

have been had the federal government not made its change, and I would suspect there will be other miscellaneous receipts looked for but the question remains how difficult do you want to make it for the state. Now what the proposal is very simply, it accepts all of the reductions that were proposed by the Governor in the three percent operations sheet that was passed out to you, the first sheet. It accepts the reductions in state aid as recommended by the Governor. In addition, based upon an estimate, and I have freely said that this is the most questionable one on the list, of reducing homestead exemption by \$945,000, the appropriation. I have heard estimates up to \$2 million that we may have appropriated above actual need but those final figures do not come in until the 30th of June...the 30th of November and I freely admit that that may be an estimate. The next change I make is in the three percent as represented by the Governor dealing with cash funds and this is the two, one of which I have already made reference to, of the \$2 million of Institutions money that they already have requested to be replaced with general fund money next year. The other one is Environmental Control Waste Program funding deferral which also has automatically been requested as an increase in the general fund for '82-'83 and I believe that those deferrals should not be made. In capital construction I am accepting all of the Governor's proposed repeals or reductions in capital construction but I am not suggesting that we do the deferrals, and again to provide greater flexibility for the next session. In the case of the overrides as they were indicated on the Governor's original sheet, the amendment up there will retain the \$600,000 appropriation for the alcohol program but it excepts the \$92,704 appropriation that was associated with one of the bills enacted last session. That \$600,000 is made up from the \$680,000 as you see unencumbered Department of Education aid funds. The Commissioner of Education indicated at the hearing that she had encumbered that amount on June 30th of this year, and when all of the final reports was in, she did not need that amount and it will be unencumbered and hence will not...it in effect could be called a receipt to the general fund and that is the monies used to offset alcohol. She could not use it for her operation this year because it is encumbered funds and obviously it can only have one thing (interruption)...

PRESIDENT: One minute, Senator Warner.

SENATOR WARNER: ...is to be reimbursed to the general fund. The last item then again is the other cash fund and my same reason for putting it on is what I mentioned earlier. It is