

thing is that it could be used for one time expenditure such as 309 or some of those kinds of things where, because the funds are available, you could do it but not have an ongoing program based upon a funding from an unreliable source of revenue. The other thing that is an exception, of course, is the Cash Reserve Fund but that is because that flows back and forth and is intended to do exactly that, as Senator Robinson described it the other day, I believe quoting Senator Wehrbein, that that was when you park it into a savings account instead of the cash checking account and that's the concept that would be contained here as well. But those who have an interest of also applying some kind of a limitation on state government, this is one that was not designed just lately. It has been introduced. It's not introduced this year again obviously, but as I begin to hear discussion as this bill was being talked about that the state ought to have a limitation too, it seemed to me that the work that went into this concept over the last seven, eight years actually might be one that would be appropriate for you to consider and to review. So with that, again, I would hope the Legislature if you wish to put a limitation on the state would consider this one. What it does again is it keeps expenditure growth not greater than the growth in revenue. There is one exception I forgot. It does allow for a change from this if you establish a new tax or a new program which also includes a new revenue source and, obviously, if you're looking at the property tax issue and you want to pass a 1059 or you want to move a number of activities over to state government that currently is being paid by property tax and you have to, as a part of that, generate additional funds, then that becomes a unit unto itself and additional revenue, because of the additional tax, so then would obviously be needed would go to the funding of the new program. But this provides stability both of funding and of the programs over time for your ongoing programs and keeps government intact and gets away from the yo-yo effect which tends to be the case with the nature of sales and income tax in its response to the economy. With that I'd be glad to respond to questions, and if there is this interest, I at least believe this is an approach that is workable. It's an approach that would tend to give stability to funding of state government programs but also would discourage expansion just because of the fact that additional funds were available because the economy was good but that may be a minus in some people's side but it's a plus on the other side because you are going to be making cuts as deeply, certainly if at all, in those periods when the economy is slow and that maintains the quality of your services