

which is a requirement, because we took it out of the one up above, and then there is an additional exception in the case of higher education where they have summer schools so that it's clear and this is the practice they now have, that the cost of salaries for those summer schools in which the school is in operation at the end of the...during the time which the fiscal year ends that the salaries and other expenses, if they are appropriated that way, can be encumbered for the balance of that summer school period, which was occurring in two different fiscal years. Again, as I have indicated, the general purpose is to limit the purposes for which encumbrances can be made. They will remain purchase orders that are issued, but the goods have not been received, or goods that were received but the invoice for those costs has not yet been received by the department. It does provide additional where the services or goods, and the invoice, were received but for some reason, and usually it would be because they came so close to the end of the fiscal year that they could not have been paid prior to June 30th, and the allowance for salaries where they were...actually occurred before the end of the fiscal year. Contracts for services in Section 2 of the bill...contracts for goods or services to be provided in the subsequent year do not represent a valid encumbrance of the current year's appropriation that will require a specific reappropriation so that...or a new appropriation for them to be valid. So that's something they cannot do by encumbering money. And then Section 3 requires that if money is encumbered it must be spent within the following twelve months, and if it is not why by Section 4 the money is lapsed back to the general fund. The general purpose of the bill is to insure better accountability on the part of the Legislature through the appropriation process, that encumbrances are in fact limited to these purposes, and are not indirectly used as a way to expand their available funds the following year without specific legislative action to permit it. I move adoption of the committee amendments, Mr. President.

SPEAKER MARVEL: The motion is to....Senator Maresh, do you wish to be recognized?

SENATOR MARESH: Mr. Speaker, a question of Senator Warner.

SPEAKER: Senator Warner, do you yield?

SENATOR MARESH: Senator Warner, will this override present law where funds are allowed, say like the NRD funds are allowed to be carried over from year to year?