

pointed out, as I spoke a few moments ago, there would be this initial appropriation and then the money would be paid back to the state as lottery proceeds began to come in. So in real terms, this is a revenue neutral approach, even if it overlaps a biennium, isn't that true?

SENATOR MOORE: Yes, either way. If the \$2 million is appropriated this biennium, but I don't remember what the timetable is for paying it back, but even if it was paid back in the next biennium, it would show as a \$2 million payout in one year and \$2 million in revenue the next. So, I mean, it is my understanding that it, indeed, pays for itself over time.

SENATOR WILL: Thank you. So as Senator Moore indicates, the way that the bill is structured, I think the time frame is it has got to be before two years the money has to be paid back, but as I explained earlier, the average payback time that it takes is actually much shorter than that. I think the longest that I found nationwide is it took Delaware 18 months to repay the start-up costs. In fact, in Iowa it took them three weeks to repay the start-up costs. So this is something that, obviously, if you get a good lottery structure implemented, which is what our aim is by passing LB 849 along with the constitutional amendment, you are in a position where you can implement a game fairly quickly, and at that point, you have revenue coming in and can repay that General Fund commitment as quickly as possible, and it would certainly be my intent, and I would state that for the record now, that the \$2 million should be one of the first priorities, if not the first priority, of being of lottery funding, that that lottery money that is coming in should go immediately to reimburse the General Fund. Essentially, what we are doing is loaning \$2 million to the Department of Revenue for start-up costs. The other thing I think it is important that we talk about is the lag that there would be if we don't pass LB 849A. If LB 849, in essence, is approved by the voters in November of 1992, and at that point the clock would start running for the Revenue Department to set things up because they would have \$2 million if we pass LB 849A; if we don't do that, they are sitting there. They are waiting for us to come back next session to appropriate money at that point, and they would not even have an appropriation unless we did some sort of an emergency thing, they would not have an appropriation until July of 1993. So we are talking about a lag from the time that the Board of Canvassers certifies the vote, probably in December of 1992, all the way until July of 1993,