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themselves. Either that or they will have to come back to this Legislature and ask for additional funds. Now the conservation fund was created by Senator Bereuter several years ago and the emphasis was to be placed upon small projects and all of us recognize that in the area of conservation it is always more popular to build a small dam than a large one but a small dam to a farmer is maybe a pond of a half an acre or an acre. A small dam to a SCS technician is probably five or ten acres. To a Natural Resource man it is going to be twenty to thirty acres. To a Corp of Engineers man, a small dam is several thousand acres. So it is all a matter of interpretation but the problem comes from the funding so we at that time only put \$500,000 into the conservation fund. Governor Exon vetoed that money. The Legislature overrode the veto and I joined in that override. At the present time, then we have two funds, the development fund and the conservation fund.

PRESIDENT: One minute on Senator Rumery's time.

SENATOR SCHMIT: One serving small projects benefiting individual landowners, the other serving larger projects benefiting a larger area. Now the watershed fund was a fund we created to allow the Natural Resource Districts to borrow from it for projects which they could not handle themselves such as the purchase of a farm where it was deemed beneficial rather than to acquire an easement. This was a revolving fund and that money approximately is about a million dollars. We have had to put \$150,000 money in that this year and there will be some reappropriations to the fund this year. The problem with the watershed fund, and that is going to come up to haunt us in the next few years, is that in the past the Natural Resource Districts were able to buy an entire farm and develop it and sell it, and inevitably because of inflation, they made money on it and so the fund was never depleted. But now due to a court decision, a federal court decision, the Natural Resource Districts can only acquire by purchase the exact amount of land they need for the project and so, I visited with Senator Warner about this, and he may wish to comment, and so there is some concern on the part of Senator Warner and other members of the Budget Committee that the watershed fund will be depleted in the next few years because once the land has been treated for conservation measures, turned into a lake or some other project, it will not have the increased value that it had before when it was an entire part of a farm. So we are going to be called upon in future years to appropriate additional funds to the watershed fund. So at that point in time,