

the bond revenue in currently in the Wastewater Treatment Facilities Construction Loan Fund. There was an amendment to that bill adopted on Select File that would allow DEC to setup a wastewater facility construction grant program for small towns. Senator Landis expressed a concern then that he would have preferred not to have had that because he had a concern about creating an A bill on his bill, which I understood. He has graciously worked with me and we have come up with this kind of proposal that would allow us to address that. That amendment, incidentally, specified that the Department of Environmental Control, who would administer that program, could incur an annual obligation of no more than 300,000. At this time, DEC is estimating that the financial need for the program would be around 100,000 the first year, '89-90, and perhaps 200,000 in '90-91. And there is currently an over-match to the federal money in the '89-90 General Fund appropriation for Wastewater Treatment Facilities Loan Construction Fund. So now to the amendment, with that background, what this amendment does is simply move 300,000 out of that Wastewater Facilities Construction Loan Fund, sets it aside separately in Program 523 where it would be used for that small town grant program. So there is zero net fiscal impact. And, originally, DEC had planned to move that 300,000 in to Fiscal Year '90-91 to meet federal fund match requirements. However, if LB 311 passes, the NIFA bond revenue generated by FY '90-91 should make up the difference in that amendment. So the way the amendment is drafted, the transfer would not occur unless LB 311 passes, but in the event that it does, this takes care of Senator Landis's concern about an A bill, would allow a transfer that would be good policy for small towns, and does not cause us any trouble with the current federal match. With that explanation, unless you have questions, I would simply ask you to adopt the amendment. Thank you.

SPEAKER BARRETT: Senator Landis, discussion?

SENATOR LANDIS: Thank you. I just want to acknowledge that this is an accounting practice that will allow us to set aside monies that will already exist but for the special purpose of assisting small towns who, because they have small tax bases, won't be able to take advantage of a revolving loan fund nearly as well as they'll be able to take advantage of a grant program. For that reason, I support this amendment and urge you to do as well.