

the nonprofits that have more outlets can afford to give their operators more, can afford to give their sales agents more, and they are then in an unfair competition basis with those nonprofits who maybe do not wish to become quite so expansive in their marketing chain. As I indicated earlier, most of the states who regulate charitable gaming do so on the definite profit method rather than the gross proceeds method. I believe that this is a good change. I believe that by capping what the operators can get, in this case now it will be the liquor establishments; in capping what the sales agents can receive, that we, by then putting in place a range of payout, can serve all of our nonprofit organizations in a more equitable fashion. I would ask for the adoption of this amendment. I believe that the thrust behind it is what the original thrust of authorized legislation was intended,...

PRESIDENT: One minute.

SENATOR MOREHEAD: ...that being that the nonprofit organizations were supposed to receive the monies, not the sales agents, not the operators, not the public, in fact, but the nonprofits. Recognizing that there is a certain payout to the public falling within that range of 65 to 75 percent, this allows for some competition, if you will, within a given range, but it still encourages, by far, a lesser level of gambling with more return to the nonprofit. And I would ask for your adoption of this amendment to the committee amendments. Now I realize that switching from an understandable 5 percent of gross seems like quite a leap to switch now to 20 percent of definite profit. But everybody behind the glass out there and all of your nonprofits at home understand that switch from gross to definite profit. So even though the number sounds larger, I believe that with the understanding of people in the business that this is a fair level and can be accepted by them. Again, I ask for your adoption of this amendment to the committee amendments.

PRESIDENT: Thank you. Senator Hall, please, then Senator Vard Johnson.

SENATOR HALL: Thank you, Mr. President, and members, I rise in opposition to Senator Morehead's amendment to the committee amendments. It is interesting that we now find a need to generate more money for the nonprofits. Yesterday, we voted to wipe out one-third of the outlets. Last year, we voted to