

SENATOR BEUTLER: And once the court determines that the factual basis is not there, they will say we are seeking to do indirectly what we could not do directly and they will strike it down just as surely as they struck it down earlier this spring. The result of all I'm trying to tell you is that this is the last real hope of the depositors and what we're asking you is not to give them lottery proceeds, not to put them in a category above anybody else, but simply allow them the possibility of sharing, if at some point in time in the future the Legislature should choose to once again, as they have done in the past, recognize the legitimacy of their cause.

SENATOR LANDIS: Time, Senator Beutler. Thank you. There are nine lights on and they appear in this order. Senator Schmit, first; Senator Smith, second; followed by Senator Schimek, Senator Crosby, Senator Schellpeper, Withem, Hall, Haberman and Will. Senator Schmit is recognized.

SENATOR SCHMIT: Senator Landis, members of the Legislature, Senator Beutler, would you yield as briefly as possible to the question, does this amendment not repeal the provision in the State Constitution which states that you cannot give tax funds to some individual?

SENATOR LANDIS: Senator Beutler, do you yield?

SENATOR BEUTLER: Senator Schmit, the effect of this amendment is to repeal for the limited purpose of the reimbursement of the Commonwealth depositor all provisions which would otherwise prohibit reimbursement.

SENATOR SCHMIT: Thank you, Senator Beutler. I do not read it that way and I do not believe the court will read it that way. I believe what you are...lottery proceeds are a moot point. You must, if you have a lottery, take in the funds from the lottery and place them in the State Treasury. Then, in order to pay them out of the Treasury to an individual, for any purpose, there must be a repealer of that portion of the Constitution which says you cannot extend the credit of the state. I do not believe that under this provision that you are undergoing that limited repealer process just strictly for the purpose of reimbursement of Commonwealth depositors. Secondly, I do not know whether this is valid or not either, but you would...you would probably know, and that is that this provision applies to those three industrial loan companies which suffered a loss.