

PRESIDENT: The Chair recognizes Senator Wesely.

SENATOR WESELY: Thank you. Mr. President, members of the Legislature, I would say that at this point it is very appropriate to consider this amendment because it is quite clear from the vote on the last one that the proposal Senator Warner has proposed has been rejected. I think there was a lot of debate about the problems with Governor Thone's proposal. The Appropriations Committee which met last night for over three hours could not come to a conclusion between those two items so here is a third alternative, one that has been seriously considered and carefully thought out, one which I think addresses the problems that we face in the state with the slowdown in the economy but does so in a more equitable fashion than either proposals that you have now considered up to this point. I think that what this bill, that what this amendment says is that we are going to hold the line on taxes fairly. Yes, we are going to hold tax rates down. We are going to keep our budget down. We are going to make the cuts. We are going to do so in an equitable and fair fashion rather than just singling out state agencies which is what we have done at this point with the Thone proposal and with the Warner proposal. I think that this is a much better approach to the problem. Essentially what would result if you will support this amendment would be a one percent cut in state agency budgets and about a one percent cut in state aid to local governments total from the package that we send back to the local entities in the state. As most of you know about half of our budget which is a little over \$700 million, so about \$350 some million evidently goes back to local subdivisions of government. We are cutting about \$3.5 million from the personal property tax reimbursement fund. 3.5 is about one percent of the total state aid that we send back to local subdivisions. So they are going to suffer about one percent, state agencies will suffer about one percent. That seems fair. That seems equitable and I think it is something that can be accomplished with a minimum of disruption and the effects will not be as negative as what is proposed in the present legislation before the body. I think, as I said before, with the proposal we have, we have that third alternative that hopefully the stalemate that has been the case in the Appropriations Committee can be resolved by support of this amendment. The other alternative is either the bill as introduced or nothing or to do nothing which would result in an increase in taxes. So I think if your philosophy is to try and hold the line on taxes, you have a choice. You have the choice of adopting this amendment or going with the Thone proposal, and as far as I am concerned, you are going to find a much more responsive I think reaction to what we are proposing because it is