Senator Smith, is it possible for a city to contract, for example, with a nonprofit entity such as the VFW or the Legion to conduct the lottery for them or must the city contract with an individual entrepreneur?

SENATOR SMITH: Senator Schmit, first of all, they would have to have a license. The city would have to be licensed and then that so-called operator or that organization you're talking about would have to be licensed.

SENATOR SCHMIT: Yes, at David City, for example, which did vote and approve a lottery a number of years ago, could David City, for example, contract with the Legion Club in David City to conduct the lottery for them?

SENATOR SMITH: Are they...is David City, itself, conducting a lottery or has it been...is it licensed to conduct a lottery?

SENATOR SCHMIT: They have been licensed to conduct a lottery in the past. They are not at the present time conducting a lottery.

SENATOR SMITH: All right, they would, first of all, have to then if...I don't know...I don't know the situation in David City, did they...how many years ago was it?

SENATOR SCHMIT: They were...they were terminated on December 31, 1984.

SENATOR SMITH: They could then, if they decided that they wanted to institute a lottery they would have to, first of all, make that decision and then they could, if that other facility...cr that other organization were licensed, they could contract with them.

SENATOR SCHMIT: Would that organization...that organization could be licensed by the state. Is that right?

SENATOR SMITH: Yes.

SENATOR SCHMIT: I see. All right, thank you very much. That really doesn't impact upon this amendment but I did want to ask that question at this time. Mr. President and members, I would ask the adoption of the amendment and I hope I made it clear. Perhaps Senator Conway or Senator Smith can elaborate further.