

that they are permitted under the guidelines by the Exec Board and so this reduction really does not require a reduction in staff. It merely reflects what is a fact that all of the money is not used each year. It will mean that you would not be able to have more staff than you now have. The next two affecting the Supreme Court and the District Court is a reduction in their operating expenses of 3%, only the operating expenses, which they were not involved in the cut in November, and I will tell you that both of these and a couple of other cases the reduction is...they have a single program as far as the budget is concerned and the cut is less than what would have been incurred had the previous amendment been adopted, they think they can live with this. In the case of the Attorney General, for the last couple of years we have felt that there was a need for a budget officer in that agency. This deferred delays the effective date of that until January 1st instead of July 1st so it is cut in half. In the case of special ed, this puts the special ed appropriation at the level recommended by the Governor. The reason it is included, if you will recall, Senator Koch's amendment that was adopted the other day which ensured that the deficiency would fully appropriate the amount that is required and when based on that there is no concern I believe for that reduction. In the case of the Department of Revenue, the first one is just a flat reduction in their operating expenses that I think they can absorb, the committee feels they can. The second one is a reduction in the increase for homestead exemption. It still permits a 3.28% increase which ought to be pretty close to what the trend for increase has been over the last two-three years. In the Department of Ag, it inserts some cash funds for general funds based on legislation that is pending. The Department of Health, this is one that some of you may object to. It is the \$400,000 that we have discussed before that dealt with the cancer research but, as a matter of fact, the money that is currently appropriated in all probability will not have grants made by the end of the fiscal year and we merely reflect that and we will have the full appropriation next year which would meet those grants. The Department of Motor Vehicles is merely an elimination of some improvements that was initially in the bill in their computer operation. The Department of Roads is putting the local transit at the same level it was initially recommended by the Governor. In the case of Water Resources, the stream gauge maintenance, originally we had full funding for twelve months to pick up 14 stream gauges that might no longer be funded by federal funds. It is now our understanding that that would not take effect in any event until October 1. So a reduction,