

of Revenue distributes them with codes and all the other protections. There is no illegal pickles. If there are, they are a very small portion of the business. Give the Department of Revenue the authority, if you will, to distribute the pickles. They are going to find all kind of folks that are for free enterprise that are going to oppose that but, ladies and gentlemen, you will see the revenue from pickles dramatically improve. Now I am going to give you one more word of caution. You know in Nebraska we have allowed local option lotteries and we have seen a proliferation of what we call keno. Now the State of Nebraska gets 2 percent out of that. The cities can get up to 19, which is not really much sense either because that is self-defeating, but the point is this.

PRESIDENT: One minute.

SENATOR SCHMIT: We have decided to give away to local government the revenue from keno. The day will come on this floor, it won't be any of us, I am sure, but someone is going to stand up and say it was never intended that the State of Nebraska would surrender to the cities a hundred million dollars worth of revenue annually but we did. And once you have done it, ladies and gentlemen, do you think you are ever going to recover it? When the State of Nebraska is hurting for revenue, we are going to look at that and we'll probably be too late. Now the really serious flaw in that local option, city option situation is that the money is supposed to be used for community betterment, can't even use it for property tax relief directly. And so we usually spend that money on items we don't need or things we don't want because we have got it there anyway. So, ladies and gentlemen, I ask Senator Smith to pursue the idea of looking at...

PRESIDENT: Time.

SENATOR SCHMIT: ...what has been done in other states to get some kind of handle on what you are doing so you get the tax revenue that you should get from the gambling that goes on and stop ignoring that which goes on which you don't like to acknowledge. Thank you very much.

PRESIDENT: Thank you. Senator Smith, please.

SENATOR SMITH: Thank you, Mr. President. I would just try to clarify a few things. First of all, Senator Wesely asked if