

individual who has a lottery terminal, which is usually a retailer, a convenience store, a grocery store, or some place like that, you pick what numbers you want and you buy a lottery ticket. Then later on that week there will be a drawing, and this is the type where you see the balls go rolling down the tube and they come out, and there usually are somewhere in the range of 5 or 6 balls, and you know obviously that would be specifically determined by the director, as he develops the lottery. And, if you picked those numbers correctly, you win the jackpot. If you pick 5 of the 6 right, you win a lesser prize, 4 of the 6, an even lesser prize, and so on. So those are the two general types of games that would be allowed. We would specifically prohibit video lotteries. I know that's a discussion that we had on the constitutional amendment, when Senator Smith had an amendment to that that would specifically have prohibited video lotteries in the Constitution. Well, if you recall, she withdrew that amendment on debate last week. And now we have a provision within LB 849 that specifically says that the types of games that can be played are types of games that are played in other states, with the exception of video lotteries. Video lotteries would be specifically prohibited by the committee amendment to LB 849. So what this would do, we'd have a statutory prohibition on video lotteries. Somewhere down the line, if the legislature decided video lotteries were something that the state wanted to become involved with, we could go in and amend that statute. But, if we adopt the committee amendment and the bill passes with the committee amendment intact, video lotteries would not be allowed under a state lottery. The proceeds of the lottery specifically would go to a lottery operations fund. They would pay the expenses of the lottery out of that. Then it would go...the remainder would go to the state lottery prize fund, out of which the prizes would be paid. And, finally, the funds would...whatever is left out after prizes are paid would go to the Education Innovation Fund. As I indicated previously, there are other people that I think will address that. The prize pay out of the lottery, under the amendment, would have to be at least 40 percent of the money that is spent on lottery tickets. The typical pay out, nation wide, on state lotteries is right around 50 percent. It varies greatly from game to game, some lotto games pay out as little as 35 percent, some scratch-out games pay upwards of 70 percent. But what we would require is that the total pay out would have to be at least 40 percent of the money that's spent on lottery tickets. There are a number of provisions that deal with the retailers who would be allowed to sell lottery tickets.