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Education Innovation Fund. Forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act. One percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund to be used as provided in sections 83-162.01 to 83-162.04.

(2) The Education Innovation Fund is hereby created.

Each fiscal year beginning with fiscal year 1994-95, at least seventy-five percent of the lottery proceeds allocated to the Education Innovation Fund shall be available for disbursement. The Education Innovation Fund shall be allocated in the following manner: Up to ten percent to fund the mentor teacher program pursuant to the Quality Education Accountability Act; up to

seventy percent as quality education incentives pursuant to the act; and up to twenty percent of the fund shall be allocated by the Governor through incentive grants to encourage the development of strategic school improvement plans by school districts for accomplishing high performance learning and to encourage schools to establish innovations in programs or practices that result in restructuring of school organization, school management, and instructional programs which bring about improvement in the quality of education. Such incentive grants allocated by the Governor are intended to provide selected school districts, teachers or groups of teachers, nonprofit educational organizations, educational service units, or cooperatives funding for the allowable costs of implementing pilot projects and model programs.

From the funds allocated by the Governor, minigrants shall be available to school districts to support the development of strategic school improvement plans which shall include statements of purposes and goals for the districts. The plans shall also include the specific statements of improvement or strategic initiatives designed to improve quality learning for every student.

In addition to the minigrants granted for the development of strategic school improvement plans, school districts with annual budget expenditures of three hundred fifty thousand dollars or less are eligible for minigrants from the funds allocated by the Governor for the purposes allowed in subdivisions (2)(a) through (q) of this section. The amount of this type of minigrant shall not exceed five thousand dollars. The school district shall present a curriculum support plan with its application for the grant. The curriculum support plan must show how the district is working to achieve one or more of the allowed purposes and how the grant will be used to directly advance the plan to achieve one or more of these purposes. The plan must be signed by the school administrator and a school board representative. The application for the grant shall be brief. The Excellence in Education Council shall select the recipients of this type of minigrant and shall administer such minigrants.

From the funds allocated by the Governor, major competitive grants shall be available to support innovative programs which are directly related to the strategic school improvement plans. The development of a strategic school improvement plan by a school district shall be required before a grant is awarded. Annual reports shall be made by program recipients documenting the effectiveness of the program in improving the quality of education as designed in the strategic school improvement plans. Special consideration shall be given to plans which contain public or private matching funds and cooperative agreements, including agreements for in-kind services. Purposes for which such major competitive grants would be offered shall include:

- (a) Professional staff development programs to provide funds for teacher and administrator training and continuing education to upgrade teaching and administrative skills;
- (b) The development of strategic school improvement plans by school districts;

(c) Educational technology assistance to public schools for the purchase and operation of computers, telecommunications equipment and services, and other forms of technological innovation which may enhance classroom teaching, instructional management, and districtwide administration pursuant to the state's goal of ensuring that all kindergarten through grade twelve public school districts or affiliated school systems have a direct connection to a statewide public computer information network by June 30, 2000. The telecomputing equipment and services needed to meet this goal may be funded under this subsection, sections 79-1233 and 79-1310, or any combination of such subsection and sections. Such telecommunications equipment, services, and forms of technical innovation shall be approved by the State Department of Education only after review by the technical panel created in section 86-1511;

(d) An educational accountability program to develop an educational indicators system to measure the performance and outcomes of public schools and to ensure efficiency in operations;

(e) Alternative programs for students, including underrepresented groups, at-risk students, and dropouts;

(f) Programs that demonstrate improvement of student performance against valid national and international achievement standards;

(g) Early childhood and parent education which emphasizes child development;

(h) Programs using decisionmaking models that increase involvement of parents, teachers, and students in school management;

(i) Increased involvement of the community in order to achieve increased confidence in and satisfaction with its schools;

(j) Development of magnet or model programs designed to facilitate desegregation;

(k) Programs that address family and social issues impairing the learning productivity of students;

(l) Programs enhancing critical and higher-order thinking capabilities;

(m) Programs which produce the quality of education necessary to guarantee a competitive work force;

(n) Programs designed to increase productivity of staff and students through innovative use of time;

(o) Training programs designed to benefit teachers at all levels of education by increasing their ability to work with educational technology in the classroom;

(p) Approved accelerated or differentiated curriculum programs under sections 79-1106 to 79-1108.03; and

(q) Programs for students with disabilities receiving special education under the Special Education Act and students needing support services as defined in section 79-1185, which programs demonstrate improved outcomes for students through emphasis on prevention and collaborative planning.

The Governor shall establish the Excellence in Education Council. The Governor shall appoint eleven members to the council including representatives of educational organizations, postsecondary educational institutions, the

business community, and the general public, members of school boards and parent education associations, school administrators, and at least four teachers who are engaged in classroom teaching. The State Department of Education shall provide staff support for the council to administer the Education Innovation Fund, including the Quality Education Accountability Act. The council shall have the following powers and duties:

- (i) In consultation with the State Department of Education, develop and publish criteria for the awarding of incentive grants allocated by the Governor for programs pursuant to this subsection, including minigrants;
- (ii) Provide recommendations to the Governor regarding the selection of projects to be funded and the distribution and duration of project funding. For projects recommended under subdivision (2)(c) of this section, the council shall also provide recommendations to the Nebraska Information Technology Commission for its review and recommendations to the Governor;
- (iii) Establish standards, formats, procedures, and timelines for the successful implementation of approved programs funded by incentive grants allocated by the Governor from the Education Innovation Fund;
- (iv) Assist school districts in determining the effectiveness of the innovations in programs and practices and measure the subsequent degree of improvement in the quality of education;
- (v) Consider the reasonable distribution of funds across the state and all classes of school districts;
- (vi) Carry out its duties pursuant to the Quality Education Accountability Act; and
- (vii) Provide annual reports to the Governor concerning programs funded by the fund. Each report shall include the number of applicants and approved applicants, an overview of the various programs, objectives, and anticipated outcomes, and detailed reports of the cost of each program.

To assist the council in carrying out its duties, the State Board of Education shall, in consultation with the council, adopt and promulgate rules and regulations establishing criteria, standards, and procedures regarding the selection and administration of programs funded from the Education Innovation Fund, including the Quality Education Accountability Act.

(3) Recipients of incentive grants allocated by the Governor from the Education Innovation Fund shall be required to provide, upon request, such data relating to the funded programs and initiatives as the Governor deems necessary.

(4) Any money in the State Lottery Operation Trust Fund, the State Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, or the Education Innovation Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(5) Unclaimed prize money on a winning lottery ticket shall be retained for a period of time prescribed by rules and regulations. If no claim is made within such period, the prize money shall be used at the discretion of the Tax Commissioner for any of the purposes prescribed in this section.

DOCUMENT: 9-813

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; Tax Commissioner; powers and duties; deposit of funds; liability for tickets.

LAW 9-813. (1) The Tax Commissioner may require each lottery game retailer to deposit all money received by the lottery game retailer from the sale of lottery tickets, less the amount, if any, retained as compensation for the sale of lottery tickets and less the amount, if any, paid in prizes, in financial institutions designated by the State Treasurer for credit to the State Lottery Operation Trust Fund and to file with the Tax Commissioner or his or her designated agent reports of the lottery game retailer's receipts and transactions regarding the sale of lottery tickets in such form and containing such information as the Tax Commissioner requires.

(2) The Tax Commissioner may make such arrangements for any person, including a financial institution, to perform any functions, activities, or services in connection with the operation of lottery games pursuant to the State Lottery Act and the rules and regulations as he or she deems advisable, and such functions, activities, or services shall constitute lawful functions, activities, and services of such person.

(3) The Tax Commissioner may authorize the electronic transfer of funds from the accounts of lottery game retailers to the State Lottery Operation Trust Fund.

(4) All lottery game retailers shall be fully liable for the face value of all lottery tickets in their possession and shall deliver to the division upon demand all unsold lottery tickets or all money that would have been received by the lottery game retailers had the lottery tickets been sold less the amount, if any, retained as compensation for the sale of lottery tickets and less the amount, if any, paid in prizes.

DOCUMENT: 9-814

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Prohibited acts; violations; penalties.

LAW 9-814. (1) It shall be a Class II misdemeanor for a lottery game retailer to fail to separate and keep separate all money received from the sale of lottery tickets less the amount, if any, retained as compensation for the sale of lottery tickets and less the amount, if any, paid in prizes or to fail to make available to the division all records pertaining to separate accounts maintained for revenue derived from the sale of lottery tickets.

(2) It shall be a Class II misdemeanor for any lottery game retailer or his or her employee to knowingly sell a lottery ticket to any person under nineteen years of age.

(3) It shall be a Class IV misdemeanor for a person under nineteen years of age to knowingly purchase a lottery ticket under the State Lottery Act.

(4) It shall be a Class I misdemeanor for any person to sell lottery tickets without holding a valid contract with the division to sell such tickets.

(5) It shall be a Class I misdemeanor for a lottery

game retailer to sell lottery tickets at any price other than that established by the division.

(6) It shall be a Class I misdemeanor to release any information obtained through a background investigation performed by the division without the prior written consent of the subject of the investigation except as provided in subdivision (3)(d) of section 9-808.

(7) It shall be a Class III felony to alter or attempt to alter a lottery ticket for the purpose of defrauding a lottery game conducted pursuant to the State Lottery Act.

(8) It shall be a Class IV felony to falsify information provided to the division for purposes of applying for a contract with the division or for purposes of completing a background investigation pursuant to the act.

DOCUMENT: 9-816

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Conflicts of interest; enumerated; compliance with other laws; violation; removal from office.

LAW 9-816. (1) The Tax Commissioner, the director, and other employees of the division or their immediate families shall not, while employed with the division, directly or indirectly (a) knowingly hold a financial interest or acquire stocks, bonds, or any other interest in any entity which is a party or subcontracts with a party to a major procurement with the division or (b) have a financial interest in the ownership or leasing of property used by or for the division.

(2) Neither the director, any employee of the division, nor any member of their immediate families shall ask for, offer to accept, or receive any gift, gratuity, or other thing of value which would inure to that person's benefit from (a) any entity contracting or seeking to contract with the state to supply equipment or materials for use by the division, (b) any applicant for a contract to act as a lottery game retailer to be awarded by the division, or (c) any lottery game retailer.

(3) No (a) person, corporation, association, or organization contracting or seeking to contract to supply equipment or materials for use by the division, (b) applicant for a contract to act as a lottery game retailer to be awarded by the division, or (c) lottery game retailer shall offer or give the Tax Commissioner, the director, or any employee of the division or a member of his or her immediate family any gift, gratuity, or other thing of value which would inure to the recipient's personal benefit.

(4) For purposes of this section:

(a) Gift, gratuity, or other thing of value shall mean a payment, subscription, advance, forbearance, honorarium, campaign contribution, or rendering of deposit of money, services, or anything of value, the value of which exceeds twenty-five dollars in any one-month period, unless consideration of equal or greater value is received in return. Gift, gratuity, or other thing of value shall not include:

(i) A campaign contribution otherwise reported as required by the Nebraska Political Accountability and Disclosure

Act;

- (ii) A commercially reasonable loan made in the ordinary course of business;
 - (iii) A gift received from a member of the recipient's immediate family or the spouse of any such family member;
 - (iv) A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption;
 - (v) Any admission to a facility or event;
 - (vi) Any occasional provision of transportation within the State of Nebraska; or
 - (vii) Anything of value received in legitimate furtherance of the objectives of the State Lottery Act; and
- (b) Member of his or her immediate family shall mean such person's parent, child, brother, sister, or spouse.
- (5) The director and other employees of the division shall comply with all state laws applicable to ethics in government, conflict of interest, and financial disclosure.
- (6) Any employee of the division other than the director who violates this section may be removed from his or her position after notice and a hearing before the Tax Commissioner or his or her representative.

DOCUMENT: 9-817

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Director and employees of the division; investigatory and enforcement powers; application to district court; contempt.

LAW 9-817. The director and any employee of the division, when authorized by the director or Tax Commissioner, shall have the power (1) to make a thorough investigation into all the records and affairs of any person, organization, or corporation when, in the judgment of the director, such investigation is necessary to the proper performance of the division's duties and the efficient enforcement of the laws, including the power to administer oaths, (2) to examine under oath any person or any officer, employee, or agent of any organization or corporation, (3) to compel by subpoena the production of records, and (4) to compel by subpoena the attendance of any person in this state to testify before the Tax Commissioner or his or her designated representative. If any person willfully refuses to testify or obey a subpoena, the director may apply to a judge of the district court of Lancaster County for an order directing such person to comply with the subpoena. Any person who fails or refuses to obey such a court order shall be guilty of contempt of court.

DOCUMENT: 9-818

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Attorney General and other law enforcement authority; powers and duties.

LAW 9-818. The Tax Commissioner or the director may confer with the Attorney General or his or her designee as he or she deems necessary and advisable to carry out the responsibilities

of the division. Upon request of the director with the approval of the Tax Commissioner, it shall be the duty of the Attorney General and any other law enforcement authority to whom a violation is reported to investigate and cause appropriate proceedings to be instituted without delay.

DOCUMENT: 9-819

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery administration; hearings; rules and regulations; director; Tax Commissioner; duties; exempt from Administrative Procedure Act.

LAW 9-819. (1) The director shall develop rules and regulations concerning lottery administration for consideration by the Tax Commissioner. Rules and regulations shall be adopted, promulgated, amended, or repealed only after a public hearing by the Tax Commissioner. Notice of the hearing shall be given at least twenty days in advance in a newspaper of general circulation in the state. The Tax Commissioner shall either approve or disapprove the proposed adoption, promulgation, amendment, or repeal of such rules and regulations within ten days of the hearing.

(2) Certified copies of any rules and regulations, for informational purposes only, shall be submitted to the Attorney General and the Secretary of State. Copies of the rules and regulations in force shall be made available to any person upon request.

(3) The Tax Commissioner shall adopt and promulgate rules and regulations for the conduct of all hearings.

(4) For the purpose of adopting, amending, or repealing rules and regulations pursuant to the State Lottery Act, the Tax Commissioner and the division shall be exempt from the Administrative Procedure Act.

DOCUMENT: 9-820

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Contracts awarded by Tax Commissioner; notices of hearings; orders and decisions; delivery.

LAW 9-820. Notices of hearings related to contracts awarded by the Tax Commissioner and copies of all orders and decisions of the Tax Commissioner concerning such contracts shall be sent by certified or registered mail, return receipt requested, to the address of record of the appropriate party or parties.

DOCUMENT: 9-821

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE District court of Lancaster County; jurisdiction; appeal.

LAW 9-821. The district court of Lancaster County shall have exclusive original jurisdiction of all legal proceedings, except criminal actions, related to the administration, enforcement, or fulfillment of the responsibilities, duties, or functions of the division. An aggrieved party seeking review of

an order or decision of the Tax Commissioner shall file an appeal with the district court of Lancaster County within thirty days after the date of such order or decision. All such proceedings shall be considered contested cases pursuant to the Administrative Procedure Act.

DOCUMENT: 9-822

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Books and records; requirements.

LAW 9-822. The director shall make and keep books and records which accurately and fairly reflect transactions of the lottery games conducted pursuant to the State Lottery Act, including the distribution of tickets to lottery game retailers, receipt of funds, prize claims, prizes paid, expenses, and all other activities and financial transactions involving revenue generated by such lottery games, so as to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain daily accountability.

DOCUMENT: 9-823

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Rules and regulations; enumerated; Tax Commissioner; duties.

LAW 9-823. The Tax Commissioner shall adopt and promulgate rules and regulations necessary to carry out the State Lottery Act. The rules and regulations shall include provisions relating to the following:

- (1) The lottery games to be conducted subject to the following conditions:
 - (a) No lottery game shall use the theme of dog racing or horseracing;
 - (b) In any lottery game utilizing tickets, each ticket in such game shall bear a unique number distinguishing it from every other ticket in such lottery game;
 - (c) No name of an elected official shall appear on the tickets of any lottery game; and
 - (d) In any instant-win game, the overall estimated odds of winning some prize shall be printed on each ticket and shall also be available at the office of the division at the time such lottery game is offered for sale to the public;
- (2) The retail sales price for lottery tickets;
- (3) The types and manner of payment of prizes to be awarded for winning tickets in lottery games;
- (4) The method for determining winners, the frequency of drawings, if any, or other selection of winning tickets subject to the following conditions:
 - (a) No lottery game shall be based on the results of a dog race, horserace, or other sports event;
 - (b) If the lottery game utilizes the drawing of winning numbers, a drawing among entries, or a drawing among finalists
 - (i) the drawings shall be witnessed by an independent certified public accountant, (ii) any equipment used in the drawings shall be inspected by the independent certified public accountant and an employee of the division or designated agent both before and

after the drawing, and (iii) the drawing shall be recorded on videotape with an audio track; and

(c) Drawings in an instant-win game, other than grand prize drawings or other runoff drawings, shall not be held more often than weekly. Drawings or selections in an on-line game shall not be held more often than daily;

(5) The validation and manner of payment of prizes to the holders of winning tickets subject to the following conditions:

(a) The prize shall be given to the person who presents a winning ticket, except that for awards in excess of five hundred dollars, the winner shall also provide his or her social security number or tax identification number;

(b) A prize may be given to only one person per winning ticket, except that a prize shall be divided between the holders of winning tickets if there is more than one winning ticket per prize;

(c) For the convenience of the public, the director may authorize lottery game retailers to pay winners of up to five hundred dollars after performing validation procedures on their premises appropriate to the lottery game involved;

(d) No prize shall be paid to any person under nineteen years of age, and any prize resulting from a lottery ticket held by a person under nineteen years of age shall be awarded to the parent or guardian or custodian of the person under the Nebraska Uniform Transfers to Minors Act;

(e) No prize shall be paid for tickets that are stolen, counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded by the division by acceptable deadlines, lacking in captions that confirm and agree with the lottery play symbols as appropriate to the lottery game involved, or not in compliance with additional specific rules and regulations and public or confidential validation and security tests appropriate to the particular lottery game involved;

(f) No particular prize in any lottery game shall be paid more than once. In the event of a binding determination by the director that more than one claimant is entitled to a particular prize, the sole right of such claimants shall be the award to each of them of an equal share in the prize; and

(g) After the expiration of the claim period for prizes for each lottery game, the director shall make available a detailed tabulation of the total number of tickets actually sold in the lottery game and the total number of prizes of each prize denomination that were actually claimed and paid;

(6) Requirements for eligibility for participation in grand prize drawings or other runoff drawings, including requirements for submission of evidence of eligibility;

(7) The locations at which tickets may be sold except that no ticket may be sold at a retail liquor establishment holding a license for the sale of alcoholic liquor at retail for consumption on the licensed premises unless the establishment holds a Class C liquor license with a sampling designation as provided in subdivision (5) of section 53-124;

(8) The method to be used in selling tickets;

(9) The contracting with persons as lottery game

retailers to sell tickets and the manner and amount of compensation to be paid to such retailers;

(10) The form and type of marketing of informational and educational material;

(11) Any arrangements or methods to be used in providing proper security in the storage and distribution of tickets or lottery games; and

(12) All other matters necessary or desirable for the efficient and economical operation and administration of lottery games and for the convenience of the purchasers of tickets and the holders of winning tickets.

DOCUMENT: 9-824

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; contract with division; considerations.

LAW 9-824. No person shall sell tickets without first contracting with the division as a lottery game retailer. Persons shall be awarded contracts as lottery game retailers in a manner which best serves the public convenience. Before awarding a contract, the director shall consider the financial responsibility and security of the applicant, the applicant's business or activity, the accessibility of the applicant's place of business or activity to the public, the efficiency of existing lottery game retailers in serving the public convenience, and the volume of expected sales. Political subdivisions or agencies or departments of such political subdivisions may be awarded contracts as lottery game retailers. Notwithstanding this or any other section of the State Lottery Act, nothing shall prohibit an onsite employee of a lottery game retailer from selling lottery tickets.

DOCUMENT: 9-825

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; division; sale of tickets; when.

LAW 9-825. A lottery game retailer shall not engage in business exclusively to sell tickets, except that the director or Tax Commissioner may award a temporary contract to permit a lottery game retailer to sell tickets to the public at special events approved by the Tax Commissioner. Nothing in the State Lottery Act shall prohibit the division or employees of the division from selling tickets to the public.

DOCUMENT: 9-826

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; award of contract; director; findings required.

LAW 9-826. A contract may be awarded to an applicant to operate as a lottery game retailer only after the director finds all of the following:

- (1) The applicant is at least nineteen years of age;
- (2) The applicant has not been convicted of a felony or misdemeanor involving gambling, moral turpitude, dishonesty, or

theft and the applicant has not been convicted of any other felony within ten years preceding the date such applicant applies for a contract;

(3) The applicant has not been convicted of a violation of the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or Chapter 28, article 11;

(4) The applicant has not previously had a license revoked or denied under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or Chapter 28, article 11;

(5) The applicant has not had a license or contract to sell tickets for a lottery in another jurisdiction revoked by the authority regulating such lottery or by a court of such jurisdiction;

(6) The applicant has demonstrated financial responsibility, as determined in rules and regulations of the division, sufficient to meet the requirements of a lottery game retailer;

(7) All persons holding at least a ten percent ownership interest in the applicant's business or activity have been disclosed;

(8) The applicant has been in substantial compliance with Nebraska tax laws as determined by the director based on the severity of any possible violation for the five years prior to applying, is not delinquent in the payment of any Nebraska taxes at the time of application, and is in compliance with Nebraska tax laws at the time of application; and

(9) The applicant has not knowingly made a false statement of material fact to the director.

For purposes of this section, applicant shall include the entity seeking the contract and every sole proprietor, partner in a partnership, member in a limited liability company, officer of a corporation, shareholder owning in the aggregate ten percent or more of the stock of a corporation, and governing officer of an organization or political subdivision.

DOCUMENT: 9-827

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; cooperation with director; termination of contract.

LAW 9-827. A lottery game retailer shall cooperate with the director by using point-of-purchase materials, posters, and other educational, informational, and marketing materials when requested to do so by the director. Lack of cooperation shall be sufficient cause for termination of a contract.

DOCUMENT: 9-828

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Director; powers relating to contracts and fees.

LAW 9-828. The director may contract with lottery game

retailers on a permanent, seasonal, or temporary basis and may require payment of an initial application fee or an annual fee, or both, as provided in rules and regulations. All fees shall be credited to the State Lottery Operation Trust Fund.

DOCUMENT: 9-829

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Ticket sales; restrictions.

LAW 9-829. A lottery game retailer shall sell tickets only on the premises stated in the contract. No ticket shall be sold over a telephone or through the mail. No credit shall be extended by the lottery game retailer for the purchase of a ticket. No lottery tickets shall be sold through a vending or dispensing device.

DOCUMENT: 9-830

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery game retailer; bond; requirements.

LAW 9-830. (1) The director may require a bond from each lottery game retailer in an amount, as provided by rule or regulation, graduated according to the volume of expected sales of tickets by the retailer or may purchase a blanket surety bond or bonds covering the activities of all or selected retailers. The total and aggregate liability of a surety on any bond shall be limited to the amount specified in the bond.
(2) A bond shall not be canceled by a surety on less than thirty days' notice in writing to the director. If a bond is canceled following proper written notice, the lottery game retailer shall file a new bond with the director in the required amount on or before the effective date of cancellation of the previous bond. Failure to do so shall result in the automatic suspension of the lottery game retailer's contract. A suspended contract shall be terminated upon proper notice if the requirements of this subsection are not met within thirty days of the suspension.

DOCUMENT: 9-832

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Refusal to award contract; termination of contract; fine; procedure; appeal.

LAW 9-832. The director may refuse to award a contract to any applicant and may terminate the contract of or initiate an administrative action to levy a fine against a lottery game retailer who violates any provision of the State Lottery Act or any rule or regulation adopted pursuant to the act. A fine may be levied against a lottery game retailer by the Tax Commissioner and shall not exceed one thousand dollars per violation. In determining whether to impose a fine and the amount of the fine if any fine is imposed, the Tax Commissioner shall take into consideration the seriousness of the violation and the extent to which the lottery game retailer derived financial gain as a result of the violation. All money collected by the division as

a fine shall be remitted on a monthly basis to the State Treasurer for credit to the permanent school fund. Any fine imposed by the Tax Commissioner and unpaid shall constitute a debt to the State of Nebraska which may be collected by lien foreclosure or sued for and recovered in any proper form of action, in the name of the State of Nebraska, in the district court of the county in which the violator resides or owns property. If the director decides to terminate a contract or initiate an administrative action to levy a fine, the aggrieved party shall be entitled to a hearing before the Tax Commissioner or his or her designee by filing a written request with the Tax Commissioner within ten days after notification of the director's intention to terminate a contract or initiate an administrative action to levy a fine. Upon receipt of such request, the Tax Commissioner shall set a hearing date which shall be within thirty days of receipt of the request and shall notify the aggrieved party, in writing, of the time and place for the hearing. Such notice shall be given as soon as the date is set and at least seven days in advance of the hearing date. The Tax Commissioner or his or her designee may stay the termination of a contract pending the outcome of the hearing if so requested by the aggrieved party at the time of filing the written request for hearing.

The Tax Commissioner may affirm, reverse, or modify the action of the director. The order or decision of the Tax Commissioner may be appealed to the district court of Lancaster County in the manner prescribed in section 9-821.

DOCUMENT: 9-833

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Procurement of goods or services; director; powers; limitation.

LAW 9-833. The director may contract for, purchase, or lease goods or services necessary for effectuating the purpose of the State Lottery Act. All procurements shall be subject to the act and shall be exempt from any other state law concerning the purchase of any goods or services, and all purchases in excess of fifteen thousand dollars shall be subject to approval by the Tax Commissioner.

DOCUMENT: 9-834

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Major procurement; lottery vendor; disclosures required; contract approval; requirements; section, how construed.

LAW 9-834. (1) To enable the division to review and evaluate the competence, integrity, background, character, qualifications, and nature of the ownership and control of lottery vendors for major procurements, such vendors shall disclose the following information:

(a) The lottery vendor's name, address, and type of business entity and, as applicable, the name and address of the following:

(i) If the lottery vendor is a corporation, the officers, directors, and each stockholder in the corporation,

except that in the case of stockholders of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own or have a beneficial interest in ten percent or more of such securities need to be disclosed;

(ii) If the lottery vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust;

(iii) If the lottery vendor is a subsidiary, the officers, directors, and each stockholder of the parent corporation, except that in the case of stockholders of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own or have a beneficial interest in ten percent or more of such securities need to be disclosed;

(iv) If the lottery vendor is a limited liability company, the members and any managers;

(v) If the lottery vendor is a partnership or joint venture, the general partners, limited partners, or joint venturers;

(vi) If the parent company, general partner, limited partner, or joint venturer of the lottery vendor is itself a corporation, trust, association, subsidiary, partnership, limited liability company, or joint venture, all the information required in subdivision (a) of this subsection shall be disclosed for such other entity as if it were itself a lottery vendor so that full disclosure of ultimate ownership is achieved;

(vii) If any parent, child, brother, sister, or spouse of the lottery vendor is involved in the vendor's business in any capacity, all of the information required in subdivision (a) of this subsection shall be disclosed for such family member as if he or she were a lottery vendor; and

(viii) If the lottery vendor subcontracts any substantial portion of the work to be performed to a subcontractor, all of the information required in subdivision (a) of this subsection shall be disclosed for each subcontractor as if it were itself a lottery vendor;

(b) The place of the lottery vendor's incorporation, if any;

(c) The name, address, and telephone number of a resident agent to contact regarding matters of the lottery vendor and for service of process;

(d) The name, address, and telephone number of each attorney and law firm representing the lottery vendor in this state;

(e) The name, address, and telephone number of each of the lottery vendor's accountants;

(f) The name, address, and telephone number of each attorney, law firm, accountant, accounting firm, public relations firm, consultant, sales agent, or other person engaged by the lottery vendor or involved in aiding the vendor's efforts to obtain the contract and the procurement involved at the time of disclosure or during the prior year;

(g) The states and jurisdictions in which the lottery vendor does business or has contracts to supply goods or services related to lottery games, the nature of the business or the goods or services involved for each such state or jurisdiction, and the

entities to which the vendor is supplying goods or services;

(h) The states and jurisdictions in which the lottery vendor has applied for, sought renewal of, received, been denied, or had revoked a gaming contract or license of any kind, and the status of such application, contract, or license in each state or jurisdiction. If any gaming contract or license has been revoked or has not been renewed or if any gaming contract or license application either has been denied or is pending and has remained pending for more than six months, all of the facts and circumstances underlying the failure to receive or retain such a contract or license shall be disclosed. For purposes of this subdivision, gaming contract or license shall mean a contract or license for the conduct of or any activity related to the operation of any lottery game or other gambling scheme;

(i) The details of any conviction or judgment of any state or federal court against the lottery vendor relating to any felony and any other criminal offense other than a traffic violation;

(j) The details of any bankruptcy, insolvency, reorganization, or pending litigation involving the lottery vendor;

(k) The identity of any entity with which the lottery vendor has a joint venture or other contractual agreement to supply any state or jurisdiction with goods or services related to lottery games, including, with regard to such entity, all the information requested under subdivisions (a) through (j) of this subsection;

(l) The lottery vendor's financial statements for the three years prior to disclosure and a list of all liens filed on or filed against the entity or filed on or filed against persons with a substantial interest in the entity;

(m) At the director's request, the lottery vendor's federal and state income tax returns for the three years prior to disclosure. Such information shall be considered confidential in any review in conjunction with any pending major procurement and shall not be disclosed except pursuant to appropriate judicial order;

(n) The identity and nature of any interest known to the lottery vendor of any past or present director or other employee of the division who, directly or indirectly, is an officer, director, limited liability company member, agent, consultant, independent contractor, stockholder, debt holder, principal, or employee of or who has any direct or indirect financial interest in any lottery vendor. For purposes of this subdivision, financial interest shall mean ownership of any interest or involvement in any relationship from which or as a result of which a person within the five years prior to disclosure has received, is receiving at the time of disclosure, or in the future will be entitled to receive over a five-year period more than one thousand dollars or its equivalent;

(o) The details of any contribution to or independent expenditure for a candidate for a state elective office as defined in section 49-1444 made by the lottery vendor after March 1, 1995, and within three years prior to disclosure. The lottery vendor shall be considered to have made a contribution or independent expenditure if the contribution or independent

expenditure was made by the lottery vendor, by an officer of the lottery vendor, by a separate segregated political fund established by the lottery vendor as provided in section 49-1469, or by a person acting on behalf of the vendor, officer, or fund;

(p) The names, street addresses, and mailing addresses of all lobbyists representing the vendor in Nebraska, and all accounts and money managed by those lobbyists; and

(q) Such additional disclosures and information as the Tax Commissioner may determine to be appropriate for the major procurement involved.

(2) The disclosures required by subsection (1) of this section may be required only once of a lottery vendor. The vendor shall file an addendum to the original filing by August 1 of each year showing any changes from the original filing or the latest addendum.

(3) No contract shall be approved by the Tax Commissioner or signed or entered into by the director unless the lottery vendor has complied with this section. Any contract entered into with a vendor who has not complied with this section shall be void.

(4) If a contract is to be entered into as a result of competitive procurement procedures, the required disclosures, if not already on file with the director, shall be made prior to or concurrent with the submission of a bid, proposal, or offer. If the contract is entered into without a competitive procurement procedure, such disclosures shall be required prior to execution of the contract.

(5) No major procurement with any lottery vendor shall be entered into if any person with a substantial interest in the lottery vendor has been convicted of a felony or misdemeanor involving gambling, moral turpitude, dishonesty, or theft. No major procurement with any lottery vendor shall be entered into if any person with a substantial interest in the lottery vendor has been convicted of any other felony within ten years preceding the date of submission of information required under this section. For purposes of this subsection, person with a substantial interest shall mean any sole proprietor, partner in a partnership, member or manager of a limited liability company, officer of a corporation, shareholder owning in the aggregate ten percent or more of the stock in a corporation, or governing officer of an organization or other entity.

(6) This section shall be construed broadly and liberally to achieve the end of full disclosure of all information necessary to allow for a full and complete evaluation by the director of the competence, integrity, background, character, qualifications, and nature of the ownership and control of lottery vendors for major procurements.

DOCUMENT: 9-835

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Major procurement; director; Tax Commissioner; powers and duties; limitation; assignment of contract.

LAW 9-835. (1) Subject to the approval of the Tax Commissioner, the director may request proposals for or enter

into major procurements for effectuating the purpose of the State Lottery Act. In awarding contracts in response to requests for proposals, the director shall award such contracts to the responsible vendor who submits the lowest and best proposal which maximizes the benefits to the state in relation to the cost in the areas of security, competence, quality of product, capability, timely performance, and maximization of net revenue to benefit the public purpose of the act. All contract awards made by the director exceeding fifteen thousand dollars shall be approved by the Tax Commissioner.

(2) The director may not award and the Tax Commissioner may not approve a contract with a person to serve as a lottery contractor for a major procurement if the person has made a contribution to a candidate for a state elective office as defined in section 49-1444 after March 1, 1995, and within three years preceding the award of the contract. A person shall be considered to have made a contribution if the contribution is made by the person, by an officer of the person, by a separate segregated political fund established and administered by the person as provided in section 49-1469, or by anyone acting on behalf of the person, officer, or fund. Any contract awarded in violation of the subsection shall be void.

(3) No contract may be assigned by a lottery contractor except by a written agreement approved by the Tax Commissioner and signed by the director.

DOCUMENT: 9-836

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Major procurement; lottery contractor; performance bond.

LAW 9-836. Each lottery contractor for a major procurement shall, at the time of executing the contract with the director, post a performance bond with the director, using a surety acceptable to the director, in an amount equal to the full amount estimated to be paid annually to the contractor under the contract.

DOCUMENT: 9-836.01

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Division; sale of tangible personal property; distribution of profits.

LAW 9-836.01. The division may endorse and sell for profit tangible personal property related to the lottery. Any money received as profit by the division pursuant to this section shall be remitted to the State Treasurer for credit to the State Lottery Operation Trust Fund to be distributed to the Education Innovation Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund pursuant to the requirements of section 9-812.

DOCUMENT: 9-837

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Lottery contractor; perform contract in compliance with other

laws; failure; effect.

LAW 9-837. Each lottery contractor shall perform its contract consistent with the laws of this state, federal laws, and the laws of the state or states in which such contractor is performing or producing, in whole or in part, any of the goods or services for which the division contracted. No contracts with any lottery contractor who fails to comply with such laws shall be entered into by the director or shall be enforceable by the contractor.

DOCUMENT: 9-838

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Attorney General; Nebraska State Patrol; duties.

LAW 9-838. Upon request of the director or Tax Commissioner, the Attorney General and the Nebraska State Patrol shall furnish to the director any information which they may have in their possession as may be necessary to ensure security, honesty, fairness, and integrity in the operation and administration of lottery games conducted pursuant to the State Lottery Act, including investigative reports and computerized information or data. For the purpose of requesting and receiving such information, the division shall be considered to be a criminal justice agency and shall be furnished such information without charge upon proper written request.

DOCUMENT: 9-839

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Civil and criminal proceedings; jurisdiction.

LAW 9-839. The failure to do any act required by or pursuant to or the performance of any act prohibited by the State Lottery Act shall be deemed an act in part in the principal office of the division. Any criminal prosecution under the act may be conducted in any county where the defendant resides or has a place of business or in any county in which any violation occurred or is deemed to have occurred.

DOCUMENT: 9-840

HEADING Chapter 9. Bingo and Other Gambling.

CATCHLINE Director; studies and report.

LAW 9-840. (1) The director shall make a continuous study of the State Lottery Act to ascertain any defects in the act or in the rules and regulations promulgated pursuant to the act which could result in abuses in the administration and operation of lottery games or the act or in any evasion of such act or rules and regulations and shall report his or her findings to the Tax Commissioner for the purpose of making recommendations for improvement in the act.

(2) The director shall make a continuous study of the operation and the administration of similar laws which may be in effect in other states, any written materials on the subject which are published or available, any federal laws which may affect the operation of the state lottery, and the reaction of

citizens to existing and potential features of the state lottery in order to recommend changes which will serve the purposes of the act.

DOCUMENT: 9-841

HEADING Chapter 9. Bingo and Other Gambling

CATCHLINE Act; intent; preemption of state or local laws or regulations.

LAW 9-841. It is the intent of the State Lottery Act that all matters related to the operation of the lottery games conducted pursuant to the act shall be governed solely by the act and shall be free from regulation or legislation by all local governments. No other state or local law or regulation providing any penalty, restriction, regulation, or prohibition on the manufacture, transportation, storage, distribution, advertisement, possession, or sale of any tickets or for the operation of any lottery game shall apply to the tickets or lottery games conducted pursuant to the act.

CHAPTER 14 CITIES OF THE METROPOLITAN CLASS

ARTICLE 1 GENERAL POWERS

DOCUMENT: 14-102

HEADING Chapter 14. Cities of the Metropolitan Class.

CATCHLINE Additional powers.

LAW 14-102. In addition to the powers granted in section 14-101, cities of the metropolitan class shall have power by ordinance:

Taxes, special assessments.

(1) To levy any tax or special assessment authorized by law;

Corporate seal.

(2) To provide a corporate seal for the use of the city, and also any official seal for the use of any officer, board, or agent of the city, whose duties under this act or under any ordinance require an official seal to be used. Such corporate seal shall be used in the execution of municipal bonds, warrants, conveyances, and other instruments and proceedings as this act or the ordinances of the city require;

Regulation of public health.

(3) To provide all needful rules and regulations for the protection and preservation of health within the city; and for this purpose they may provide for the enforcement of the use of water from public water supplies when the use of water from other sources shall be deemed unsafe;

Appropriations for debts and expenses.

(4) To appropriate money and provide for the payment of debts and expenses of the city;

Protection of strangers and travelers.

(5) To adopt all such measures as they may deem necessary for the accommodation and protection of strangers and

the traveling public in person and property;
Concealed weapons, firearms, fireworks, explosives.

(6) To punish and prevent the carrying of concealed weapons and the discharge of firearms, fireworks, or explosives of any description within the city;

Sale of foodstuffs.

(7) To regulate the inspection and sale of meats, flour, poultry, fish, milk, vegetables, and all other provisions or articles of food exposed or offered for sale in the city;

Official bonds.

(8) To require all officers or servants elected or appointed in pursuance of this act to give bond and security for the faithful performance of their duties; but no officer shall become security upon the official bond of another or upon any bond executed to the city;

Official reports of city officers.

(9) To require from any officer of the city at any time a report, in detail, of the transactions of his or her office or any matter connected therewith;

Cruelty to children and animals.

(10) To provide for the prevention of cruelty to children and animals;

Dogs; taxes and restrictions.

(11) To regulate, license, or prohibit the running at large of dogs and other animals within the city as well as in areas within three miles of the corporate limits of the city, to guard against injuries or annoyance from such dogs and other animals, and to authorize the destruction of the dogs and other animals when running at large contrary to the provisions of any ordinance. Any licensing provision shall comply with subsection (2) of section 54-603 for dog guides, hearing aid dogs, and service dogs;

Cleaning sidewalks.

(12) To provide for keeping sidewalks clean and free from obstructions and accumulations, to provide for the assessment and collection of taxes on real estate and for the sale and conveyance thereof, and to pay the expenses of keeping the sidewalk adjacent to such real estate clean and free from obstructions and accumulations as herein provided;

Planting and trimming of trees; protection of birds.

(13) To provide for the planting and protection of shade or ornamental and useful trees upon the streets or boulevards, to assess the cost thereof to the extent of benefits upon the abutting property as a special assessment, and to provide for the protection of birds and animals and their nests; to provide for the trimming of trees located upon the streets and boulevards or when the branches of trees overhang the streets and boulevards when in the judgment of the mayor and council such trimming is made necessary to properly light such street or boulevard or to furnish proper police protection and to assess the cost thereof upon the abutting property as a special assessment;

Naming and numbering streets and houses.

(14) To provide for, regulate, and require the numbering or renumbering of houses along public streets or avenues; to care for and control and to name and rename streets,

avenues, parks, and squares within the city;

Weeds.

(15) To require weeds and worthless vegetation growing upon any lot or piece of ground within the city to be cut and destroyed so as to abate any nuisance occasioned thereby, to prohibit and control the throwing, depositing, or accumulation of litter on any lot or piece of ground within the city and to require the removal thereof so as to abate any nuisance occasioned thereby, and if the owner fails to cut and destroy weeds and worthless vegetation or remove litter, or both, after notice as required by ordinance, to assess the cost thereof upon the lots or lands as a special assessment. The notice required to be given may be by publication in the official newspaper of the city and may be directed in general terms to the owners of lots and lands affected without naming such owners;

Animals running at large.

(16) To prohibit and regulate the running at large or the herding or driving of domestic animals, such as hogs, cattle, horses, sheep, goats, fowls, or animals of any kind or description within the corporate limits and provide for the impounding of all animals running at large, herded, or driven contrary to such prohibition; and to provide for the forfeiture and sale of animals impounded to pay the expense of taking up, caring for, and selling such impounded animals, including the cost of advertising and fees of officers;

Use of streets.

(17) To regulate the transportation of articles through the streets, to prevent injuries to the streets from overloaded vehicles, and to regulate the width of wagon tires and tires of other vehicles;

Playing on streets and sidewalks.

(18) To prevent or regulate the rolling of hoops, playing of ball, flying of kites, the riding of bicycles or tricycles, or any other amusement or practice having a tendency to annoy persons passing in the streets or on the sidewalks or to frighten teams or horses; to regulate the use of vehicles propelled by steam, gas, electricity, or other motive power, operated on the streets of the city;

Combustibles and explosives.

(19) To regulate or prohibit the transportation and keeping of gunpowder, oils, and other combustible and explosive articles;

Public sale of chattels on streets.

(20) To regulate, license, or prohibit the sale of domestic animals or of goods, wares, and merchandise at public auction on the streets, alleys, highways, or any public ground within the city;

Signs and obstruction in streets.

(21) To regulate and prevent the use of streets, sidewalks, and public grounds for signs, posts, awnings, awning posts, scales, or other like purposes; to regulate and prohibit the exhibition or carrying or conveying of banners, placards, advertisements, or the distribution or posting of advertisements or handbills in the streets or public grounds or upon the sidewalks;

Disorderly conduct.

(22) To provide for the punishment of persons disturbing the peace and good order of the city by clamor and noise, intoxication, drunkenness, fighting, or using obscene or profane language in the streets or other public places or otherwise violating the public peace by indecent or disorderly conduct or by lewd and lascivious behavior;

Vagrants and tramps.

(23) To provide for the punishment of vagrants, tramps, common street beggars, common prostitutes, habitual disturbers of the peace, pickpockets, gamblers, burglars, thieves, or persons who practice any game, trick, or device with intent to swindle, persons who abuse their families, and suspicious persons who can give no reasonable account of themselves; and to punish trespassers upon private property;

Disorderly houses, gambling, offenses against public morals.

(24) To prohibit, restrain, and suppress tippling shops, houses of prostitution, opium joints, gambling houses, prize fighting, dog fighting, cock fighting, and other disorderly houses and practices, all games and gambling and desecration of the Sabbath, commonly called Sunday, and all kinds of indecencies; to regulate and license or prohibit the keeping and use of billiard tables, ten pins or ball alleys, shooting galleries, and other similar places of amusement; and to prohibit and suppress all lotteries and gift enterprises of all kinds under whatsoever name carried on, except that nothing in this subdivision shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act;

Police regulation in general.

(25) To make and enforce all police regulations for the good government, general welfare, health, safety, and security of the city and the citizens thereof in addition to the police powers expressly granted herein; and in the exercise of the police power, to pass all needful and proper ordinances and impose fines, forfeitures, penalties, and imprisonment at hard labor for the violation of any ordinance, and to provide for the recovery, collection, and enforcement thereof; and in default of payment to provide for confinement in the city or county prison, workhouse, or other place of confinement with or without hard labor as may be provided by ordinance;

Fast driving on streets.

(26) To prevent horseracing and immoderate driving or riding on the street and to compel persons to fasten their horses or other animals attached to vehicles while standing in the streets;

Libraries, art galleries, and museums.

(27) To establish and maintain public libraries, reading rooms, art galleries, and museums and to provide the necessary grounds or buildings therefor; to purchase books, papers, maps, manuscripts, works of art, and objects of natural or of scientific curiosity, and instruction therefor; to receive donations and bequests of money or property for the same in trust or otherwise and to pass necessary bylaws and regulations for the protection and government of the same;

Hospitals, workhouses, jails, firehouses, etc.; garbage disposal.

(28) To erect, designate, establish, maintain, and regulate hospitals or workhouses, houses of correction, jails, station houses, fire engine houses, asphalt repair plants, and other necessary buildings; and to erect, designate, establish, maintain, and regulate plants for the removal, disposal, or recycling of garbage and refuse or to make contracts for garbage and refuse removal, disposal, or recycling, or all of the same, and to charge equitable fees for such removal, disposal, or recycling, or all of the same, except as hereinafter provided. The fees collected pursuant to this subdivision shall be credited to a single fund to be used exclusively by the city for the removal, disposal, or recycling of garbage and refuse, or all of the same, including any costs incurred for collecting the fee. Before any contract for such removal, disposal, or recycling is let, the city council shall make specifications therefor, bids shall be advertised for as now provided by law, and the contract shall be let to the lowest and best bidder, who shall furnish bond to the city conditioned upon his or her carrying out the terms of the contract, the bond to be approved by the city council. Nothing in this act, and no contract or regulation made by the city council, shall be so construed as to prohibit any person, firm, or corporation engaged in any business in which garbage or refuse accumulates as a byproduct from selling, recycling, or otherwise disposing of his, her, or its garbage or refuse or hauling such garbage or refuse through the streets and alleys under such uniform and reasonable regulations as the city council may by ordinance prescribe for the removal and hauling of garbage or refuse;

Market places.

(29) To erect and establish market houses and market places and to provide for the erection of all other useful and necessary buildings for the use of the city and for the protection and safety of all property owned by the city; and such market houses and market places and buildings aforesaid may be located on any street, alley, or public ground or on land purchased for such purpose;

Cemeteries, registers of births and deaths.

(30) To prohibit the establishment of additional cemeteries within the limits of the city, to regulate the registration of births and deaths, to direct the keeping and returning of bills of mortality, and to impose penalties on physicians, sextons, and others for any default in the premises; Plumbing, etc., inspection.

(31) To provide for the inspection of steam boilers, electric light appliances, pipefittings, and plumbings, to regulate their erection and construction, to appoint inspectors, and to declare their powers and duties, except as herein otherwise provided;

Fire limits and fire protection.

(32) To prescribe fire limits and regulate the erection of all buildings and other structures within the corporate limits; to provide for the removal of any buildings or structures or additions thereto erected contrary to such regulations, to provide for the removal of dangerous buildings, and to provide that

wooden buildings shall not be erected or placed or repaired in the fire limits; but such ordinance shall not be suspended or modified by resolution nor shall exceptions be made by ordinance or resolution in favor of any person, firm, or corporation or concerning any particular lot or building; to direct that all and any building within such fire limits, when the same shall have been damaged by fire, decay, or otherwise, to the extent of fifty percent of the value of a similar new building above the foundation, shall be torn down or removed; and to prescribe the manner of ascertaining such damages and to assess the cost of removal of any building erected or existing contrary to such regulations or provisions, against the lot or real estate upon which such building or structure is located or shall be erected, or to collect such costs from the owner of any such building or structure and enforce such collection by civil action in any court of competent jurisdiction;

Building regulations.

(33) To regulate the construction, use, and maintenance of party walls, to prescribe and regulate the thickness, strength, and manner of constructing stone, brick, wood, or other buildings and the size and shape of brick and other material placed therein, to prescribe and regulate the construction and arrangement of fire escapes and the placing of iron and metallic shutters and doors therein and thereon, and to provide for the inspection of elevators and hoist-way openings to avoid accidents; to prescribe, regulate, and provide for the inspection of all plumbing, pipefitting, or sewer connections in all houses or buildings now or hereafter erected; to regulate the size, number, and manner of construction of halls, doors, stairways, seats, aisles, and passageways of theaters, tenement houses, audience rooms, and all buildings of a public character, whether now built or hereafter to be built, so that there may be convenient, safe, and speedy exit in case of fire; to prevent the dangerous construction and condition of chimneys, fireplaces, hearths, stoves, stovepipes, ovens, boilers, and heating appliances used in or about any building or a manufactory and to cause the same to be removed or placed in safe condition when they are considered dangerous; to regulate and prevent the carrying on of manufactures dangerous in causing and promoting fires; to prevent the deposit of ashes in unsafe places and to cause such buildings and enclosures as may be in a dangerous state to be put in a safe condition; to prevent the disposing of and delivery or use in any building or other structure, of soft, shelly, or imperfectly burned brick or other unsuitable building material within the city limits and provide for the inspection of the same; to provide for the abatement of dense volumes of smoke; to regulate the construction of areaways, stairways, and vaults and to regulate partition fences; to enforce proper heating and ventilation of buildings used for schools, workhouses, or shops of every class in which labor is employed or large numbers of persons are liable to congregate;

Warehouses and street railways.

(34) To regulate levees, depots and depot grounds, and places for storing freight and goods and to provide for and regulate the laying of tracks and the passage of steam or other railways through the streets, alleys, and public grounds of the

city;

Lighting railroad property.

(35) To require the lighting of any railway within the city, the cars of which are propelled by steam, and to fix and determine the number, size, and style of lampposts, burners, lamps, and all other fixtures and apparatus necessary for such lighting and the points of location for such lampposts; and in case any company owning or operating such railways shall fail to comply with such requirements, the council may cause the same to be done and may assess the expense thereof against such company, and the same shall constitute a lien upon any real estate belonging to such company and lying within such city and may be collected in the same manner as taxes for general purposes; City publicity.

(36) To provide for necessary publicity and to appropriate money for the purpose of advertising the resources and advantages of the city;

Offstreet parking.

(37) To erect, establish, and maintain offstreet parking areas on publicly owned property located beneath any elevated segment of the National System of Interstate and Defense Highways or portion thereof, or public property title to which is in the city on May 12, 1971, or property owned by the city and used in conjunction with and incidental to city-operated facilities, and to regulate parking thereon by time limitation devices or by lease;

Public passenger transportation systems.

(38) To acquire, by the exercise of the power of eminent domain or otherwise, lease, purchase, construct, own, maintain, operate, or contract for the operation of public passenger transportation systems, excluding taxicabs and railroad systems, including all property and facilities required therefor, within and without the limits of the city, to redeem such property from prior encumbrance in order to protect or preserve the interest of the city therein, to exercise all powers granted by the Constitution of Nebraska and laws of the State of Nebraska or exercised by or pursuant to a home rule charter adopted pursuant thereto, including but not limited to receiving and accepting from the government of the United States or any agency thereof, from the State of Nebraska or any subdivision thereof, and from any person or corporation donations, devises, gifts, bequests, loans, or grants for or in aid of the acquisition, operation, and maintenance of such public passenger transportation systems and to administer, hold, use, and apply the same for the purposes for which such donations, devises, gifts, bequests, loans, or grants may have been made, to negotiate with employees and enter into contracts of employment, to employ by contract or otherwise individuals singularly or collectively, to enter into agreements authorized under the Interlocal Cooperation Act, to contract with an operating and management company for the purpose of operating, servicing, and maintaining any public passenger transportation systems any city of the metropolitan class shall acquire under the provisions of this act, and to exercise such other and further powers as may be necessary, incident, or appropriate to the powers of such city; and

Regulation of air quality.

(39) In addition to powers conferred elsewhere in the laws of the state and notwithstanding any other law of the state, to implement and enforce an air pollution control program within the corporate limits of the city under subdivision (23) of section 81-1504 or subsection (1) of section 81-1528, which program shall be consistent with the Clean Air Act, as amended, 42 U.S.C. 7401 et seq. Such powers shall include without limitation those involving injunctive relief, civil penalties, criminal fines, and burden of proof. Nothing in this section shall preclude the control of air pollution by resolution, ordinance, or regulation not in actual conflict with the state air pollution control regulations.

CHAPTER 15 CITIES OF THE PRIMARY CLASS

ARTICLE 2 GENERAL POWERS

DOCUMENT: 15-258

HEADING Chapter 15. Cities of the Primary Class.

CATCHLINE Billiard halls; disorderly houses; desecration of Sabbath.

LAW 15-258. A city of the primary class may restrain, prohibit, and suppress unlicensed tippling shops, billiard tables, bowling alleys, houses of prostitution, opium joints, dens, and other disorderly houses and practices, games, gambling houses, desecration of the Sabbath day, commonly called Sunday, and may prohibit all public amusements, shows, exhibitions, or ordinary business pursuits upon such day, all lotteries, all fraudulent devices and practices for the purposes of obtaining money or property, all shooting galleries, and all kinds of public indecencies, except that nothing in this section shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act.

CHAPTER 16 CITIES OF THE FIRST CLASS

ARTICLE 2 GENERAL POWERS

DOCUMENT: 16-226

HEADING Chapter 16. Cities of the First Class.

CATCHLINE Billiard halls; bowling alleys; disorderly houses; gambling; desecration of Sabbath.

LAW 16-226. A city of the first class by ordinance may regulate, prohibit, and suppress unlicensed tippling shops, billiard tables, and bowling alleys, may restrain houses of prostitution, opium joints, dens, and other disorderly houses and

practices, games, gambling houses, desecration of the Sabbath day, commonly called Sunday, and may prohibit all public amusements, shows, exhibitions, or ordinary business pursuits upon such day, all lotteries, all fraudulent devices and practices for the purpose of obtaining money or property, all shooting galleries, and all kinds of public indecencies, except that nothing in this section shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act.

CHAPTER 17 CITIES OF THE SECOND CLASS AND VILLAGES

ARTICLE 1 LAWS APPLICABLE ONLY TO CITIES OF THE SECOND CLASS

DOCUMENT: 17-120

HEADING Chapter 17. Cities of the Second Class and Villages.

CATCHLINE Public morals; powers; restrictions.

LAW 17-120. A city of the second class shall have power to restrain, prohibit, and suppress houses of prostitution and unlicensed tipling shops, gambling and gambling houses, and other disorderly houses and practices, and all kinds of public indecencies, and all lotteries or fraudulent devices and practices for the purpose of obtaining money or property, except that nothing in this section shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act. It may license, regulate, or prohibit billiard halls and billiard tables, pool halls and pool tables, and bowling alleys.

ARTICLE 2 LAWS APPLICABLE ONLY TO VILLAGES

DOCUMENT: 17-207

HEADING Chapter 17. Cities of the Second Class and Villages.

CATCHLINE Board of trustees; powers; restrictions.

LAW 17-207. The board of trustees shall have power to pass ordinances to prevent and remove nuisances; to prevent, restrain, and suppress bawdy houses, gambling houses, and other disorderly houses; to license, regulate, or prohibit billiard halls, pool halls, or bowling alleys within the limits of such village; to restrain and prohibit gambling; to provide for licensing and regulating theatrical and other amusements within such village; to establish night watches; to provide pest houses; to prevent the introduction and spread of contagious diseases; to establish

and regulate markets; to erect and repair bridges; to erect, repair, and regulate wharves and the rates of wharfage; to regulate the landing of steamboats, rafts, and other watercraft; to provide for the inspection of lumber, building materials, and provisions to be used or offered for sale in such village, or to be exported therefrom; to require and regulate the planting and protection of shade trees in the streets, the building of stairways, railways, doorways, awnings, hitching posts and rails, lampposts, awning posts, and all other structures projecting upon or over and adjoining, and all excavations through and under, the sidewalks of such village; and in addition to the special powers herein conferred and granted, to maintain the peace, good government, and welfare of the town or village, and its trade, commerce, and manufactories, and to enforce all ordinances by inflicting penalties upon inhabitants or other persons, for the violation thereof, not exceeding one hundred dollars for any one offense, recoverable with costs, together with judgment of imprisonment until the amount of the judgment and costs shall be paid. Nothing in this section shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act.

CHAPTER 28 CRIMES AND PUNISHMENTS

ARTICLE 11 GAMBLING

DOCUMENT: 28-1101

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Terms, defined.

LAW 28-1101. As used in this article, unless the context otherwise requires:

- (1) A person advances gambling activity if, acting other than as a player, he or she engages in conduct that materially aids any form of gambling activity. Conduct of this nature includes, but shall not be limited to, conduct directed toward (a) the creation or establishment of the particular game, contest, scheme, device, or activity involved, (b) the acquisition or maintenance of premises, paraphernalia, equipment, or apparatus therefor, or (c) engaging in the procurement, sale, or offering for sale within this state of any chance, share, or interest in a lottery of another state or government whether or not such chance, share, or interest is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such interest except as provided in the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, or section 9-701;
- (2) Bookmaking shall mean advancing gambling activity

by unlawfully accepting bets from members of the public as a business upon the outcome of future contingent events;

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

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

(a) Entering into a lawful business transaction;

(b) Playing an amusement device or a coin-operated mechanical game which confers as a prize an immediate, unrecorded right of replay not exchangeable for something of value;

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

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

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

(6) Something of value shall mean any money or property, any token, object, or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating transfer of money or property or of any interest therein, or involving extension of a service or entertainment; and

(7) Prize contest shall mean any competition in which

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

DOCUMENT: 28-1102

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Promoting gambling, first degree; penalty.

LAW 28-1102. (1) A person commits the offense of promoting gambling in the first degree if he or she knowingly advances or profits from unlawful gambling activity by:

- (a) Engaging in bookmaking to the extent that he or she receives or accepts in any one day one or more bets totaling one thousand dollars or more; or
- (b) Receiving, in connection with any unlawful gambling scheme or enterprise, more than one thousand dollars of money played in the scheme or enterprise in any one day.

(2) Promoting gambling in the first degree is, for the first offense, a Class I misdemeanor, for the second offense, a Class IV felony, and for the third and all subsequent offenses, a Class III felony. No person shall be charged with a second or subsequent offense under this section unless the prior offense or offenses occurred after August 24, 1979.

DOCUMENT: 28-1103

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Promoting gambling, second degree; penalty.

LAW 28-1103. (1) A person commits the offense of promoting gambling in the second degree if he or she knowingly advances or profits from any unlawful gambling activity by:

- (a) Engaging in bookmaking to the extent that he or she receives or accepts in any one day one or more bets totaling less than one thousand dollars;
- (b) Receiving, in connection with any unlawful gambling scheme or enterprise, less than one thousand dollars of money played in the scheme or enterprise in any one day; or
- (c) Betting something of value in an amount of three hundred dollars or more with one or more persons in one day.

(2) Promoting gambling in the second degree is a Class II misdemeanor.

DOCUMENT: 28-1104

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Promoting gambling, third degree; penalty.

LAW 28-1104. (1) A person commits the offense of promoting gambling in the third degree if he or she knowingly participates in unlawful gambling as a player by betting less than three hundred dollars in any one day.

(2) Promoting gambling in the third degree is a Class IV misdemeanor.

DOCUMENT: 28-1105

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Possession of gambling records; penalty.

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

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

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

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

DOCUMENT: 28-1105.01

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Gambling debt collection; penalty.

LAW 28-1105.01. (1) A person commits the offense of gambling debt collection if he or she employs any force or intimidation or threatens force or intimidation in order to collect any debt which results from gambling as defined by sections 9-510, 28-1101 to 28-1109, and 28-1117.

(2) Gambling debt collection is a Class III felony.

DOCUMENT: 28-1107

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Possession of a gambling device; penalty; exemption.

LAW 28-1107. (1) A person commits the offense of possession of a gambling device if he or she manufactures, sells, transports, places, possesses, or conducts or negotiates any transaction affecting or designed to affect ownership, custody, or use of any gambling device, knowing that it shall be used in the advancement of unlawful gambling activity.

(2) This section shall not apply to any coin-operated mechanical gaming device, computer gaming device, electronic gaming device, or video gaming device which has the capability of awarding free games, which is intended to be played and is in fact played for amusement only, and which may allow the player

the right to replay such gaming device at no additional cost, which right to replay shall not be considered money or property, except that such mechanical game (a) can be discharged of accumulated free replays only by reactivating the game for one additional play for each accumulated free replay and (b) makes no permanent record directly or indirectly of free replays so awarded. Notwithstanding any other provisions of this section, any mechanical game or device classified by the federal government as an illegal gambling device and requiring a federal Gambling Device Tax Stamp as required by the Internal Revenue Service in its administration of 26 U.S.C. 4461 and 4462, amended July 1, 1965, by Public Law 89-44, are hereby declared to be illegal and excluded from the exemption granted in this section. (3) Possession of a gambling device is a Class II misdemeanor.

DOCUMENT: 28-1108

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Prosecution; affirmative defense.

LAW 28-1108. In any prosecution under this article, it shall be an affirmative defense that the writing, paper, instrument, or article possessed by the defendant was neither used nor intended to be used in the advancement of an unlawful gambling activity.

DOCUMENT: 28-1109

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Proof of possession of gambling device; prima facie evidence.

LAW 28-1109. Proof of possession of any gambling device shall be prima facie evidence of possession thereof with knowledge of its contents and character.

DOCUMENT: 28-1110

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Gambling; prosecution; not in violation of jurisdiction where conducted; no defense.

LAW 28-1110. It shall be no defense to a prosecution under any provision of this article relating to gambling that the gambling is conducted outside this state and is not in violation of the laws of the jurisdiction in which it is conducted.

DOCUMENT: 28-1111

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Gambling device or record; money used as a bet or stake; forfeited to state.

LAW 28-1111. Any gambling device or gambling record possessed in violation of any provision of this article, or any money used as a bet or stake in gambling activity in violation of any provision of this article, shall be forfeited to the state.

DOCUMENT: 28-1112

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Defendant, status as a player; affirmative defense, when.

LAW 28-1112. In any prosecution for an offense defined in this article, when the defendant's status as a player constitutes an excusing condition, the fact that the defendant was a player shall constitute an affirmative defense.

DOCUMENT: 28-1113

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Article, how construed.

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

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

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

DOCUMENT: 28-1114

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Transferred to section 9-701.

LAW 28-1114.

DOCUMENT: 28-1117

HEADING Chapter 28. Crimes and Punishments.

CATCHLINE Proof of occurrence of sporting event; prima facie evidence.

LAW 28-1117. In any prosecution under this article in which it is necessary to prove the occurrence of a sporting event, a published report of its occurrence in any daily newspaper, magazine, or other periodically printed publication of general circulation shall be admissible in evidence and shall constitute prima facie evidence of the occurrence of the event.

CHAPTER 29 CRIMINAL PROCEDURE

ARTICLE 8 SEARCH AND SEIZURE

DOCUMENT: 29-820

HEADING Chapter 29. Criminal Procedure.

CATCHLINE Seized property; disposition.

LAW 29-820. (1) Unless other disposition is specifically

provided by law, when property seized or held is no longer required as evidence, it shall be disposed of by the law enforcement agency on such showing as the law enforcement agency may deem adequate, as follows:

- (a) Property stolen, embezzled, obtained by false pretenses, or otherwise obtained unlawfully from the rightful owner thereof shall be restored to the owner;
 - (b) Money shall be restored to the owner unless it was used in unlawful gambling or lotteries or it was used or intended to be used to facilitate a violation of Chapter 28, article 4, in which case the money shall be forfeited and disposed of as required by Article VII, section 7, Constitution of Nebraska;
 - (c) Property which is unclaimed or the ownership of which is unknown shall be sold at a public auction held by the officer having custody thereof and the net proceeds disposed of as provided in subdivision (b) of this subsection, as shall any money which is unclaimed or the ownership of which is unknown;
 - (d) Except as provided in subdivision (2)(b) of this section, articles of contraband shall be destroyed; and
 - (e) Except as provided in subdivision (2)(a) of this section, firearms, ammunition, explosives, bombs, and like devices which have been used in the commission of crime shall be destroyed.
- (2) When the following property is seized or held and is no longer required as evidence, such property shall be disposed of on order of the court as the court may deem adequate:
- (a) Firearms which may have a lawful use; and
 - (b) Goods which are declared to be contraband but may reasonably be returned to a condition or state in which such goods may be lawfully used, possessed, or distributed by the public.
- (3) Unless otherwise provided by law, all other property shall be disposed of in such manner as the court in its sound discretion shall direct.

CHAPTER 48 LABOR

ARTICLE 11 NEBRASKA FAIR EMPLOYMENT PRACTICE ACT

DOCUMENT: 48-1102

HEADING Chapter 48. Labor.

CATCHLINE Terms, defined.

LAW 48-1102. For purposes of the Nebraska Fair Employment Practice Act, unless the context otherwise requires:

- (1) Person shall include one or more individuals, labor unions, partnerships, limited liability companies, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, or receivers;
- (2) Employer shall mean a person engaged in an industry who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding

calendar year, any agent of such a person, and any party whose business is financed in whole or in part under the Nebraska Investment Finance Authority Act regardless of the number of employees and shall include the State of Nebraska, governmental agencies, and political subdivisions, but such term shall not include (a) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe or (b) a bona fide private membership club, other than a labor organization, which is exempt from taxation under section 501(c) of the Internal Revenue Code;

(3) Labor organization shall mean any organization which exists wholly or in part for one or more of the following purposes: Collective bargaining; dealing with employers concerning grievances, terms, or conditions of employment; or mutual aid or protection in relation to employment;

(4) Employment agency shall mean any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and shall include an agent of such a person but shall not include an agency of the United States, except that such term shall include the United States Employment Service and the system of state and local employment services receiving federal assistance;

(5)

Covered entity shall mean an employer, an employment agency, a labor organization, or a joint labor-management committee;

(6) Privileges of employment shall mean terms and conditions of any employer-employee relationship, opportunities for advancement of employees, and plant conveniences;

(7) Employee shall mean an individual employed by an employer;

(8) Commission shall mean the Equal Opportunity Commission;

(9) Disability shall mean (a) a physical or mental impairment that substantially limits one or more of the major life activities of such individual, (b) a record of such an impairment, or (c) being regarded as having such an impairment. Disability shall not include homosexuality, bisexuality, transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender-identity disorders not resulting in physical impairments, other sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from current illegal use of drugs;

(10)(a) Qualified individual with a disability shall mean an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires. Consideration shall be given to the employer's judgment as to what functions of a job are essential, and if an employer has prepared a written description before advertising or interviewing applicants for the job, this description shall be considered evidence of the essential functions of the job;

(b) Qualified individual with a disability shall not include any employee or applicant who is currently engaged in the illegal use of drugs when the covered entity acts on the basis of such use; and

(c) Nothing in this subdivision shall be construed to exclude as a qualified individual with a disability an individual who:

(i) Has successfully completed a supervised drug rehabilitation program or otherwise been rehabilitated successfully and is no longer engaging in the illegal use of drugs;

(ii) Is participating in a supervised rehabilitation program and is no longer engaging in such use; or

(iii) Is erroneously regarded as engaging in such use but is not engaging in such use;

(11) Reasonable accommodation shall include making existing facilities used by employees readily accessible to and usable by individuals with disabilities, job-restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modification of examinations, training manuals, or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities. Reasonable accommodation shall not include accommodations which the covered entity can demonstrate require significant difficulty or expense thereby posing an undue hardship upon the covered entity. Factors to be considered in determining whether an accommodation would pose an undue hardship shall include:

(a) The nature and the cost of the accommodation needed under the Nebraska Fair Employment Practice Act;

(b) The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation, the number of persons employed at such facility, the effect on expenses and resources, or the impact otherwise of such accommodation upon the operation of the facility;

(c) The overall financial resources of the covered entity, the overall size of the business of a covered entity with respect to the number of its employees, and the number, type, and location of its facilities; and

(d) The type of operation or operations of the covered entity, including the composition, structure, and functions of the work force of such entity, and the geographic separateness and administrative or fiscal relationship of the facility or facilities in question to the covered entity;

(12) Marital status shall mean the status of a person whether married or single;

(13) Because of sex or on the basis of sex shall include, but not be limited to, because of or on the basis of pregnancy, childbirth, or related medical conditions;

(14) Harass because of sex shall include making unwelcome sexual advances, requesting sexual favors, and engaging in other verbal or physical conduct of a sexual nature if (a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working

environment;

(15) Unlawful under federal law or the laws of this state shall mean acting contrary to or in defiance of the law or disobeying or disregarding the law;

(16) Drug shall mean a controlled substance as defined in section 28-401; and

(17) Illegal use of drugs shall mean the use of drugs, the possession or distribution of which is unlawful under the Uniform Controlled Substances Act, but shall not include the use of a drug taken under supervision by a licensed health care professional or any other use authorized by the Uniform Controlled Substances Act or other provisions of state law.

CHAPTER 53 LIQUORS

ARTICLE 1 NEBRASKA LIQUOR CONTROL ACT

DOCUMENT: 53-131.01

HEADING Chapter 53. Liquors.

CATCHLINE License; application; form; contents; verification; false statement; penalty.

LAW 53-131.01. (1) The application for a new license shall be submitted upon such forms as the commission may prescribe. Such forms shall contain (a) the name and residence of the applicant and how long he or she has resided within the State of Nebraska, (b) the particular premises for which a license is desired designating the same by street and number if practicable or, if not, by such other description as definitely locates the premises, (c) the name of the owner of the premises upon which the business licensed is to be carried on, (d) a statement that the applicant is a citizen of the United States, that the applicant and the spouse of the applicant are not less than twenty-one years of age, and that such applicant has never been convicted of or pleaded guilty to a felony or been adjudged guilty of violating the laws governing the sale of alcoholic liquor or the law for the prevention of gambling in the State of Nebraska, except that a manager for a corporation applying for a license shall qualify with all provisions of this subdivision as though the manager were the applicant, except that the provisions of this subdivision shall not apply to the spouse of a manager-applicant, (e) a statement that the applicant intends to carry on the business authorized by the license for himself or herself and not as the agent of any other persons and that if licensed he or she will carry on such business for himself or herself and not as the agent for any other person, (f) a statement that the applicant intends to superintend in person the management of the business licensed and that if so licensed he or she will superintend in person the management of the business, and (g) such other information as the commission may from time to time direct.

(2) The application shall be verified by the affidavit of the petitioner made before a notary public or other

person duly authorized by law to administer oaths. If any false statement is made in any part of such application, the applicant or applicants shall be deemed guilty of perjury, and upon conviction thereof the license shall be revoked and the applicant subjected to the penalties provided by law for that crime.

CHAPTER 77 REVENUE AND TAXATION

ARTICLE 27 SALES AND INCOME TAX

DOCUMENT: 77-2753

HEADING Chapter 77. Revenue and Taxation.

CATCHLINE Income tax; withholding from wages and other payments.

LAW 77-2753. (1) Every employer and payor maintaining an office or transacting business within this state and making payment of any wages or other payments as defined in subsection (5) of this section which are taxable under the Nebraska Revenue Act of 1967 to any individual shall deduct and withhold from such wages for each payroll period and from such payments a tax computed in such manner as to result, so far as practicable, in withholding from the employee's wages and payments to the payee during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due from the employee or payee under such act with respect to the amount of such wages and payments included in his or her taxable income during the calendar year. The method of determining the amount to be withheld shall be prescribed by rules and regulations of the Tax Commissioner. Such rules and regulations may allow withholding to be computed at a percentage of the federal withholding for gambling winnings or supplemental payments, including bonuses, commissions, overtime pay, and sales awards which are not paid at the same time as other wages. Any withholding tables prescribed by the Tax Commissioner shall be provided to the budget division of the Department of Administrative Services and the Legislative Fiscal Analyst for review at least sixty days before the tables become effective.

(2)(a) Every payor who is either (i) making a payment or payments in excess of five thousand dollars or (ii) maintaining an office or transacting business within this state and making a payment or payments related to such business in excess of six hundred dollars, and such payment or payments are for personal services performed or to be performed substantially within this state, to a nonresident individual, other than an employee, who is not subject to withholding on such payment under the Internal Revenue Code or a corporation, partnership, or limited liability company described in subdivision (c) of this subsection, shall be deemed an employer, and the individual performing the personal services shall be deemed an employee for the purposes of this section. The payor shall deduct and withhold from such payments the percentage of such payments prescribed in subdivision (b) of this subsection. If the individual performing the personal services provides the payor with a statement of the expenses reasonably related to the

personal services, the total payment or payments may be reduced by the total expenses before computing the amount to deduct and withhold, except that such reduction shall not be more than fifty percent of such payment or payments.

(b) For any payment or payments for the same service, award, or purse that totals less than twenty-eight thousand dollars, the percentage deducted from such payment or payments pursuant to this subsection shall be four percent, and for all other payments, the percentage shall be six percent.

(c) For any corporation, partnership, or limited liability company that receives compensation for personal services in this state and of which all or substantially all of the shareholders, partners, or members are the individuals performing the personal services, including, but not limited to, individual athletes, entertainers, performers, or public speakers performing such personal services, such compensation shall be deemed wages of the individuals performing the personal services and subject to the income tax imposed on individuals by the Nebraska Revenue Act of 1967.

(d) The withholding required by this subsection shall not apply to any payment to a nonresident alien, corporation, partnership, or limited liability company if such individual, shareholder, partner, or member provides the payor with a statement that the income earned is not subject to tax because of a treaty obligation of the United States.

(3) The Tax Commissioner may enter into agreements with the tax departments of other states, which require income tax to be withheld from the payment of wages, salaries, and such other payments, so as to govern the amounts to be withheld from the wages and salaries of and other payments to residents of such states. Such agreements may provide for recognition of anticipated tax credits in determining the amounts to be withheld and, under rules and regulations adopted and promulgated by the Tax Commissioner, may relieve employers and payors in this state from withholding income tax on wages, salaries, and such other payments paid to nonresident employees and payees. The agreements authorized by this subsection shall be subject to the condition that the tax department of such other states grant similar treatment to residents of this state.

(4) The Tax Commissioner shall enter into an agreement with the United States Office of Personnel Management for the withholding of income tax imposed on individuals by the Nebraska Revenue Act of 1967 on civil service annuity payments for those recipients who voluntarily request withholding. The agreement shall be pursuant to 5 U.S.C. 8345 and the rules and regulations adopted and promulgated by the Tax Commissioner.

(5) Wages and other payments subject to withholding shall mean payments that are subject to withholding under the Internal Revenue Code of 1986 and are (a) payments made by employers to employees, except such payments subject to 26 U.S.C. 3405 or 3406, (b) payments of gambling winnings, or (c) pension or annuity payments when the recipient has requested the payor to withhold from such payments.

ARTICLE 30 MECHANICAL AMUSEMENT DEVICE TAX ACT

DOCUMENT: 77-3002

HEADING Chapter 77. Revenue and Taxation.

CATCHLINE (Operative date July 1, 1998.) Operator; license; application; limitations; renewal; fees; service of process.

LAW 77-3002. (1) Any operator shall be required to procure an annual license from the Tax Commissioner permitting him or her to operate machines or devices within the State of Nebraska. The Tax Commissioner, upon the application of any person, may issue a license, except that if the applicant (a) is not of good character and reputation in the community in which he or she resides, (b) has been convicted of or has pleaded guilty to a felony under the laws of the State of Nebraska, any other state, or of the United States, or (c) has been convicted of or has pleaded guilty to being the proprietor of a gambling house, or of any other crime or misdemeanor opposed to decency and morality, no license shall be issued. If the applicant is a corporation whose majority stockholders could not obtain a license, then such corporation shall not be issued a license. If the applicant is an individual, the application shall include the applicant's social security number. Procuring a license shall constitute sufficient contact with this state for the exercise of personal jurisdiction over such person in any action arising out of the operation of machines or devices in this state.

(2)(a) For the period beginning July 1, 1998, through December 31, 1999, if the applicant operates ten or more machines, the application shall be accompanied by a fee of two hundred fifty dollars, and such license will remain in effect until December 31, 1999. If the applicant operates fewer than ten machines, no fee is due. Any licensee that places additional machines into operation during this period which results in a total of ten or more machines in operation becomes subject to the two-hundred-fifty-dollar fee.

(b) Beginning January 1, 2000, the application shall be filed on or before January 1 of each year, and no license fee will be required.

CHAPTER 81 STATE ADMINISTRATIVE DEPARTMENTS

ARTICLE 8 INDEPENDENT BOARDS AND COMMISSIONS

(jj) STATE ATHLETIC COMMISSIONER

DOCUMENT: 81-8,128

HEADING Chapter 81. State Administrative Departments.

CATCHLINE State Athletic Commissioner; appointment; term; salary; bond; assistants.

LAW 81-8,128. There is hereby established the position of State Athletic Commissioner. The commissioner shall be appointed by the Governor and shall hold office for a term of two years

commencing the first Thursday after the first Tuesday of January in each odd-numbered year. The commissioner shall receive such salary as the Governor may elect but not to exceed four thousand five hundred dollars annually and shall be bonded under the blanket surety bond required by section 11-201. The commissioner may be reappointed for successive terms.

The office of the commissioner shall be located within the Charitable Gaming Division of the Department of Revenue. The commissioner may exercise and perform his or her powers and duties at any location in the state. The commissioner may employ assistants and fix their compensation in conjunction with the Charitable Gaming Division. The compensation of assistants shall be paid through the Charitable Gaming Operations Fund.

DOCUMENT: 81-8,139.01

HEADING Chapter 81. State Administrative Departments.

CATCHLINE Athletic Advisory Committee; created; members; qualifications; expenses; duties; appeal.

LAW 81-8,139.01. (1) An advisory committee is hereby created which shall be known as the Athletic Advisory Committee. The Governor shall appoint three persons to the committee. The members shall be selected on their experience, training, and interest in boxing and wrestling, and one member shall be or shall have been active in amateur boxing, one member shall be or shall have been active in professional wrestling, and one member shall be or shall have been active in professional boxing. The members shall serve at the pleasure of the Governor, and the commissioner may recommend individuals to serve on the advisory committee. The members shall receive no salaries but shall receive reimbursement for their expenses as provided in sections 81-1174 to 81-1177. The committee shall meet and be located within the Charitable Gaming Division of the Department of Revenue. The committee may exercise and perform its powers and duties at any location in the state. The committee shall review the rules and regulations drawn up by the commissioner pursuant to section 81-8,139 and shall make recommendations and give advice regarding any proposed or adopted rules and regulations.

(2) The Athletic Advisory Committee shall serve as an appeals board which shall hear and determine all cases of parties who contest any of the State Athletic Commissioner's decisions. The procedure for such appeal shall be designated in the commissioner's rules and regulations, and the decision of the committee shall be by a majority vote of the committee. Any party who wishes to appeal from the committee's decision may appeal the decision, and the appeal shall be in accordance with the Administrative Procedure Act.

CHAPTER 83 STATE INSTITUTIONS

ARTICLE 1 MANAGEMENT

(e) ALCOHOLISM, DRUG ABUSE, AND ADDICTION SERVICES ACT

DOCUMENT: 83-159

HEADING Chapter 83. State Institutions.

CATCHLINE Terms, defined.

LAW 83-159. For purposes of the Alcoholism, Drug Abuse, and Addiction Services Act and sections 71-5016 to 71-5041, unless the context otherwise requires:

- (1) Alcoholic shall mean any person who habitually uses alcoholic beverages to the extent that he or she has lost the power of self-control with respect to the use of such beverages or who is chronically or habitually under the influence of alcoholic beverages and endangers the health, morals, safety, or welfare of himself or herself or any other persons or group of persons;
- (2) Drug abuser shall mean any person who uses any controlled substance or drugs so as to endanger the public morals, health, safety, or welfare or who is so addicted to the use of such as to have lost the power of self-control with reference to his or her addiction;
- (3) Compulsive gambler shall mean any person who is unable to resist impulses to gamble and gambling behavior that compromises, disrupts, or damages personal, family, or vocational pursuits;
- (4) Alcoholism shall mean the habitual use of alcoholic beverages to the extent that the user loses the power of self-control with respect to such use or the condition of being chronically or habitually under the influence of alcoholic beverages to an extent that endangers the health, morals, safety, or welfare of the user or any other person;
- (5) Drug abuse shall mean any use of any controlled substance or drug so as to endanger the public morals, health, safety, or welfare or to the extent that the user loses the power of self-control with respect to such use;
- (6) Compulsive gambling shall mean a chronic and progressive failure to resist impulses to gamble and gambling behavior that compromises, disrupts, or damages personal, family, or vocational pursuits;
- (7) Commission shall mean the Nebraska Advisory Commission on Compulsive Gambling;
- (8) Committee shall mean the State Alcoholism and Drug Abuse Advisory Committee created in section 71-5024;
- (9) Division shall mean the Division of Alcoholism, Drug Abuse, and Addiction Services of the Department of Health and Human Services;
- (10) Director shall mean the Director of the Division of Alcoholism, Drug Abuse, and Addiction Services;
- (11) Drug shall mean:
 - (a) Any article recognized in the official United

States Pharmacopoeia or official Homeopathic Pharmacopoeia;

(b) Any substance intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or animals;

(c) Any substance other than food intended to affect, or actually affecting, the structure or any function of the body or mind of man or animals; or

(d) Any substance intended for use as a component of any article specified in subdivision (a), (b), or (c) of this subdivision, but does not include devices of the article's components, parts, or accessories;

(12) Controlled substance shall mean any substance within the meaning of sections 28-404 and 28-405; and

(13) Department shall mean the Department of Health and Human Services.

DOCUMENT: 83-162.01

HEADING Chapter 83. State Institutions.

CATCHLINE Nebraska Advisory Commission on Compulsive Gambling; created; duties.

LAW 83-162.01. The Nebraska Advisory Commission on Compulsive Gambling is hereby created. The commission shall advise and provide recommendations to the director with regard to matters relating to problem or pathological gambling to assist him or her in the performance of his or her duties. The commission shall evaluate agencies, groups, organizations, and individuals that have applied to the division to receive funds from the Compulsive Gamblers Assistance Fund and shall make recommendations to the director concerning disbursements from the fund.

DOCUMENT: 83-162.02

HEADING Chapter 83. State Institutions.

CATCHLINE Nebraska Advisory Commission on Compulsive Gambling; membership; terms; expenses; meetings; task forces; evaluation of requests for funding.

LAW 83-162.02. (1) The Nebraska Advisory Commission on Compulsive Gambling shall consist of eleven members to be appointed by the Governor with the approval of a majority of the Legislature. Three of the initial appointees shall serve for a four-year term, three of the initial appointees shall serve for a three-year term, three of the initial appointees shall serve for a two-year term, and two of the initial appointees shall serve for a one-year term. As the terms of initial appointees expire, their successors and all future members of the commission shall be appointed to serve four-year terms. Members of the commission shall be selected by the Governor so as to achieve a reasonable balance of representation from all geographic areas of the state. Individuals appointed to the commission shall possess some experience, expertise, or knowledge of the causes, treatment, or prevention of problem or pathological gambling, the providing of services to assist affected individuals and their families, or the education of the public to increase its awareness of the

disorders and available gamblers assistance programs.

(2) The members of the commission shall receive no pay for their service on the commission but shall be reimbursed from the Compulsive Gamblers Assistance Fund for the actual and necessary expenses incurred in carrying out their duties as provided in sections 81-1174 to 81-1177.

(3) The members of the commission shall select from their number a chairperson to serve for a one-year term. The chairperson shall serve as the principal liaison between the director and the commission. The director shall call the members of the commission together for meetings at least four times in each calendar year and shall prepare and distribute to members of the commission all relevant materials necessary to enable the commission to review and evaluate requests for funds and to make recommendations to the director.

(4) Upon receiving the written approval of the director, the chairperson may appoint and utilize a task force of commission members and nonmembers to report to the commission on specific areas relevant to the problem of compulsive gambling.

(5) The commission shall evaluate the requests submitted to it by the director from the various agencies, groups, organizations, and individuals that are seeking funding from such fund to provide education, assistance, and counseling to individuals and families experiencing difficulties as the result of problem or pathological gambling and shall recommend to the director funding for those which have demonstrated their capacity to efficiently and effectively provide the necessary services. The commission may also recommend funding for the purpose of promoting public awareness of the availability of qualified assistance programs.

DOCUMENT: 83-162.03

HEADING Chapter 83. State Institutions.

CATCHLINE Director; duties.

LAW 83-162.03. The director shall be responsible for:

(1) Establishing standards for the types of agencies, groups, organizations, and individuals that will be eligible to receive funding from the Compulsive Gamblers Assistance Fund;

(2) Establishing standards for the types of activities which will be eligible for funding;

(3) Developing standards for the appropriate documentation of past performance of such agencies, groups, organizations, and individuals and the activities which they have conducted;

(4) Requesting and receiving applications for funding;

(5) Distributing appropriate materials regarding such applications to the Nebraska Advisory Commission on Compulsive Gambling;

(6) Evaluating the recommendations of the commission and certifying to the Department of Administrative Services appropriate vouchers for the disbursement of funds from such fund to those agencies, groups, organizations, and individuals for the providing of services to problem or pathological gamblers and their families in conformity with subsection (5) of section

83-162.02;

(7) Requesting and receiving from the recipients of such funding appropriate documentation of the manner in which funds from such fund have been expended, including audits; and
(8) Taking such other and further action as may be necessary and appropriate to carry out the provisions of subsection (5) of section 83-162.02.

DOCUMENT: 83-162.04

HEADING Chapter 83. State Institutions.

CATCHLINE Compulsive Gamblers Assistance Fund; created; use; investment.

LAW 83-162.04. The Compulsive Gamblers Assistance Fund is created. The division shall administer the fund for the treatment of compulsive gamblers as recommended by the commission and shall spend no more than fifty thousand dollars of the money appropriated to the fund for administrative costs. In addition to money transferred to the fund from the State Lottery Operation Trust Fund under section 9-812, the department is authorized to accept for deposit in the Compulsive Gamblers Assistance Fund funds, donations, gifts, devises, or bequests from any federal, state, local, public, or private source to be used by the division in the exercise of this authority under and in the performance of its duties in carrying out the provisions of the Alcoholism, Drug Abuse, and Addiction Services Act which relate to compulsive gambling. The Director of Administrative Services shall draw warrants upon the Compulsive Gamblers Assistance Fund upon the presentation of proper vouchers by the division. Money from the Compulsive Gamblers Assistance Fund shall be used exclusively for the purpose of providing assistance to agencies, groups, organizations, and individuals that provide education, assistance, and counseling to individuals and families experiencing difficulty as a result of problem or pathological gambling, to promote the awareness of gamblers assistance programs, and to pay the costs and expenses of the division and the commission with regard to compulsive gambling. Neither the director of the division nor the division shall provide any direct services to problem or pathological gamblers or their families. Funds appropriated from the Compulsive Gamblers Assistance Fund shall not be granted or loaned to or administered by any of the mental health regional governing boards created pursuant to the Nebraska Comprehensive Community Mental Health Services Act unless the mental health region is a direct provider of services dealing with the treatment of compulsive gambling. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

DOCUMENT: 83-162.05

HEADING Chapter 83. State Institutions.

CATCHLINE Repealed. Laws 1997, LB 307, s. 236.

LAW 83-162.05.

DOCUMENT: 83-162.06

HEADING Chapter 83. State Institutions.

CATCHLINE Compulsive Gamblers Assistance Fund; appropriations.

LAW 83-162.06. It is the intent of the Legislature to appropriate to the Compulsive Gamblers Assistance Fund from the Charitable Gaming Operations Fund two hundred fifty thousand dollars on July 1 of each year for fiscal years 1997-98, 1998-99, and 1999-2000. For fiscal year 2000-01 and each fiscal year thereafter, it is the intent of the Legislature to appropriate one million dollars to the Compulsive Gamblers Assistance Fund from the Charitable Gaming Operations Fund if the need for such funds is demonstrated to the Legislature.

DOCUMENT: 83-163

HEADING Chapter 83. State Institutions.

CATCHLINE Director of the Division of Alcoholism, Drug Abuse, and Addiction Services; duties.

LAW 83-163. The director, with the advice of the committee and the commission and the approval of the Director of Health and Human Services, shall:

- (1) Develop comprehensive and integrated statewide plans for alcoholism, drug abuse, compulsive gambling, and other addiction services;
- (2) Establish minimum standards for the operation of any facility or program, providing alcoholism, drug abuse, compulsive gambling, or other addiction services, funded in whole or in part under sections 71-5016 to 71-5040, the Alcoholism, Drug Abuse, and Addiction Services Act, or any other legislation of the federal government or this state specifically designated for alcoholism, drug abuse, compulsive gambling, or other compulsive disorders resulting from addiction;
- (3) Coordinate the overall state effort of rehabilitation of alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction;
- (4) Establish and maintain appropriate subordinate administrative units within the division;
- (5) Recommend to the Director of Health and Human Services the appointment of such personnel as he or she deems necessary for the efficient performance of the functions of the division;
- (6) Make certification for disbursement, in accordance with law and regulations, of funds available for services under the act;
- (7) Take such other action as he or she deems necessary or appropriate to carry out the purposes of the act;
- (8) Delegate to any employee of the division such of his or her powers and duties, except the making of regulations and the making of recommendations for the appointment of personnel, as he or she finds necessary to carry out the purposes of the act; and
- (9) Attend all meetings of the committee as an ex officio member without vote.

DOCUMENT: 83-164

HEADING Chapter 83. State Institutions.

CATCHLINE Division; powers; enumerated.

LAW 83-164. The division, with the advice of the committee and the commission, is authorized to:

- (1) Study alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction and their problems, including methods and facilities available for the care, custody, detention, treatment, employment, and vocational rehabilitation of resident alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction;
- (2) Promote meetings and programs for the discussion of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction or any of their aspects, disseminate information on the subject of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction for the guidance and assistance of individuals, courts, and public and private agencies for the prevention of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction, and inform and educate the general public on problems of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction and their prevention and treatment, to the end that alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction may be prevented and that persons suffering from alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction may be disposed to seek available treatment;
- (3) Promote or establish cooperative relationships with courts, hospitals and clinics, medical, social, and welfare agencies, public health authorities, law enforcement agencies, educational and research organizations, vocational rehabilitation agencies, federal and state agencies, and drug abuse and other related groups and encourage coordination of their programs and services which may relate to alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction;
- (4) Promote, evaluate, or conduct research on alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction;
- (5) Promote the establishment and operation of public clinics and other public alcoholism and drug abuse treatment facilities in local communities of the state;
- (6) Provide consultation services to public and private agencies and groups;
- (7) Cooperate with and assist political subdivisions of the state, educational institutions, religious organizations, and other organized groups dealing with problems associated with alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction;
- (8) Train personnel for work in the field of alcoholism and drug abuse and set and enforce certification standards for such personnel;
- (9) Establish minimum standards and training

requirements for individuals providing services for compulsive gambling and other compulsive disorders resulting from addiction, with standards and requirements for compulsive gambling to be based on any generally recognized national standards, including the criteria used by the National Council on Problem Gambling;

(10) Promote or conduct educational, training, and preventive programs on alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction in tax-supported schools of the elementary, secondary, university, and graduate levels;

(11) Accept for examination, diagnosis, guidance, and treatment, insofar as funds permit, any resident of the state coming to the division of his or her own volition for advice or guidance respecting alcoholism, drug abuse, compulsive gambling, or other compulsive disorders resulting from addiction, including persons under the age of nineteen;

(12) Establish, from time to time, policies governing the acceptance, care, and treatment of alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction and adopt such rules as may be necessary to regulate the conduct and stay of all patients of the division;

(13) Employ such personnel as may be necessary to carry out the purposes of the Alcoholism, Drug Abuse, and Addiction Services Act; and

(14) Adopt and promulgate rules, regulations, and standards to carry out the act. In adopting such rules, regulations, and standards, the director shall be governed by the Administrative Procedure Act. Any rules, regulations, and standards shall be adopted only after consultation with the committee.

DOCUMENT: 83-165

HEADING Chapter 83. State Institutions.

CATCHLINE Division; private, state, local, or federal agencies; cooperation.

LAW 83-165. The division may cooperate and make agreements with private, state, local, or federal agencies for providing services relating to the treatment and rehabilitation of alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction, the reduction and prevention of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction, and the carrying out of the purposes of the Alcoholism, Drug Abuse, and Addiction Services Act. It may accept for training under its direction such medical, technical, and clinical personnel as may be necessary.

DOCUMENT: 83-167

HEADING Chapter 83. State Institutions.

CATCHLINE Division; duties; enumerated.

LAW 83-167. The division shall:

- (1) Cooperate with the federal government in carrying out the purposes of any federal acts pertaining to alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction and any federal programs in which alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction are included. The division may adopt such methods of administration as are found by the federal government to be necessary for the proper and efficient operation of such agreements or plans for the treatment and rehabilitation of alcoholics and drug abusers and for the reduction and prevention of alcoholism and drug abuse and may comply with such conditions as may be necessary to secure the full benefits of such federal acts and appropriations;
- (2) Serve as the primary state alcoholism, drug abuse, compulsive gambling, and other addiction services agency;
- (3) Direct the disbursement and administer the use of all funds provided by the federal government or this state which are earmarked for alcoholism, drug abuse, compulsive gambling, and other addiction disorders prevention, diagnosis, evaluation, treatment, education, guidance counseling, vocational adjustment, and rehabilitation of alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction, and related alcoholism, drug abuse, compulsive gambling, and other addiction programs and services and which are not specifically appropriated to another state agency;
- (4) Evaluate research and studies concerning alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction;
- (5) Coordinate and cooperate with all governmental and private agencies providing information and services concerning alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction on the local, state, and national level;
- (6) Hold hearings to gather expert testimony;
- (7) Conduct studies of the extent of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction in schools, colleges, universities, and communities;
- (8) Visit and inspect existing rehabilitation facilities throughout the state;
- (9) Obtain information from other states regarding their programs to control alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction and evaluate these programs;
- (10) Handle the publicity, correspondence, and public relations of alcoholism, drug abuse, compulsive gambling, and other addiction services;
- (11) Exercise such other powers as are necessary to carry on the work of the division in the areas of alcoholism, drug abuse, compulsive gambling, and other addiction services and perform such other duties relating to the control of alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction as are prescribed by law;
- (12) Develop comprehensive programs for the prevention, control, and abatement of alcoholism, drug abuse, compulsive

gambling, and other compulsive disorders resulting from addiction, the rehabilitation and treatment of alcoholics, drug abusers, compulsive gamblers, and individuals with other compulsive disorders resulting from addiction, and education concerning alcoholism, drug abuse, compulsive gambling, and other compulsive disorders resulting from addiction;

(13) Accept and administer loans and grants from the federal government and from other public or private sources, and such loans and grants shall not be expended for purposes other than those for which they were provided;

(14) Exercise all powers necessary to carry out the Alcoholism, Drug Abuse, and Addiction Services Act; and

(15) Employ, compensate, and prescribe the powers and duties of the officers, employees, and consultants that may be necessary for the performance of the duties prescribed in the act.

DOCUMENT: 83-169

HEADING Chapter 83. State Institutions.

CATCHLINE Funds; investment; State Treasurer; custodian; federal funds; authority of division to comply.

LAW 83-169. The State Treasurer is hereby designated as the custodian of all funds received by the state from appropriations made by the Congress of the United States or from other sources, public or private, for the purpose of carrying out any state or federal act pertaining to alcoholism, drug abuse, compulsive gambling, or other addiction services, except for funds deposited in the Compulsive Gamblers Assistance Fund. The State Treasurer is authorized to receive and provide for the proper custody of such funds and establish such special funds and accounts as may be necessary to comply with the terms of any state or federal acts. The Director of Administrative Services shall draw warrants upon such funds upon presentation of proper vouchers by the division. In the event federal funds are available to the State of Nebraska for alcoholism, drug abuse, compulsive gambling, or other addiction programs, the division is authorized to comply with such requirements as may be necessary to obtain the maximum amount of federal funds and the most advantageous proportion possible insofar as this may be done without violating other provisions of the laws and Constitution of Nebraska. Any money in such special funds and accounts available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

CHAPTER 90 SPECIAL ACTS

ARTICLE 5 APPROPRIATIONS

DOCUMENT: 90-522

HEADING Chapter 90. Special Acts.

CATCHLINE Cash Funds; transfers.

LAW 90-522. CASH FUNDS.

The receipts for FY1995-96 and FY1996-97 inuring to the several Cash Funds, together with any amounts held in account by the State Treasurer on June 30, 1995, are hereby credited to each of the funds respectively.

Expenditure of Cash Funds appropriated in this act shall be limited to the amount shown by program except when specific exceptions are made. The amounts appropriated in this act include the following funds:

- (1) Legislative Council: Nebraska Legislative Shared Information System Cash Fund, Donations/Contributions Cash Fund;
- (2) Supreme Court: Supreme Court Reports Cash Fund, Probation Cash Fund, Supreme Court Miscellaneous Cash Fund;
- (3) Governor: Governor's Policy Research Cash Fund, Municipal Natural Gas Regulation Revolving Loan Fund, School Weatherization Fund, State Energy Office Cash Fund;
- (4) Secretary of State: Nebraska Collection Agency Fund, Uniform Limited Partnership Cash Fund, Records Management Cash Fund, Administration Cash Fund, Uniform Commercial Code Cash Fund, Corporation Cash Fund, Voter Registration Cash Fund;
- (5) Auditor of Public Accounts: Cooperative Audit Cash Fund;
- (6) Attorney General: Odometer Fraud Cash Fund, Report and Opinions Cash Fund;
- (7) State Treasurer: Unclaimed Property Cash Fund, Personal Property Tax Reimbursement Fund, Municipal Infrastructure Redevelopment Fund;
- (8) State Department of Education: State Department of Education Cash Fund, Nebraska School for the Deaf Cash Fund, Teachers' Certification Fund, Nebraska School for the Visually Handicapped Cash Fund, Instructional Technology Cash Fund, Diagnostic Resource Center Cash Fund, Professional Practices Commission Fund, School District Income Tax Fund, Tax Equity and Educational Opportunities Fund, Early Childhood Program Training Fund, Nebraska Schools Accountability Commission Cash Fund, Education Innovation Fund, Tuition Recovery Cash Fund;
- (9) Public Service Commission: Nebraska Grain Warehouse Surveillance Cash Fund, Nebraska Telecommunications Relay System Fund;
- (10) Department of Revenue: Severance Tax Administration Fund, Motor Fuels Refund Administration Cash Fund, Litter Fee Collection Fund, Petroleum Products Administrative Fund, Department of Revenue Miscellaneous Receipts Fund, Charitable Gaming Operations Fund, Tobacco Products Administration Cash Fund, Employment and Investment Growth Fund, Interstate Motor Carriers Base State Cash Fund, Waste Reduction and Recycling Incentive Fees Collection Fund, Petroleum Release Remedial Action Collection Fund, State Lottery Operation Cash Fund, Compulsive Gamblers Assistance Fund, Quality Jobs Fund;
- (11) Department of Aeronautics: Department of Aeronautics Cash Fund;
- (12) Department of Agriculture: Fertilizers and Soil Conditioners Administrative Fund, Commercial Feed Administration Cash Fund, Pure Milk Cash Fund, Soil and Plant Analysis

Laboratory Cash Fund, Livestock Auction Market Fund, Nebraska Potato Development Fund, Graded Egg Fund, Weights and Measures Administrative Fund, Nebraska Poultry and Egg Development, Utilization, and Marketing Fund, Agricultural Products Marketing Information Cash Fund, Manufacturing Milk Cash Fund, Liming Materials Cash Fund, Pure Food Cash Fund, Nebraska Agricultural Products Marketing Cash Fund, State Apiary Cash Fund, Pseudorabies Control Cash Fund, Weed and Insect Books Cash Fund, Pesticide Administrative Cash Fund, Nebraska Seed Administrative Cash Fund, Plant Protection and Plant Pest Cash Fund, Tractor Permit Cash Fund, Nebraska Origin and Premium Quality Grain Cash Fund, Animal Damage Control Cash Fund, Noxious Weed Cash Fund;

(13) Department of Banking and Finance: Financial Institution Assessment Cash Fund, Loan Act Fund, Mortgage Bankers Cash Fund, Securities Act Cash Fund;

(14)(a) Until January 1, 1997, Department of Health: Department of Health Cash Fund, Department of Health Reimbursement Fund, Bureau of Examining Boards' Cash Fund;

(b) On and after January 1, 1997, Department of Health and Human Services Regulation and Licensure: Department of Health and Human Services Regulation and Licensure Cash Fund, Department of Health and Human Services Regulation and Licensure Reimbursement Fund, Bureau of Examining Boards' Cash Fund;

(15) State Fire Marshal: Nebraska Natural Gas Pipeline Safety Fund, Fire Insurance Tax Fund, State Fire Marshal Cash Fund, Underground Storage Tank Fund, Training Division Cash Fund;

(16) Department of Insurance: Department of Insurance Cash Fund;

(17) Department of Labor: Employment Security Special Contingent Fund, Nebraska Amusement Ride Fund, Farm Labor Contractors Fund, Contractor Registration Cash Fund, Boiler Inspection Cash Fund, Elevator Inspection Fund, Workplace Safety Consultation Program Cash Fund;

(18) Department of Motor Vehicles: Proration Operations Cash Fund, Department of Motor Vehicles Cash Fund, License Plate Cash Fund, Motorcycle Safety Education Fund;

(19)(a) Until January 1, 1997, Department of Public Institutions: Veterans' Home Building Fund, Institutional Cash Fund for the Nebraska Veterans' Homes, Small Business Enterprises Cash Fund, School District Reimbursement Fund;

(b) On and after January 1, 1997, Department of Health and Human Services: Department of Health and Human Services Cash Fund, Veterans' Home Building Fund, Institutional Cash Fund for the Nebraska Veterans' Homes, Small Business Enterprises Cash Fund, School District Reimbursement Fund, Compulsive Gamblers Assistance Fund, Nebraska Child Abuse Prevention Fund;

(20)(a) Until January 1, 1997, Department of Social Services: Department of Social Services Cash Fund, Nebraska Center for Children and Youth Cash Fund, Nebraska Center for Children and Youth Educational Reimbursement Cash Fund, Childhood Care Cash Fund, Clark Foundation Grant Cash Fund, Nebraska Child Abuse Prevention Fund;

(b) On and after January 1, 1997, Department of Health and Human Services Finance and Support: Department of Health and Human Services Finance and Support Cash Fund, Nebraska Center for Children and Youth Cash Fund, Childhood Care Cash Fund;

(21) Department of Roads: Highway Cash Fund, Grade Crossing Protection Fund, State Recreation Road Fund, Roads Operations Cash Fund;

(22) Department of Water Resources: Department of Water Resources Cash Fund;

(23) State Electrical Board: Electrical Division Fund;

(24) Military Department: Military Department Cash Fund;

(25) Board of Educational Lands and Funds: Surveyors' Cash Fund, Board of Educational Lands and Funds Cash Fund, Survey Record Repository Fund;

(26) Game and Parks Commission: State Game Fund, State Park Cash Revolving Fund, Nebraska Habitat Fund, Nebraska Snowmobile Trail Cash Fund, Nebraska Outdoor Recreation Development Cash Fund, Nongame and Endangered Species Conservation Fund, Nebraska Environmental Trust Fund, Trail Development Assistance Fund, Cowboy Trail Fund, Recreational Trails Fund;

(27) Nebraska Library Commission: Nebraska Library Commission Cash Fund;

(28) Nebraska Liquor Control Commission: Nebraska Liquor Control Commission Rule and Regulation Cash Fund;

(29) State Racing Commission: Racing Commission's Cash Fund, Track Distribution Fund, Alcohol and Drug Rehabilitation Services Fund;

(30) Nebraska Workers' Compensation Court: Compensation Court Cash Fund;

(31) Nebraska Commission on the Status of Women: Nebraska Commission on the Status of Women Donation Fund;

(32) Nebraska Brand Committee: Nebraska Brand Inspection and Theft Prevention Fund;

(33) Nebraska Motor Vehicle Industry Licensing Board: Nebraska Motor Vehicle Industry Licensing Fund;

(34) State Real Estate Commission: State Real Estate Commission's Fund;

(35) State Athletic Commissioner: State Athletic Commissioner's Cash Fund;

(36) Board of Barber Examiners: Board of Barber Examiners Fund;

(37) Department of Correctional Services: Department of Correctional Services Facility Cash Fund;

(38) Nebraska Educational Telecommunications Commission: State Educational Telecommunications Fund, NEB*SAT Cash Fund;

(39) Coordinating Commission for Postsecondary Education: Coordinating Commission for Postsecondary Education Cash Fund;

(40) Nebraska State Colleges: Chadron Cash Fund, Peru Cash Fund, Wayne Cash Fund, Peru State College Designated Cash Fund;

(41) University of Nebraska: University Cash Fund, Temporary University Fund, University of Nebraska at Omaha Cash Fund, University of Nebraska Medical Center Cash Fund, University of Nebraska at Kearney Cash Fund, University of Nebraska Central Administration Designated Cash Fund, University of Nebraska-Lincoln Designated Cash Fund, University of Nebraska at

Omaha Designated Cash Fund, University of Nebraska Medical Center Designated Cash Fund, University of Nebraska at Kearney Designated Cash Fund;

(42) State Board of Agriculture: Antique Farm Machinery and Equipment Fund;

(43) Real Estate Appraiser Board: Real Estate Appraiser Fund;

(44) Nebraska State Historical Society: Historical Society Fund, Historical Landmark Cash Fund;

(45) Nebraska Natural Resources Commission: Nebraska Natural Resources Commission Cash Fund, Small Watersheds Flood Control Fund, Nebraska Soil and Water Conservation Fund, Nebraska Resources Development Fund, Natural Resources Enhancement Fund;

(46) Nebraska Wheat Development, Utilization, and Marketing Board: Nebraska Wheat Development, Utilization, and Marketing Fund;

(47) Nebraska Oil and Gas Conservation Commission: Oil and Gas Conservation Fund;

(48) Board of Examiners for Professional Engineers and Architects: Professional Engineering and Architectural Examiners' Fund;

(49) Nebraska Ethanol Board: Agricultural Alcohol Fuel Tax Fund, Ethanol Production Incentive Cash Fund;

(50) Nebraska Dairy Industry Development Board: Nebraska Dairy Industry Development Fund;

(51) State Board of Examiners for Land Surveyors: Land Surveyor Examiner's Fund;

(52) Nebraska State Board of Public Accountancy: Public Accountants Fund;

(53) Nebraska State Patrol: Nebraska State Patrol Cash Fund, Investigation Petty Cash Fund, Carrier Enforcement Cash Fund, State Patrol Liquor Control Cash Fund, Nebraska State Patrol Drug Control and Education Cash Fund, Nebraska State Patrol Criminal Investigation Cash Fund, Public Safety Cash Fund, Nebraska State Patrol Computerization Cash Fund, Nebraska State Patrol Vehicle Replacement Cash Fund;

(54) Department of Administrative Services: Telecommunications Cash Fund, Building Renewal Allocation Fund, Social Security Cash Fund, Recyclable Paper Cash Fund, Capitol Restoration Cash Fund, Nebraska State Fairgrounds Building Fund, Accounting Division Cash Fund, Vacant Building and Excess Land Fund, Resource Recovery Fund, Americans with Disabilities Account, Nebraska Fire, Life, Safety and Hazardous Materials Account, Tort Claims Fund, Tort and Sundry Claims Fund, Workers' Compensation Claims Revolving Fund, State Civil Action Expense Fund, State Claims Board Cash Fund, Joslyn Castle Operations Cash Fund, COBRA Health Insurance Cash Fund, City of Omaha Public Events Facilities Fund;

(55) Abstracters Board of Examiners: Abstracters Board of Examiners Cash Fund;

(56) Equal Opportunity Commission: Martin Luther King Cash Fund;

(57) Commission on Mexican-Americans: Hispanic Awareness Cash Fund;

(58) Nebraska Arts Council: Nebraska Arts Council Cash Fund;

(59) State Foster Care Review Board: Foster Care Review Board Cash Fund;

(60) Until January 1, 1997, Department on Aging: Department on Aging Cash Fund, Care Management Services Cash Fund;

(61) Department of Economic Development: Economic Development Cash Fund, Administrative Cash Fund, Tourist Promotion Fund, State Visitors Promotion Cash Fund, Nebraska Agricultural Products Research Fund, Small Business Investment Fund, Job Training Cash Fund;

(62) State Board of Landscape Architects: State Board of Landscape Architects Cash Fund;

(63) Nebraska Power Review Board: Nebraska Power Review Fund;

(64) Nebraska Investment Council: State Investment Officer's Cash Fund;

(65) Nebraska Commission on Law Enforcement and Criminal Justice: Nebraska Law Enforcement Training Center Cash Fund, Law Enforcement Improvement Fund, Victim's Compensation Fund, Crimes Against Children Fund;

(66) Commission for the Hearing Impaired: Commission for the Hearing Impaired Fund;

(67) Department of Environmental Quality: Integrated Solid Waste Management Cash Fund, Nebraska Litter Reduction and Recycling Fund, Department of Environmental Quality Cash Fund, Chemigation Costs Fund, Low-Level Radioactive Waste Cash Fund, Petroleum Products and Hazardous Substances Storage and Handling Fund, Petroleum Release Remedial Action Cash Fund, Wastewater Treatment Operator Certification Cash Fund, Community Improvements Cash Fund, Local Site Selection Cash Fund, Local Monitoring Committee Cash Fund, Waste Reduction and Recycling Incentive Fund, Construction Administration Fund, Solid Waste Landfill Closure Assistance Fund, Remedial Action Plan Monitoring Fund, Scrap Tire Reduction and Recycling Incentive Fund;

(68) Public Employees Retirement Board: School Expense Fund, Judges Expense Fund, State Patrol Expense Fund;

(69) Dry Bean Commission: Dry Bean Development, Utilization, Promotion, and Education Fund;

(70) Nebraska Accountability and Disclosure Commission: Nebraska Accountability and Disclosure Commission Cash Fund, Campaign Finance Limitation Cash Fund;

(71) Corn Development, Utilization, and Marketing Board: Nebraska Corn Development, Utilization, and Marketing Fund;

(72) Community College Aid: Nebraska Community College Aid Cash Fund;

(73) Soybean Development, Utilization, and Marketing Board: Soybean Development, Utilization, and Marketing Fund; and

(74) Grain Sorghum Development, Utilization, and Marketing Board: Grain Sorghum Development, Utilization, and Marketing Fund.