

SENATOR WARNER: Mr. President and members of the Legislature, the amendment that's been handed out is one that we've discussed off and on this morning and it's now been passed out and I'll briefly go through the different aspects. As we indicated this morning, this amendment will take out the portions of the committee amendment that dealt with the restrictions on the total appropriations...or, excuse me, on the total budget and whether will be on restricted funds. So the first section of the committee amendment identifies that...excuse me, the first amendment deals with unused restricted funds authority and spells that portion out that we're dealing with these types of funds. The second amendment has a number of things in it, I indicated this morning, an amendment we did not take up that was filed, as further definition of capital improvements. And you will notice, this includes acquisition of real estate, furnishing and equipment of any improvement of except routine maintenance, acquisition of equipment with a useful life of less than five years shall not be considered as a capital improvement, and that is consistent with, for definition purposes, what we use in personal property tax, but it clearly identifies the types of things that are in and out. Line 21 deals with the population growth and the committee amendment, as it was presented, had both an increase or a decrease in which the growth was to be regulated. Now th's refers only now to increase and not to decrease. It also then clarifies at the bottom of the page the methodology of using the population growth, including that for schools, which would be average daily membership and, in the case of community colleges, the full-time equivalent students, all of these definitions that are otherwise used in other areas in the statute. In lines 9 through 11, again, deals with the switch to restricted funds and makes it consistent with that concept. Section 5...subsection (5), starting on line 14, and it is the definition of what those restricted funds are. They are property tax, including the amounts required to pay interest and principal on mutual...on bonded indebtedness or any refunds are excluded; payments in lieu of taxes are included; local option sales tax is included; permit and regulatory fees are included; state aid is included; fees from enterprise funds and operations are included only to the amount those funds are transferred to the, to the general operation of the entity that is using them. State aid, then, is identified for each of the entities, of the general state aid to municipalities and insurance premium tax. Also the