

May 19, 1975

SENATOR WARNER: I used the same argument when it was to my advantage because it looks logical, but it's not how it is. I'm sorry.

SENATOR F. LEWIS: Well then you explain to me how it's not. Perhaps you can put it in detail. I'll try to grasp it.

SENATOR WARNER: In the first place Senator Lewis, the reserve is there which takes care of part of this. There's going to be more over and above the reserve. Cash flow is not that tight. It will still allow it. I don't know how to tell you other than there is no problem this year. It has worked consistently in the past, exactly what we're doing. It can continue to work in the future. There is no problem. There is not a need to adjust the rate this year in order to provide the funding for 368.

SENATOR F. LEWIS: Senator Warner, you answered that very clearly. It's certainly not oversimplified because I didn't understand your answer, nor did anybody else. Let me ask this question. Now you're setting it at 12 to take care of obligations through July. That's your only concern?

SENATOR WARNER: No sir. It sets it at 12 and it takes care of the states obligations through December 31st and leave 17 million more than is required. In addition to the 17 million it still permits the 5% reserve which is another 18 million, or 35 million, more than will be spent through December 31, 1975.

SENATOR F. LEWIS: Well how do you know what's going to be spent through December 31st at this point in time? There's probably a \$35 million flux ... or let's just take half of that, \$17 million we don't know if we're going to spend or not spend between now and that time. How'd you arrive at 12?

SENATOR WARNER: What I'm saying is the money will be there to do it.

SENATOR F. LEWIS: I have another motion in just a minute. I'd like to respond to Senator Marvel's comment. Senator Marvel said I was way off base in saying that we've dealt with the tax rates every year. Now this is the third session I've been here. Two out of the three sessions the Legislature has done something with the tax rates, or attempting to. They attempt to on the third one. Now that appears to me, Senator Marvel, that that makes a pretty good case of what I said. Two out of three ain't bad. Oh of course it does ... these are unusual years. Mr. Chairman, I don't think that there's enough knowledge now of what we're going to spend, how we're going to spend. I think Senator Barnett made it very clear. I think we ought to wait a couple of days on this issue. I'm going to move to bracket the bill until Wednesday.

PRESIDENT: There's a motion to bracket 589 until Wednesday. I have some other lights on. I'm sure that those lights relate to the bill itself. I have a record of the lights that are on. If you don't care to be recognized on the issue of bracketing please waive as I call to you. Let's try to confine our remarks to the issue of bracketing. Senator Dickinson.