

adopted, a 1 percent override with the supermajority vote. my amendment goes right to 3 percent the first year and 1 percent the second year without having a vote by the governing body. This amendment doesn't substantially change the Revenue Committee amendment in the following key areas; definition of governing body, definition of governmental unit, definition of population growth, provisions to encourage consolidation, provisions to allow for taxing entities to not use allowable increases, and provisions for enforcement including loss of state aid for noncompliance. So in many ways, this is certainly not a rewrite of the committee amendment, but changing one particular focus. For those that are looking at the amendment, Section 1 of the original committee amendment would be deleted. Section 2 of the committee amendment becomes Section 1 in my amendment. Section 3 becomes Section 2, and Section 3 becomes Section 2. There are no changes in any of those, in those sections, from the committee amendment. What is new in the amendment 3993 is subsection (4) of the first section, where it talks about restricted funds and defines restricted funds as property tax, excluding any amounts required to pay interest and principal on bonded indebtedness and any amounts refunded to taxpayers. It defines restricted funds as payments in lieu of taxes, as state aid, and as fees other than fees for enterprise funds such as electric, water, sewer, or hospital services, except that any portion of such fees which is budgeted to be used for general purposes not in connection with the enterprise function shall be considered a restricted fund. By doing this, you get at those funds that are directly related to property tax and thereby restrict the likelihoood that property taxes would continue to go up after we adopt the Revenue Committee's package. Item (5) in the amendment defines what state aid is. Generally speaking, we take from the statutes what the definition for municipalities, for counties, and for school districts. I did include the exception that state aid paid for special education would not be considered state aid under this amendment. That, of course, also was addressed in the Withem-Warner amendment that was previously adopted. So at this point, that wouldn't be necessary in this particular amendment. Finally, Section 2 deals with the 3 percent and 1 percent over the current fiscal year for restricted funds. One again, the increase, instead of being an overall budget increase, would be a 3 percent or a 1 percent increase over the restricted funds, which, once again, thereby limits the revenue associated with property taxes to those amounts, and will allow a great deal