



Eilers&Krejcek
Gaming

Legal Online Sports Betting In Nebraska: Market And Tax Revenue Forecasts

MARCH 2026

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About Eilers & Krejcik Gaming



Eilers & Krejcik Gaming is an independent research firm based in Newport Beach, California. The firm is widely cited for its U.S. state-by-state market forecasts and has supported legislative and regulatory decision making across multiple jurisdictions.

Eilers & Krejcik Gaming's work on U.S. regulated sports betting includes market projections and fiscal impact analyses that have informed state governments, regulators, and industry stakeholders. Prior public-sector engagements have included comprehensive economic analyses for state governments. Firm executives have also provided expert testimony to policymakers in numerous states including Illinois, Indiana, Minnesota, Missouri, New York, Texas, and West Virginia.

Disclosure

Eilers & Krejcik Gaming was commissioned by Tax Relief Nebraska to prepare estimates of market size and tax revenue for legal online sports betting in Nebraska. This analysis focuses on direct tax revenue impacts and does not attempt to quantify broader economic or social impacts associated with online sports betting legalization.

Glossary

Gross gaming revenue (GGR): Topline revenue for sportsbooks. GGR is commonly understood to refer to the total amount wagered less the amount paid out in winning bets. Note that individual states may have unique definitions of GGR that are utilized to determine taxable revenue.

Online sports betting: Sports betting conducted by consumers over the internet. The term "mobile" is often used interchangeably with "online," but we note that not all online sports betting takes place via mobile devices (i.e., wagering through a desktop computer).

Retail sports betting: Sports betting conducted by consumers at a physical location, where the physical location is specified by statute or regulation (e.g., a casino or lottery retailer). Also commonly referred to as "brick and mortar" or "land-based" sports betting.

Ramp-up period (or ramp-up): The period of time between the launch of a sports betting market and the realization of the baseline maturity value of that market (i.e., when the market exits the initial period of rapid growth and settles into more gradual growth).

Executive Summary



Key Takeaway: Legal online sports betting would generate \$60.9mm in property tax relief for Nebraska across the first five years of operations, per our forecasts.

Nebraska voters to decide on Ballot Measure Online Sports Wagering. Ballot Measure Online Sports Wagering, which we will refer to as “Measure OSW” throughout this report, could appear on the statewide ballot this fall. Measure OSW would authorize online sports betting in Nebraska and task the Nebraska Racing and Gaming Commission with regulating the activity. Revenue would be taxed at 20%, with 70% of proceeds funding property tax relief. Remaining proceeds would support compulsive gambling treatment and racetrack host communities.

Annual online sports betting GGR projected to reach \$163.1mm. We estimate that Nebraska’s legal online sports betting market, operating pursuant to Measure OSW, would generate total GGR of \$86.6mm in Year 1, rising to \$163.1mm in Year 5. Across all five years, we project cumulative online GGR of \$640.9mm.

\$86.9mm in total tax revenue, including \$60.9mm for property tax relief. Based on Measure OSW’s 20% tax rate and distribution formula, we estimate that online sports betting would generate \$8.2mm in tax revenue in Year 1, increasing to \$25.4mm in Year 5, for a five-year total of \$86.9mm. Of that amount, we estimate \$60.9mm would flow to the Property Tax Credit Cash Fund to support Nebraska property tax relief. Note that all tax revenue projections reflect online sports betting only; retail sports betting, which is already legal in Nebraska, is excluded.

Forecasts grounded in comparable market data and transparent assumptions. Our projections are built on observed revenue data from comparable U.S. online sports betting markets, including Iowa, Kansas, Kentucky, and Wyoming, and adjusted for Nebraska-specific factors such as income levels, sports interest, internet access, and existing restrictions on wagering on in-state college teams. More broadly, our model scales these benchmarks to reflect Nebraska’s smaller population base, lack of professional sports teams, and correspondingly lower expected marketing intensity. At baseline maturity, our estimate of Nebraska’s online sports betting GGR per adult (\$117) sits within the range observed in these markets. Section 3 describes our methodology, key assumptions, and tax calculations in detail.

Long-term extension illustrates potential revenue through Year 10. Because forecasting precision declines beyond our core five-year horizon, the Appendix provides an illustrative Years 6-10 extension based on long-term population, real-income, and online sports betting growth assumptions. Under this extension, cumulative tax revenue reaches \$237.5mm across Years 1-10, including \$166.2mm for Nebraska property tax relief.

Numbers To Notice

>50%

The percentage of Yes votes needed to pass Measure OSW.

\$86.9mm

Total projected tax revenue for Nebraska across the first five years of operations.

\$60.9mm

Total projected revenue for property tax relief across the first five years of operations.

Source: Eilers & Krejcik Gaming Estimates / Measure OSW
Note: All outputs in 2026 U.S. dollars

§1. About Nebraska Measure OSW

In this section, we summarize the ballot measure's core provisions.



What Is Nebraska Measure OSW?

Key Takeaway: Measure OSW¹, which could appear on the statewide ballot this fall, would authorize online sports betting and task the Nebraska Racing and Gaming Commission with regulating the activity. The state would generate revenue through taxes, and use that revenue to fund compulsive gambling treatment, support racetrack host communities, and fund Nebraska property tax relief.

What's allowed?

Statewide online sports betting. (Retail sports betting at racetracks is already legal.)

Who operates?

Nebraska racetracks and their licensed online sports betting partners.

Who regulates?

The Nebraska Racing and Gaming Commission.

How will the state generate revenue?

Via the collection of taxes.

What's the tax rate?

20% of revenue after adjusting for deductible promotional credits and federal taxes.

Where will the tax revenue go?

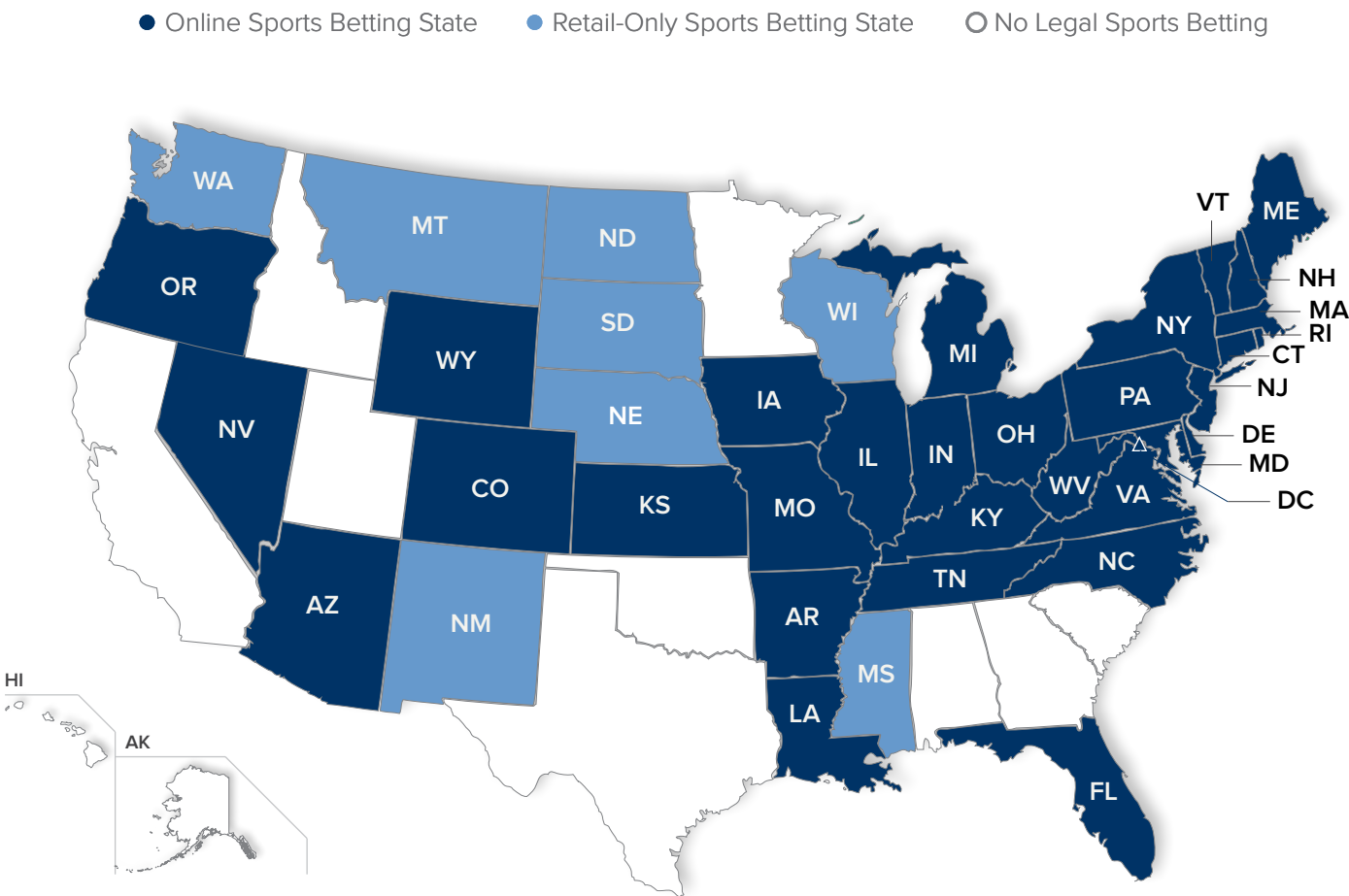
Tax revenue will fund compulsive gambling treatment, support racetrack host communities, and fund Nebraska property tax relief.

Source: Eilers & Krejcik Gaming Research / Measure OSW

¹ The two-measure package is composed of (1) a constitutional amendment and (2) a state law change, but we refer to it as "Measure OSW" for simplicity

Nebraska Is Surrounded By States With Legal Sports Betting

Key Takeaway: 40 U.S. states now offer some form of legal sports betting, including several of Nebraska’s neighbors such as Iowa, Kansas, Colorado, and Missouri. Nebraska is one of a shrinking number of states without legal online sports betting. Measure OSW would allow Nebraska to regulate and tax wagering activity that is currently occurring in neighboring states¹ or with unregulated offshore operators.



Numbers To Notice

40

States with some form of legal sports betting

32

States with legal online sports betting

5

Nebraska neighbors with legal online sports betting (WY, CO, KS, MO, IA)

All five online states launched in the last 7 years:
IA (2019), CO (2020), WY (2021), KS (2022), and MO (2025).

Source: Eilers & Krejcik Gaming Research / State Governments

¹ See [GeoComply's 2025 analysis](#) on “the busiest cornfield in Iowa,” where “thousands of bettors from Omaha cross the border into Iowa to place wagers this NFL season”

§2. Market Size And Tax Revenue Forecasts

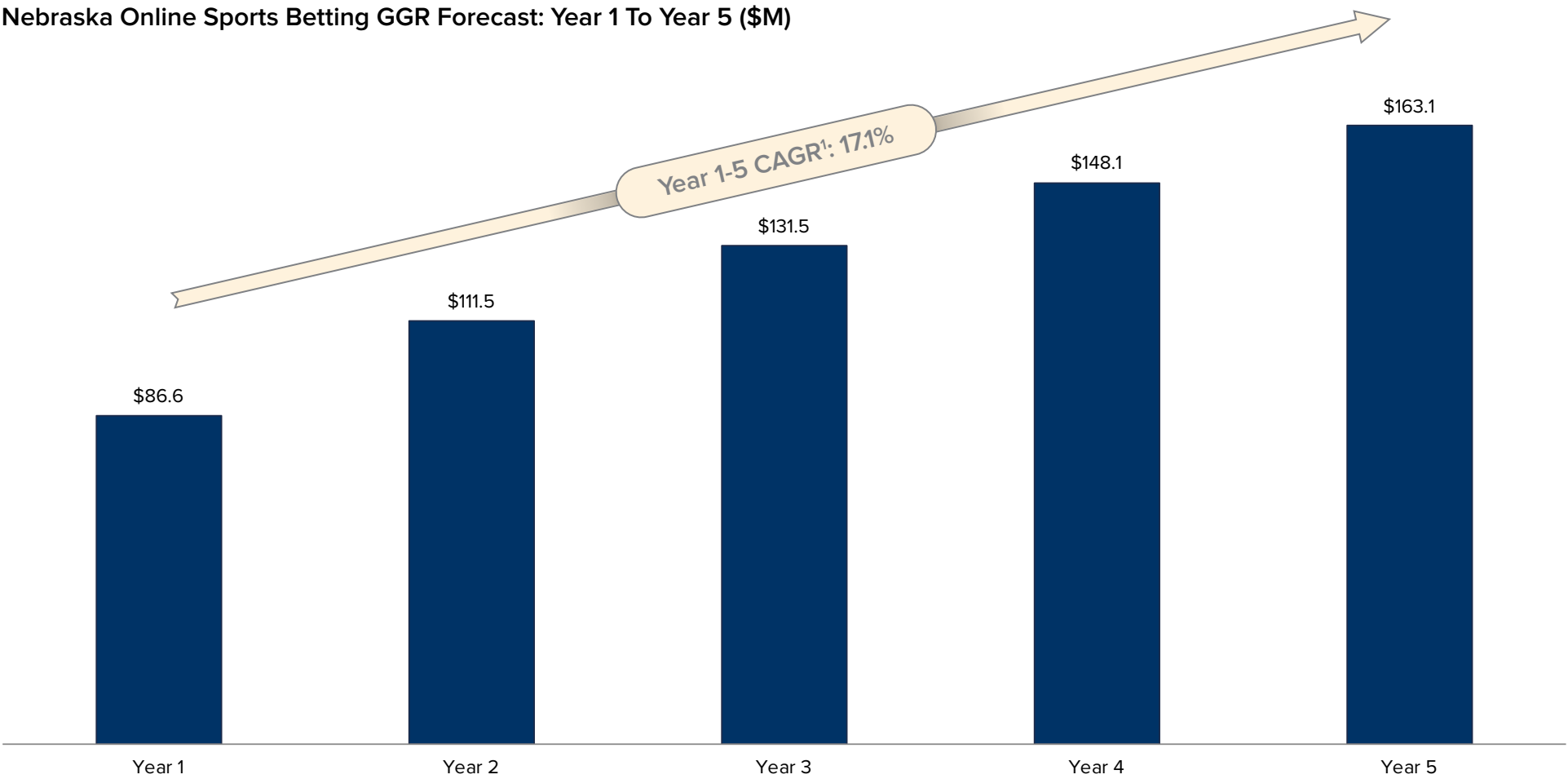
In this section, we set out our forecasts for Nebraska's legal online sports betting market. Our forecasts were guided by the provisions in Measure OSW.



By Year 5, We Project Nebraska Online Sports Betting GGR Will Reach \$163.1mm

Key Takeaway: We project that the legal Nebraska online sports betting market will generate GGR of \$86.6mm in Year 1, rising to \$163.1mm in Year 5, for a five-year total of \$640.9mm. A more detailed discussion of the assumptions that drove our projections can be found in Section 3.

Nebraska Online Sports Betting GGR Forecast: Year 1 To Year 5 (\$M)



Source: Eilers & Krejcik Gaming Estimates / Measure OSW
Note: All outputs in 2026 U.S. dollars
¹ CAGR = compound annual growth rate

We Estimate That Nebraska Online Sports Betting Tax Revenue Will Reach \$25.4mm In Year 5

Key Takeaway: We project that Nebraska will generate online sports betting tax revenue of \$8.2mm in Year 1, rising to \$25.4mm in Year 5, for a five-year total of \$86.9mm. Note that our tax revenue calculations account for deductible promotional credits and federal taxes.

Projected Nebraska Tax Revenue From Online Sports Betting: Year 1 To Year 5 (\$M)

(Figures May Not Sum Exactly Due To Rounding)

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 1-5
Handle	\$860.1	\$1,072.2	\$1,223.5	\$1,333.4	\$1,420.6	\$5,909.8
Hold Percentage	10.06%	10.40%	10.75%	11.11%	11.48%	10.84%
GGR	\$86.6	\$111.5	\$131.5	\$148.1	\$163.1	\$640.9
Deductible Promotional Credits ¹	-\$43.3	-\$39.0	-\$39.5	-\$37.0	-\$32.6	-\$191.4
Deductible Federal Taxes ²	-\$2.2	-\$2.7	-\$3.1	-\$3.3	-\$3.6	-\$14.8
Taxable Revenue	\$41.1	\$69.8	\$89.0	\$107.8	\$127.0	\$434.7
Tax Rate	20%	20%	20%	20%	20%	20%
Total Tax Revenue	\$8.2	\$14.0	\$17.8	\$21.6	\$25.4	\$86.9

KEY FORMULAS

Gross Gaming Revenue (GGR)

*Total Handle
x Hold Percentage*

Taxable Revenue

*Total GGR
- Deductible Promotional Credits
- Deductible Federal Taxes*

State Tax Revenue

*Taxable Revenue
x Tax Rate*

¹ Under Measure OSW, promotional credits (bonuses and free bets) are deductible from GGR for purposes of calculating state taxes owed. Our methodology for estimating deductible promotional credits can be found in Section 3.

² Under Nebraska law, taxable revenue is calculated net of "all federal taxes, other than income taxes, imposed on the operation of such games of chance." Based on our research and industry consultation (including communications with the Nebraska Racing and Gaming Commission), we interpret this provision as applying principally to the federal wagering excise tax (0.25% of handle), which appears to be the only non-income federal tax that operators routinely deduct in jurisdictions with similar statutory language (e.g., Missouri). Our tax revenue projections reflect this interpretation. We note that the provision could in theory encompass other non-income federal taxes, though we are not aware of operators deducting any such additional taxes in practice.

We Project \$60.9mm For Nebraska Property Tax Relief Across Years 1-5

Key Takeaway: We estimate that legal online sports betting would generate \$60.9mm for Nebraska property tax relief across the first five years of operations. We use a combination of our tax revenue projections and tax revenue distribution provisions from Measure OSW to generate our estimates.

Projected Revenue For Nebraska Property Tax Relief From Online Sports Betting: Year 1 To Year 5 (\$M)

(Figures May Not Sum Exactly Due To Rounding)

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 1-5
Total Tax Revenue	\$8.2	\$14.0	\$17.8	\$21.6	\$25.4	\$86.9
Local Share = 25%	\$2.1	\$3.5	\$4.4	\$5.4	\$6.3	\$21.7
State Share = 75%	\$6.2	\$10.5	\$13.3	\$16.2	\$19.0	\$65.2
Compulsive Gamblers Assistance Fund = 2.5%	\$0.2	\$0.3	\$0.4	\$0.5	\$0.6	\$2.2
General Fund = 2.5%	\$0.2	\$0.3	\$0.4	\$0.5	\$0.6	\$2.2
Property Tax Credit Cash Fund = 70%	\$5.8	\$9.8	\$12.5	\$15.1	\$17.8	\$60.9

Note: All percentages reflect share of total tax revenue. Local share and state share percentages sum to 100%; state share sub-allocations (2.5% + 2.5% + 70%) also sum to 75% of total tax revenue.

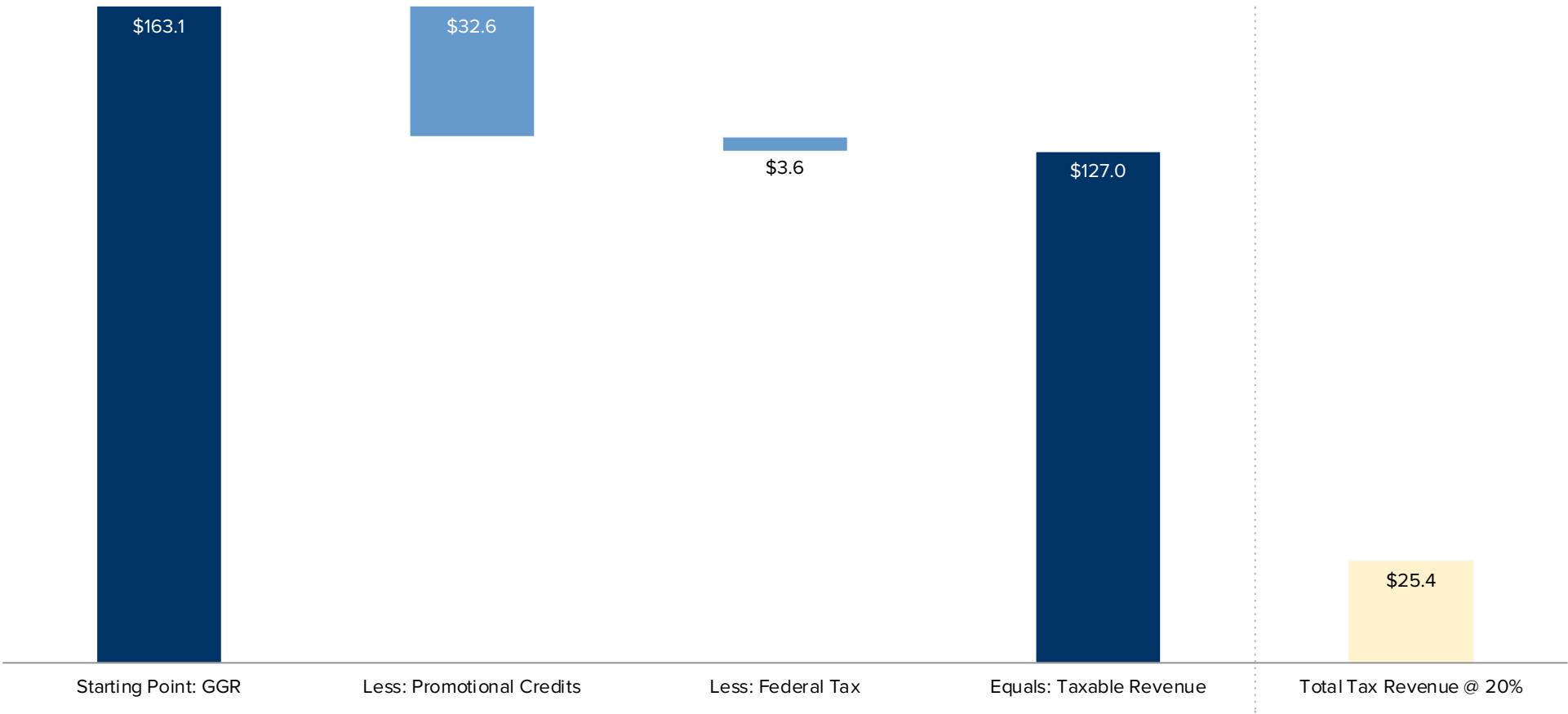
Source: Eilers & Krejcik Gaming Estimates / Measure OSW
Note: All outputs in 2026 U.S. dollars

Depicting The Journey Of GGR To State Tax Revenue Under Measure OSW

Key Takeaway: To help readers visualize the tax calculation, we show how \$163.1mm in Year 5 GGR converts to \$25.4mm in total tax revenue. After deducting promotional credits (\$32.6mm) and federal taxes (\$3.6mm), taxable revenue totals \$127.0mm. At the 20% tax rate, this yields \$25.4mm in total tax revenue.

Illustrative Online Sports Betting GGR To Tax Revenue Build (\$M)

(Figures May Not Sum Exactly Due To Rounding)



Source: Eilers & Krejcik Gaming Estimates / Measure OSW
Note: All outputs in 2026 U.S. dollars

§3. Methodology

In this section, we discuss the major assumptions that drove our forecasts for Nebraska's legal online sports betting market.



Overview

The proprietary Eilers & Krejcik Gaming sports betting model forecasts the U.S. sports betting market on a state-by-state basis. Model outputs are expressed as gross gaming revenue (GGR) in constant 2026 U.S. dollars and are anchored in trailing 12-month GGR-per-adult values from comparable regulated markets.

We considered several comparable online sports betting markets in the construction of the model, weighting each based on our assessment of its relative fit with the likely Nebraska market across dimensions including competitiveness, population size, cultural similarity, and market maturity.

These weightings are as follows: Iowa (20%), Kansas (60%), Kentucky (10%), Wyoming (10%). Kansas receives the highest weight due to its recent launch timing, similar tax and market structure, and regional proximity to Nebraska.

As part of the comparisons, several adjustments were made to account for differences between states, including:

- ➡ **Income:** Differences in personal disposable income between states, derived from U.S. Bureau of Economic Analysis (BEA) data.
- ➡ **Sports fandom:** Differences in state-specific sports interests, based on a bundle of Google Trends index values over the past five years. This index was compared to proprietary fantasy sports wagering data from across the U.S. to ensure it was representative of the intended differences.
- ➡ **Internet penetration:** Differences between states in the estimated share of households with internet access, based on data from the U.S. Census Bureau and the World Bank.
- ➡ **Other adjustments:** Differences between markets in gaming availability, tax rates, and competition levels. Other minor adjustments were also made to account for data limitations.

Discussion Of Key Learnings From Comparable Markets That Guided Our Forecasts

Below, we set out and discuss a handful of salient macro trends in U.S. markets that informed our modeling process.

- ➡ **Recently opened online sports betting markets are ramping up very rapidly.** Markets that have launched since 2021 (including Arizona, New York, Kansas, Ohio, and North Carolina) have shown signs of reaching maturity far more quickly than earlier markets. Publicly traded operators such as [DraftKings](#) have acknowledged that customer acquisition in the most recently opened markets, including Missouri (2025), is ramping faster than ever before. Given these trends and the favorable policy structure of Measure OSW (which facilitates operator investment in marketing and customer acquisition), we project the Nebraska market will reach baseline maturity in approximately five years.
- ➡ **The rapid ramp-up trajectories are driven principally by a few large operators** who, at launch, are marketing more aggressively and acquiring customers more quickly than at any point since PASPA was struck down in 2018. We assume these operators will enter the Nebraska market and invest accordingly.
- ➡ **Promotional spending on online sports betting has been significant, especially during launch years.** In the small number of comparable markets that disclose promotional spending (such as Colorado, Kansas, Michigan, and Ohio) promotional outlays have reached up to 76% of online sports betting GGR in the first year of operations. In subsequent years, promotional spending typically falls to a smaller share of GGR as operators shift focus from customer acquisition to retention and margin optimization. We expect the Nebraska market under Measure OSW to be competitive, so we assume promotional spending equal to roughly 50% of GGR in Year 1, stepping down to approximately 20% of GGR by Year 5. This trajectory is a key driver of our tax revenue forecast because Measure OSW would permit operators to deduct promotional spending when calculating taxes owed. Heavy promotional spending in Year 1 results in lower taxable revenue early on, but tax revenue grows significantly as promotional spend declines and the market matures.
- ➡ **Nebraska's neighboring states already offer legal online sports betting, suggesting significant existing demand.** Iowa (launched 2019), Colorado (2020), and Kansas (2022) all border Nebraska and currently operate legal online sports betting markets. [GeoComply data](#) (2025) shows that thousands of Nebraska residents are already placing wagers through Iowa operators. Legalization of online sports betting in Nebraska would allow the state to capture and channel this existing demand into a regulated, taxed market.

Discussion Of Core Forecasting Variables

To generate our forecast for the Nebraska online sports betting market, we calibrated and applied variables that tend to have a significant, direct impact on market size. Those variables are summarized below.

- ➡ **Tax Rates And Licensing:** Tax rates and license restrictions are two of the most important policy drivers of market size. Our model adjusts market size higher for lower tax rates and greater license availability, and vice versa. These variables interact, so they are modeled simultaneously in a matrix calibrated using Eilers & Krejcik Gaming team judgment, case studies from other jurisdictions, and external research. We note that headline tax rates are only one dimension of effective tax burden; the definition of taxable revenue—including whether promotional credits and federal excise taxes are deductible, as they would be under Measure OSW—materially affects operator economics. In terms of licensing, impact on market size is largest when available licenses increases from one to two, with diminishing marginal effects seen when that number increases past five.
- ➡ **Competitiveness:** This variable reflects the reality that competition, market saturation, and per-capita marketing spend are more intense in larger states. Larger markets offer greater opportunities for costly marketing campaigns, may prompt more aggressive operator behavior due to sunk costs of market entry, and provide scale benefits. Nebraska, with a relatively small adult population, falls toward the lower end of the U.S. market spectrum, and our model adjusts accordingly. We acknowledge that this variable involves judgment and have identified it as an area for refinement in future model versions. We include it because state-reported promotional spending data supports the premise that operators spend more per player in large markets than in small ones.
- ➡ **Collegiate Betting Restrictions:** Nebraska law currently prohibits wagering on collegiate events involving Nebraska colleges, whether those events take place in state or out of state; Measure OSW would not overturn the prohibition. This restriction is particularly relevant given the absence of professional sports teams in the state, which suggests Nebraska bettors are likely to over-index on college sports relative to the national average. To bound the potential GGR impact, we built a sub-model drawing on college betting's share of total GGR in comparable markets, Nebraska's share of Division I programs, and an estimated bettor bias factor. The restriction is estimated to reduce overall online sports betting GGR by approximately 2%, and our forecasts incorporate this adjustment. Importantly, the restriction applies only to events involving Nebraska colleges; bettors would remain free to wager on the full national college sports calendar as well as all professional sports.

Discussion Of Online Sports Betting Ramp-Up Assumptions

Based on our analysis of U.S. markets, with particular emphasis on recently opened markets, we project that the Nebraska online sports betting market will reach baseline maturity (exit its rapid initial growth phase and enter a period of gradual growth) in approximately five years. We assume growth is front-loaded, reflecting heavier early marketing and customer acquisition investment by the largest operators currently driving rapid ramp-up rates in comparable markets like Kansas and Missouri.

Discussion Of Handle Calculations

For this report, we estimated online sports betting handle for Years 1-5 of our GGR forecast. Since the proprietary Eilers & Krejcik Gaming sports betting model forecasts GGR rather than handle, we reverse-calculated handle values using hold percentage assumptions.

The table below shows our hold percentage assumptions by year. These assumptions reflect both observed trends in comparable markets (Iowa, Kansas, Kentucky) and our view that higher-hold products, including parlay variants and in-play betting, will compose an increasing share of Nebraska online wagering activity over time. This trajectory is consistent with hold percentage increases observed in maturing online sports betting markets nationwide.

Nebraska Online Sports Betting Handle Projections (\$M)

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 1-5
Online Sports Betting GGR	\$86.6	\$111.5	\$131.5	\$148.1	\$163.1	\$640.9
Gross Hold Percentage	10.06%	10.40%	10.75%	11.11%	11.48%	10.84%
Online Sports Betting Handle	\$860.1	\$1,072.2	\$1,223.5	\$1,333.4	\$1,420.6	\$5,909.8

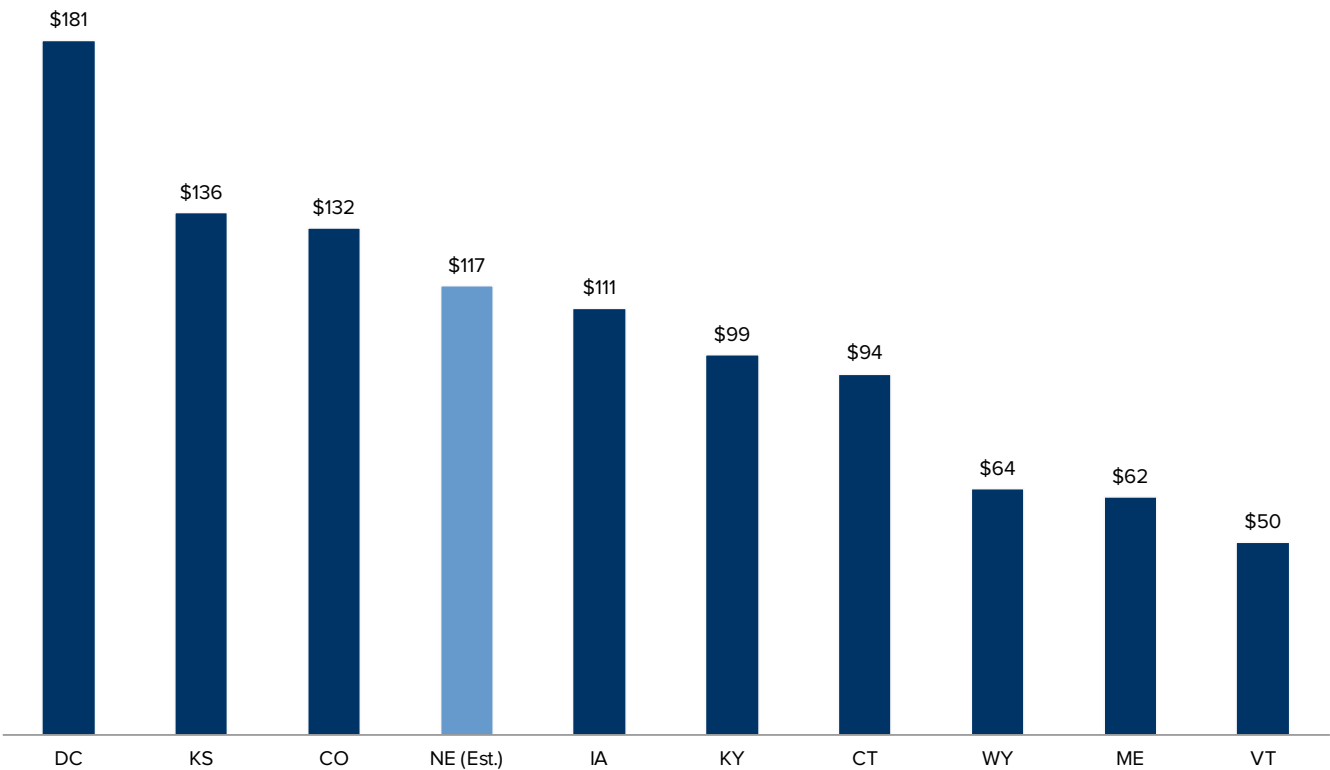
Source: Eilers & Krejcik Gaming Research And Estimates / State Regulators
Note: All outputs in 2026 U.S. dollars

Discussion Of Online Sports Betting GGR Per Adult Productivity

Below, we compare our estimate of Nebraska's online sports betting GGR per adult at baseline maturity (\$117) to online sports betting GGR per adult values from a handful of comparable markets during the 12 months through December 2025.¹ Although this comparison is imperfect—each market is at a different stage of growth and has unique policy, economic, and cultural characteristics—our Nebraska estimate sits near the middle of the comparison group, well below the highest-performing markets.

The upshot: This comparison suggests that our Nebraska online sports betting GGR forecasts are conservative and more likely to understate than overstate actual market performance.

Online Sports Betting GGR Per Adult Comparison: Nebraska (Est.) vs. Select Markets (Actual)



Online Sports Betting GGR Growth Rates By State

State	Opened In	Y/Y GGR Growth ¹
DC	2020	91.6%
KS	2022	34.1%
CO	2020	23.7%
IA	2019	27.6%
KY	2023	21.3%
CT	2021	19.5%
WY	2021	19.5%
ME	2023	20.2%
VT	2024	13.3%

Note: All comparable markets shown continue to exhibit Y/Y GGR growth, indicating that even mature markets are still expanding.

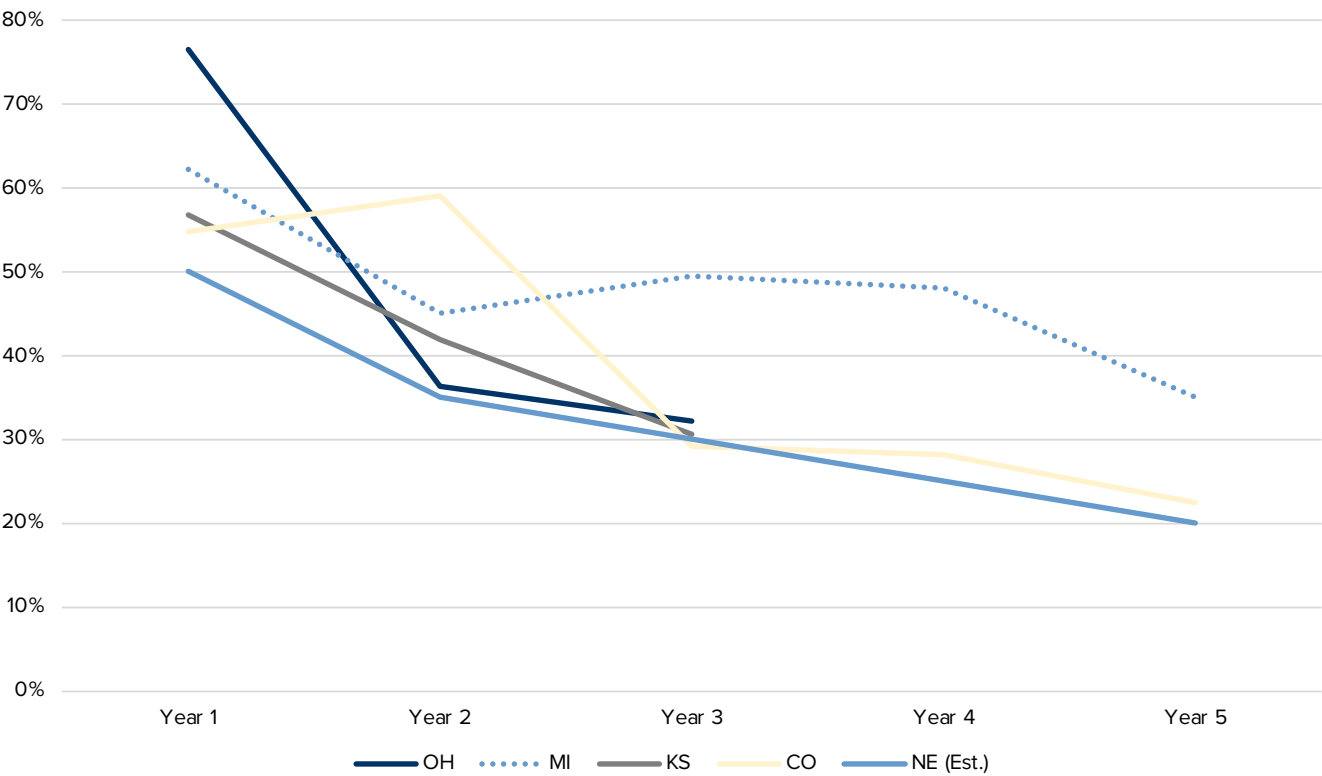
Source: Eilers & Krejcik Gaming Research And Estimates / State Regulators
¹ Y/Y GGR growth corresponds to the 12M through December 2025 vs. the 12M through December 2024

Discussion Of Promotional Credit Assumptions

Promotional spending (bonuses and free bets offered to attract customers) is highest in Year 1 across all states, reflecting customer acquisition focus. Promo spending typically declines as operators shift from acquisition to retention and margin optimization, though competitive dynamics (e.g., new entrant ramp-ups) can create non-linear patterns, as seen in Michigan.

Promotional intensity is correlated with market size, as larger states support higher customer acquisition spend and more aggressive competitive dynamics; Nebraska’s smaller population implies lower promotional intensity, and our assumptions reflect this downshift relative to large state benchmarks such as Ohio and Michigan.

Online Sports Betting Promotional Credit:GGR Ratios: Nebraska (Est) vs. Select States



Promo:GGR Ratios By State

State (Launch)	Y1	Y2	Y3	Y4	Y5
OH (2023)	76%	36%	32%		
MI (2021)	62%	45%	50%	48%	35%
KS (2022)	57%	42%	31%		
CO (2020)	55%	59%	29%	28%	22%
NE (Est)	50%	35%	30%	25%	20%

Note: Data shown reflects years for which promo:GGR ratios are available from state regulatory disclosures. Blank cells indicate years where data is not yet available. Nebraska’s projected promo trajectory reflects its smaller market size and runs below larger competitive markets like Ohio and Michigan.

Discussion Of Collegiate Wagering Restriction: GGR Impact Methodology

Nebraska law prohibits wagering on all games involving Nebraska colleges.¹ With no tier 1 professional teams (e.g., NFL, NBA) to anchor better activity, Nebraska bettors are expected to over-index on college sports. Our sub-model estimates this restriction reduces baseline online sports betting GGR by approximately 2%, incorporated into all GGR and tax revenue projections. Even under high-end assumptions, the impact remains modest (<3.5%) as the restriction applies only to Nebraska teams, not the broader college betting ecosystem.

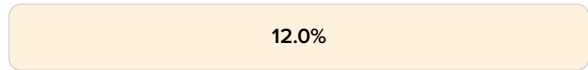
Step 1: College Share Of GGR At Baseline

We estimate that college sports wagering represents approximately 12% of total online sports betting GGR at baseline, drawing on state regulatory disclosures and Google Trends sports interest data.

Comparable Market Data Sources

IL sports betting data (all college sports)	6.6%
CO sports betting data (football and basketball only)	14.7%
Google Trends (all states)	12.6%
Google Trends (online sports betting states)	11.8%
Low (average of IL and Google Trends OSB states)	9.2%
High (CO)	14.7%
Midpoint	12.0%

College Share Of GGR



Step 2: Nebraska College Team Share Of Nebraska College Wagering

Nebraska hosts 3 of 265 (1.1%) major D1 programs (FBS + FCS)², but with no professional teams in the state, we apply a better bias factor of 14x (range: 8-20x) to reflect that Nebraska bettors are expected to over-index heavily on their college teams.

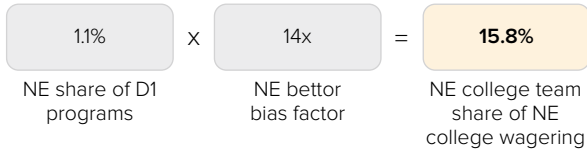
Nebraska Share Of All D1 College Programs

NE D1 programs	3
Major U.S. D1 Programs (FBS+FCS)	265
NE share of major D1 programs ²	1.1%

Nebraska Better Bias Factor

Low	8x
High	20x
Midpoint	14x

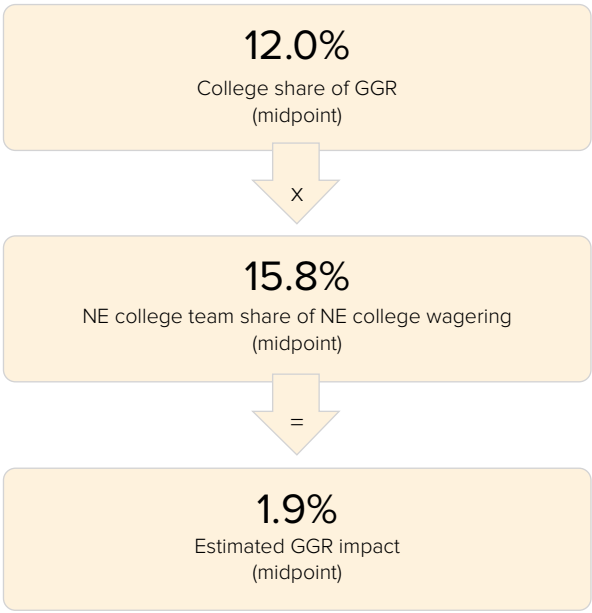
Nebraska College Team Share Of NE College Wagering



Step 3: Estimated GGR Impact Of Prohibition

Multiplying the college share of total GGR (12.0%) by Nebraska's college team share of Nebraska college wagering (15.8%) yields a midpoint GGR loss of approximately 1.9%, which we apply as a discount to all GGR and tax revenue projections.

Estimated GGR Impact Calculation



Source: Eilers & Krejci Gaming Research And Estimates / State Regulators / Google Trends / NCSASports.org

¹ Nebraska bettors may still wager on the full national college calendar; only games involving Nebraska colleges are prohibited

² Nebraska hosts three NCAA Division I schools—University of Nebraska (NU), University of Nebraska at Omaha (UNO), and Creighton University. Only NU is among the 265 with major football programs (FBS+FCS), though all three schools feature athletic programs active in other major men's and women's sports (e.g., basketball, baseball, soccer)

Note On Nebraska Retail Sports Betting

Retail sports betting is already legal in Nebraska and is not the subject of Measure OSW. This report focuses exclusively on the online sports betting market that the ballot measure would authorize. For context, we provide our retail GGR projections below.

We project that Nebraska's retail sports betting market will generate GGR of \$5.3mm in Year 1, declining to \$4.4mm in Year 5 as the market matures and as the online channel, which we project will account for approximately 96% of total Nebraska sports betting GGR, captures an increasing share of wagering activity. This dynamic is consistent with the experience of comparable U.S. markets, where the online channel typically dominates once introduced.

Retail sports betting GGR is excluded from all tax revenue and property tax relief projections presented in this report.

Nebraska Retail vs. Online Sports Betting GGR Forecasts: Year 1 To Year 5 (\$M)

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 1-5
Retail GGR (\$M)	\$5.3	\$5.1	\$4.9	\$4.7	\$4.4	\$24.4
Online GGR (\$M)	\$86.6	\$111.5	\$131.5	\$148.1	\$163.1	\$640.9
Retail Share	5.8%	4.4%	3.6%	3.0%	2.6%	3.7%
Online Share	94.2%	95.6%	96.4%	97.0%	97.4%	96.3%

Source: Eilers & Krejci Gaming Research And Estimates
Note: All outputs in 2026 U.S. dollars

Discussion Of Modeling Approach And Limitations

Our forecasts are built on the best available data from comparable U.S. markets and reflect the professional judgment of the Eilers & Krejcik Gaming team. Below, we discuss key features of our modeling approach, including deliberate methodological choices and inherent limitations common to any forward-looking market analysis.

- ➡ **Our forecasts are deliberately anchored in observed, trailing market data rather than forward projections,** meaning they do not capture the ongoing growth that comparable markets like Kansas and Iowa continue to exhibit. If we ran this analysis next year using the same methodology, the resulting projections would likely be higher simply due to growth in the underlying benchmarks. In that sense, our estimates are conservative by construction.
- ➡ **Our model draws on the most culturally and structurally relevant U.S. comparable markets available.** U.S. jurisdictions like Kansas and Iowa offer the closest comparable data for a market like Nebraska. While the relative newness of most U.S. regulated markets (the majority have been operational for fewer than five full years) introduces some inherent uncertainty, these markets nonetheless represent the most directly applicable data set for forecasting Nebraska's online sports betting potential.
- ➡ **Our ramp-up assumptions reflect the rapid maturation trajectories observed in recently launched markets.** Recently opened markets that are comparable to Nebraska, like Kansas, are showing signs of maturing rapidly. The favorable policy structure proposed by Measure OSW, including a competitive tax rate with promotional credit deductibility, is designed to facilitate the kind of operator investment that has driven rapid ramp-up in these comparable markets.
- ➡ **All outputs are presented in constant 2026 U.S. dollars.** Our model does not adjust for the impact of inflation over time. To the extent that inflation increases nominal consumer spending on sports betting in future years, our projections may understate nominal GGR and tax revenue.
- ➡ **Actual market performance could differ from our projections.** While the factors above suggest our forecasts may understate results, we note that outcomes could also fall below our estimates if, for example, regulatory implementation or operator entry is delayed, or if migration from neighboring state and offshore accounts proves slower than anticipated.

Appendix: Illustrative Long-Term Revenue Extension

In this appendix, we extend our five-year forecast through Year 10 using a longer-term, equilibrium-based approach, recognizing that forecast precision declines beyond the core five-year horizon.



Illustrative Extension Through 2036: Purpose And Methodology

Purpose and interpretation. Years 1-5 reflect our detailed market analysis and judgment about Nebraska's development. Years 6-10 provide an illustrative long-term scenario based more heavily on long-term demographic, economic and secular market-growth assumptions. The extension shows revenues and fiscal proceeds conditional on the Year 5 market and stated trend assumptions; actual outcomes may differ.

We assume key market traits reach broad equilibrium by Year 5, while secular OSB growth continues beyond Nebraska's adoption ramp. Revenue follows external population and real-income projections, with a temporary premium fading to zero by Year 10. Year 1 is assumed to be 2027; Years 6-10 (2032-2036) extend Year 5 GGR of \$163 million. All results remain in constant 2026 dollars.

Source diligence. We screened federal and state agencies, universities, nonprofit organizations, and private forecasters for 2025-2026 vintages, coverage through 2036, Nebraska specificity, age detail and compatible income/GDP measures. We distinguished annual forecasts from planning assumptions and publication dates from model vintages.

Population selection. UVA Weldon Cooper's 2026 Nebraska age/sex projections incorporate Census estimates through 2025. Adults 21+ are estimated as ages 25+ plus 80% of ages 20-24, assuming uniform ages within that band. Geometric interpolation between 2030 and 2040 gives 0.29% annual adult-population growth.

Economic selection. The U.S. Energy Information Administration Annual Energy Outlook (EIA AEO) 2026 provides annual real disposable personal income and population through the required horizon. After-tax income was preferred to GDP as a measure of consumer purchasing power. U.S. real income per capita is a proxy for Nebraska and is forecast to grow at a 2.07% compound annual rate over 2031-2036; we apply each year's growth with an income elasticity of 1.0. EIA uses S&P Global's August 2025 model. Its Counterfactual Baseline is a planning scenario, not a designated most-likely outcome.

Betting-growth calibration. We use New Jersey and Pennsylvania as large, established online sports betting benchmarks, with Iowa and Indiana adding Midwestern context and Iowa neighboring Nebraska. All launched online sports betting in 2018-2019, so the 2023-2025 window captures growth several years after launch; public regulator data support comparison with state GDP. Half the median sports-betting GGR growth above nominal GDP (10.36 percentage points) provides our 5.18-point starting premium, declining linearly to 3.88, 2.59, 1.29 and zero points in Years 7-10. We assume secular growth in the future will not necessarily match the 2023-2025 premium, and therefore adopt these more conservative values. The sample includes retail betting and rising hold; the premium and taper are calibration assumptions rather than estimated causal relationships.

How we calculate each year. We start with the previous year's revenue. Increase it for growth in Nebraska's adult population, then by that year's real income growth per person plus the temporary premium. Year 5 hold, promotional share, excise and tax rates, and allocation shares stay fixed; dollar amounts grow with revenue. Illustrative Year 10 GGR is \$208mm; an alternative without a premium gives \$183mm.

What could change the outcome. Illustrative factors include a different launch date, Year 5 market size or adoption path; different migration, adult-population or real-income growth, including Nebraska growing differently from the U.S. proxy; changes in participation, betting frequency, stakes or sports interest; operator entry, exit, consolidation or promotional spending; new products, parlay mix or betting results that change hold; shifts between legal online, retail, offshore and competing products, including prediction markets, or changes in neighboring states; and changes to permitted wagers, college-betting restrictions, advertising, responsible-gambling rules, taxes, deductions or revenue allocations, or other unforeseen events and market changes. Sports-calendar disruptions, economic shocks and technical outages could also affect results. The secular premium may persist longer or fade faster than assumed. These factors could raise or lower revenue and fiscal proceeds; the list is not exhaustive.

Illustrative Extension Implies \$166.2mm In Property Tax Relief Across Years 1-10

Key Takeaway: Under our illustrative long-term extension, we estimate that online sports betting would generate \$166.2mm for Nebraska property tax relief across Years 1-10, including \$105.3mm during Years 6-10. The extension assumes market growth moderates after Year 5, with real GGR growth declining from 7.35% in Year 6 to 2.42% in Year 10.

Nebraska Online Sports Betting: Five-Year Forecast And Illustrative Long-Term Extension

Assumed Year 1: 2027 | Years 1-5: Market Forecast | Years 6-10: Illustrative Extension

Key Variable	Year 1 2027	Year 2 2028	Year 3 2029	Year 4 2030	Year 5 2031	Year 6 2032	Year 7 2033	Year 8 2034	Year 9 2035	Year 10 2036	Total 2027-2036
Online GGR	87	112	132	148	163	175	186	195	203	208	1,608
Annual real GGR growth	—	28.85%	17.91%	12.66%	10.11%	7.35%	6.16%	5.05%	3.82%	2.42%	—
Online handle	860	1,072	1,224	1,333	1,421	1,525	1,619	1,701	1,766	1,809	14,331
Gross hold	10.06%	10.40%	10.75%	11.11%	11.48%	11.48%	11.48%	11.48%	11.48%	11.48%	11.22%
Promotions / GGR	50.00%	35.00%	30.00%	25.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	23.93%
Deductible promotions	43.3	39.0	39.5	37.0	32.6	35.0	37.2	39.1	40.6	41.5	384.9
Deductible federal excise	2.2	2.7	3.1	3.3	3.6	3.8	4.0	4.3	4.4	4.5	35.8
Taxable revenue	41.1	69.8	89.0	107.8	127.0	136.3	144.7	152.0	157.8	161.6	1,187.3
Total tax revenue	8.2	14.0	17.8	21.6	25.4	27.3	28.9	30.4	31.6	32.3	237.5
Property tax relief	5.8	9.8	12.5	15.1	17.8	19.1	20.3	21.3	22.1	22.6	166.2

Notes: Totals use unrounded annual amounts; hold and promotional rates are ratios of period totals. Cumulative amounts are undiscounted, in constant 2026 dollars. Taxable revenue deducts promotions and federal excise; tax and property-tax allocation rates are 20% and 70%.

Source: Eilers & Krejcik Gaming Estimates / UVA (2026) / EIA AEO (2026) / Census / State Regulators / BEA-FRED

Note: All outputs in 2026 U.S. dollars



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