

Division within the state, in order that you give the State of Nebraska the kind of enforcement authority you need to outlaw illegal gambling of any kind and to collect the legitimate taxes that this Legislature deems are appropriate on that which we decide to allow. I would suggest that the State of Nebraska, maybe Jacky Smith, Senator Smith and the General Affairs Committee, ought to check the State of Iowa and surrounding states who have established in advance their Gaming Commission, and then they allowed various kinds of gambling or gaming, as you might want to call it. Here in Nebraska we allowed the gaming to proliferate and then we said, by the way, why don't the Revenue Department go out and police it. Once it was in the...it was established, it was like having a forest fire going at Halsey and asking a small town fire department, like Bellwood, to put it out or to monitor it or to control it. It is almost impossible. Again, I want to say I think they have done a commendable job in the last few years. They have improved their staff. They have increased their staff and they...are much more on top of it than they were, but it is a very, very difficult situation. Last, but not the least, is that I think you have recognize that whether you want to admit it or not, there is a lot of illegal activity in this state, whether it be sport betting, whether it be other types of activity,...

PRESIDENT: One minute.

SENATOR SCHMIT: ...that is not being taxed, and the day will come in this state, possibly sooner rather than later, when we will recognize the need to tax that kind of activity. It would appear here that 1988 we collected \$6.6 million in taxes on bingo, pickles, raffles, and lotteries. I would suggest, ladies and gentlemen, that is probably maybe 15 percent of the tax that ought to have been collected. You know we have been in an unusual position of having excess revenues the last few years. As revenues become tighter and tighter, I would expect the enforcement of this act to be more desirable. I just want to say that whatever you do, regardless of how you adjust these revenues, you have to be certain that you give the Department of Revenue sufficient funds to collect the taxes that are due. If you do not, you are going to defeat the entire purpose. I would suggest that this is one place where you might earn thousands of percent interest on your investment by giving to the Department of Revenue the money they need to enforce the statutes, as far as I am concerned somewhat...not a very good statute, but at