

SENATOR DeCAMP: Number three, as it exists right now we still have a target budget of \$763 million. That is what this Legislature decided and I think it is important that you remember that until we change it with 25 votes, 17% wouldn't accommodate that anyway under the present circumstances. Based on everything then, I think the resolution probably is an improper approach at this time.

SENATOR CLARK: Your one minute is up if you'd like to give four minutes to Senator Warner.

SENATOR WARNER: Mr. President, members of the Legislature, I'm not sure who I'm arguing with now. I want to point out a couple of things about the resolution. Number one, it very clearly indicates that the purpose for changing the rate to 17 is because of change in the federal income tax. Now whether the tax commissioner writes another notice now or as he did in November for that board meeting, I don't know that it is significant but I believe it has already been considered once. Secondly, the issue of cash flow has been raised. Cash flow is not affected. It is true that if the income tax was changed May 1 or April 1 instead of June 1 there might be some small difference but not significant in terms of cash flow but cash flow is not going to be a problem provided, and that is provided if we change the date for the 25% payout on state aid that was scheduled for what, September or October. That is the key, not the one cent as a matter of fact and even that may not necessarily be required. Secondly, the delay is not going to increase any need for a higher rate at this time. Appropriations could do it but the delay will not make any difference but the tax liability that will be incurred will be retroactive. It is only a matter of when it comes into the treasury but based on the figures, at least I have seen, cash flow is not a problem and so I would agree that there is no need to make this change at this point even though there certainly was a need to make it last November and I wish that many of those who support the 17 now would have supported 16 then. Then perhaps we wouldn't have had as much of a problem but I have promised not to make "I told you so" speeches and so I'm not going to say as much as I'd like to say. With that, I see no need for the resolution and I would move that the...support the kill motion.

SENATOR CLARK: The question before the House is the indefinite postponement of the resolution. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Record the vote.