

Contact:

Evelio Silvera
Executive Director
636-399-2776 – direct



exposing the dark side of gambling

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Compromise offered to save stalled scholarship

A true compromise that avoids many of the current entanglements has been offered to guarantee funding for the smart start scholarship.

JEFFERSON CITY (4/10/07) – Since the Missouri Senate has reached an impasse concerning SB430 – the Smart Start Scholarship – a compromise has been offered to a Senate leader that would avoid many of the pitfalls that both gambling opponents and proponents articulated during debate on the bill two weeks ago that lasted until 4:00am.

“There have been several issues raised with SB430, which could jeopardize the scholarship being offered in the bill,” explains Casino Watch Executive Director Evelio Silvera. “There are Senators who are uncomfortable with the removal of the loss limit, the raising of taxes on casino revenues, and the creation of a cap on casinos, but there is a middle ground which guarantees funding for the scholarship and answers many of these concerns,” states Silvera.

The compromise being offered as an amendment to SB430 would not impose a tax increase on casino revenues, nor would it remove the loss limit or create a cap on the number of casinos. The language of the amendment would create a \$5,000 slot machine licensing fee that would generate over \$113 million for the smart start scholarship and the Missouri teaching fellows program.

During debate on the floor over SB430, Senators from both parties raised several concerns about the specifics of the bill. The compromise being offered does not put Senators in a situation where they would have to go against the people’s will by repealing the loss limit and expanding gambling, or raising taxes, or creating a monopoly for the current casinos in operation in Missouri. The compromise, however, does allow Senators to guarantee that the smart start scholarship and the Missouri teaching fellows program would be fully funded without relying on Missourians to lose more money in casinos.

Senators have explained on the floor that the fiscal note for SB430 is not guaranteed since any potential casino revenue increase due to the removal of the loss limit is merely speculative. “It is possible that this bill could pass, removing the loss limit, and still not generate enough funds to fully fund the scholarship,” states Silvera, “If the Senate’s intentions are to assist Missouri high school students with a fully funded scholarship, than this compromise amendment does that without endangering the people of Missouri by removing the loss limit.”

Casino Watch is the only Missouri watchdog organization solely dedicated to exposing the dark side of gambling. For more information please visit www.casinowatch.org (new website coming soon).

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