

SENATOR MAURSTAD: Thank you, Mr. President. I echo some of the earlier comments of Senator Chambers relative to Senator Vrtiska's willingness to work on this bill and try to address some of the concerns before. But if Senator would yield to a couple questions. I have three...three basic concerns yet. First of all, if I'm reading it right, this would only provide this potential assistance to counties and cities and villages, correct? So other local government entities that might have similar troubles presented to them, I'll just say schools, but there are dozens of others, this would not provide them any special relief that this bill is providing counties, cities, and villages. Correct?

SENATOR VRTISKA: (Microphone not activated immediately.)
...this bill.

SENATOR MAURSTAD: Okay. And then do you foresee...now I think most local governments, as the state does, attempts to provide a cash reserve for a variety of reasons, cash flow, unforeseen emergencies, whatever it might be. Do you see this bill as providing incentives for counties, cities and villages to spend down their cash reserves because this might be available to them?

SENATOR VRTISKA: That's a concern that we talked about and I'm sure that many people would have an interest in. Based on the way the bill...I would hope that based on the way the bill is drafted, they would not be able to do that simply because it would take a couple of things to happen; first of all, some type of catastrophic flood, tornado, et cetera, that type of thing, along with some costs that are incurred because of the state's requirement that counties pay for certain...certain obligations, such as we've talked about before, as trials and those kinds of things, that would, in fact, reduce all of their funds down. And I would...it would be my opinion, and strictly my opinion, that if a county, or a city, or a village would do what you're saying, they would not be looked on with favor by the risk management people because certainly that would be obvious.

SENATOR MAURSTAD: So you think that would be a consideration that the Risk Manager and the Board of Claims might look at is if they had a historic pattern of reducing their cash reserves right down to a minimal or even considered a dangerous level, you think that that could be a factor in their not providing