

adverse impact upon the legal gambling, the horse racing as Senator Rod Johnson pointed out, the keno games and the bingo games, and so since we don't seem to want to enforce that, I'm not in the mood to add more money there right now when I've been told that three out of four pickles in the state are counterfeit and no one seems to want to do anything about it. Then it would seem to me to be the best place to go with the money is the General Fund and maybe the Appropriations Committee might decide to place some more money into some other aspect of law enforcement, local government or highway patrol to carry out those enforcement responsibilities. So reluctantly I oppose my good friend Senator Smith's amendment.

SENATOR MORRISSEY: Thank you, Senator Schmit. Would anyone else care to speak to the Smith amendment to the amendment? Seeing no one, Senator Smith.

SENATOR SMITH: I would like to close. I would like to make it very clear, one of the things that I didn't mention when I was talking about the fact that revenues would go down, but what was told to me, and I believe it very strongly is that if you allow the electronic keno game to be played in the state, the tax that is presently being paid in on the on line game which is the basic keno game that is operating right now in the communities, will go down because the play of that game will go down. They'll then revert more to the instant, if you want to call it that, or the electronic game as is being proposed in this amendment. So that's the argument that what they are going to have to work with for the regulation, that Senator Hall expressed a need for and I think Senator Schmit agrees with me that we need, would go down, because right now the 2 percent tax that is played on the on-line...or paid, excuse me, to the state on the on-line game is split so that 60 percent of that goes directly to the General Fund right now, with 40 percent of that 2 percent tax going to the Gaming Division for these responsibilities they have. So what we are just saying, in effect, is that because this amendment is allowing for electronic keno to be played, if this amendment passes, the on-line game playing will go down and so the 2 percent tax that goes to the proceeds of which go partly to the Charitable Gaming Division will go down. So they are saying that we should make this become then, rather than go to the state, it should go to the Charitable Gaming Operations Fund, and there it is split with 60 percent of the amount that comes in going to the state of the amount that comes in, 40 percent being retained.