

this point in time, I think a slight increase in the percentage that goes to the Gaming Division of the Department of Revenue would more than offset their costs in oversight and enforcement of these provisions. So at this point, I am going to oppose Senator Smith's amendment to the committee amendments, and they are well-intended, and I would entertain that again next year if I guess the need for that were proved, but I do intend to offer that other amendment, if this is not adopted, on Select File. Thank you, Mr. President.

SPEAKER BARRETT: Thank you. Before recognizing Senator Schmit, the Chair is pleased to announce that Senator Abboud has some guests in our north balcony. We have 40 fourth graders from Seymour School in Omaha with their teacher. Would you people please stand and be recognized. Thank you. We are pleased that you can be with us. Senator Schmit.

SENATOR SCHMIT: Yes, Mr. President, I would like to ask Senator Smith some questions, but because of past experience, Senator Smith, I am going to hopefully have you answer on your own time, or I am not going to get a chance to speak. And so the questions I want to raise are these. First of all, the total income from all lotteries including pickles, lotteries, keno, the roulette wheels, et cetera, and all those other various lotteries, the total income that we have received from those the past year would have to stay level; and, number two, how does that compare with the income received by local government; and, number three, what kind of growth do you anticipate in that area; and, number four, if you were to separate the pickle business from the lottery business, how do they compare for income-producing both at local level and at the state level? After saying that, then I want to say that I oppose very much the increase from 2 percent to 3 percent, because given the percentage that are involved, it would mean in some instances, I am sure, that the state would receive more revenue than does the local government. Now the local government is taking the risk. The keno operations that are operating in Bellevue and Ralston, and to the best of my knowledge, in South Sioux City require that the city pay the prizes and the operator is guaranteed a percentage, and then in this instance, we would guarantee the state. It is possible for the cities under this formula to receive less than the state. Now it would be very easy for me to support this kind of an amendment because it means that those of us who come from small communities, and probably will not be able to run much of a lottery under this system, would be able