

Journal, it would indicate the base year for this year would be '81-82, next year it would be '82-83, but it's a moving 15-year base on receipts and what it means is that the limitation on appropriations would be consistent with and the same as, over the long haul, with the normal growth that we see in receipts without a change in tax rates. This will run about 5.5 percent. That's what it historically has been and would probably continue to be in that area, but the point is that if you want a limitation on the state, you want to discourage the ability to expand government in good times, and I want to tell you...good economic times, but have funds on hand for those short economic times that this is the kind of concept that will do that. Those of you who have been here a while know and have seen where when the revenue growth is substantially above average and there appears to be substantial amount of revenue available, there is a tendency for that also to be the same time in which programs are expanded or programs are, new programs are approved because there's funds available, and the cycle that exists with sales-income tax comes along a few years later, we've established a new level of spending, revenue goes down and then all of a sudden we are not in a position to fund at that level and then we are either in a cut session or we're looking at increasing taxes or a special session, as the case might be. The purpose of this is that you even out those high spots and low spots. It gives stability to your funding when revenue times, when the economy is good, the revenue is exceeding averages, the money flows over to that Cash Reserve Fund. In the periods of time when the economy slows down, then that same Cash Reserve Fund flows back to the General Fund giving stability to the programs that the Legislature has approved. The key is that receipts do not grow faster, or excuse me, expenditures do not grow faster than what the receipts are over a period of time and you're not reacting on a 12-month basis or a four-year basis but you're reacting to a trend over a 15-year basis which is the key to having the stability. There are a couple of things that are exceptions in here. There is an exception for the transfers that occur every year. Those of you who are familiar with the budget will recall that there will be some money transferred perhaps from the Securities Fund, Securities Cash Fund. That will vary from year to year. It's an exception because you don't want to build in something that is temporary in nature as far as a permanent funding source. When those funds are available, if they are available, they can be used in a couple ways. One, they could be used in those times when you are in a tight economic situation but the other