SPEAKER BARRETT: Thank you. Shall Section 2 of the committee amendments be adopted? All in favor vote aye, opposed nay. Have you all voted? Please record.

ASSISTANT CLERK: 27 ayes, 0 nays on the adoption of committee amendment number two, Mr. President.

SPEAKER BARRETT: Section 2 is adopted. To Section 3, Senator Warner, please.

SENATOR WARNER: Mr. President, members of the Legislature, this apparently is the section that we will have the most discussion on today. This section would transfer from the General Fund to the Securities Act Cash Fund in the amount of $50 million which intent language that that money would be invested in such a fashion that at least 20 percent could be available...invested in such a way that at least 20 percent could be available to be transferred to the General Fund each of the following five years out in the next biennium. Obviously, this concept was...became a committee amendment long before some of the other legislation, specifically, LB 84, was developed as it stands today. But, nevertheless, depending upon what happens and what bills are enacted, and I don't know what will be enacted, conceptually it seems to me that it may still be wise to retain it in a bill yet today. It may well be, as I have indicated before, that this and other provisions of the bill, or the bill's entirety may not, we may not even want to consider for passage later on. At the time, in part it was to set the money aside because we were anticipating a total lower level of expenditure and this would have had the benefit of keeping that cash, the reserve, at a lower and more acceptable level, and reducing that reserve by a means other than spending the money. I had passed out to you today a copy of a article that, received a couple of days ago, and actually, I was going to use it at some point, but it is rather interesting. Those of you, if you have had a chance to look at it, it talks about Connecticut and their current fiscal condition. And it shows where they went from a substantial surplus in 1987 to a substantial, a very substantial deficit anticipated for 1990, went from a 365 million surplus to an anticipated 882 million deficit, and I thought the analysis that was done on this was rather interesting. Essentially, what they did is increased their state spending at a rate of 15 percent, if you look on the second page, on the right hand side of the first page, over a period of time, where had they only increased spending at 9 percent instead of 15 percent, they would have not