

SENATOR WARNER: Mr. President, members of the Legislature, there are no Committee amendments to the bill at this point so I will go through and explain, I guess briefly if that's possible, the contents of the bill. I should point out that there will be as there always are probably some technical amendments or perhaps some corrective amendments but the Committee will review those and offer them on Select File so that if any of you are contacted by an agency that is concerned that there was correction or adjustment that should have been made that was not done on General File, you can assure them they will be properly considered and those that are recommended by the Committee will be offered on Select File. Again before I start the agencies, I'd remind you that as I indicated yesterday, as a broad policy the Committee did about five things that apply to all agencies with exceptions and I'll note those when I come to it, but those five general policies included the six and a half percent increase in the dollars for salaries. The allocation of those funds will come in following legislation. We also had a zero percent increase in operating funds for each of the agencies with exceptions where it was necessary or appropriate. We also automatically increased all of the costs for increased health insurance, Social Security and as a general policy we only approved in capital outlay, we only approved replacement rather than new equipment but with an occasional exception where the new equipment was necessary for some particular function or where there was staff added and the amount of capital outlay that was necessary for that staff that was also added. The first agency is the Department of Education. As you look at the general administrative operational budget there is some decrease from what the agency requested particularly in general funds. I should point out first that we did use approximately \$150,000 of federal funds which were administrative overhead costs that were available to reduce the impact on the general fund. \$70,000 of that will only be a one time benefit however, because there had been an accumulation of these funds. So next year that availability of federal funds will only be in the vicinity of \$80,000. One of the things that we did not recommend that you may be interested in that we did not include it in the recommendation, a \$130,000 request from the agency for an assessment battery which was a new program. It probably has merit but again with the general policy a very few new or expanded programs because of the budget conditions, it was not included at this point. The next major program that may be of interest that deals with state aid. There are four different activities included in program one forty-three. Within that total amount of \$69,000,000 portion which is federal funds, the general fund impact is a little under a million dollars for wards of the court. It's about \$340,000 for reserve teachers, a little under \$1,000,000 for the state matching of school lunch. The other portion all deals with state aid. I would suggest that the distribution of that state aid within the next year, an appropriation bill probably should reflect whatever the body decides on the bills that will be considered next Monday but the distribution formula that's within the budget bill fully funds the Foundation Equalization Act which will probably be at a level of approximately \$47,000,000 or a little over dollars and the balance of the \$55,000,000 would be distributed under 79-4160 which is the flat per pupil average daily membership distribution. Next program dealing with the emergency, medical, technician, ambulance and fire safety was funded at the department's request plus we added two individuals to this department for this activity, that is we provided the funds that retained two individuals that otherwise would not have been able to remain. Some of you