

February 24, 1975

SENATOR MARVEL: It is to that deficiency appropriation that I would like to post the next two or three questions. First of all, as I understand 555, the two million dollars that is in lieu of payment #3 which was due or would be due the end of March, is that a correct statement?

SENATOR LEWIS: No, I think it is in lieu of probably a combination, Senator Marvel, of the payment that was due December 30 and March 30.

SENATOR MARVEL: Will this take care of the obligations to the various school districts through the 31st of March?

SENATOR LEWIS: Yes.

SENATOR MARVEL: So that the balance left, then, would be applied on the final payment which would be, what, the end of June?

SENATOR LEWIS: I believe there could be two ways to do it and it depends on rules and regulations. As I understand it, the time table that the State Department of Education has now given me is about an April 20th time table. Those school districts that have not received money equal to three payments I would suspect would get their money equal up to three payments prior to June 30th. Those who have been in a situation where they have got money equal to three payments, obviously, wouldn't get any until the final payment.

SENATOR MARVEL: Well, in other words, and I don't know how to do this except to ask questions and I realize that 555 is a piece of emergency legislation but it is also tied to a long range program so it is quite serious that we, and important, that we get into these kind of questions. Now if I understand your answer at the moment, what you are saying in effect is that 555 represents only a part of the third payment. The balance, according to the Department of Education, will come on or before April 30th.

SENATOR LEWIS: Let me review that just for a minute to bring you up to date on what's happened. Some school districts have received no payments. Some school districts have received two payments. Some school districts have received one payment. I assume, and I would encourage that this money go out and then when the State Department has done the job of rules and regulations and the bill is shored up as to what's payable, what's not payable, what's excess cost, what is not excess cost, that then those adjustments would be made to see that those school districts are fairly consistent in line with where they should be at the end of the third payment and I would hope that is what the State Department plans on doing, and if I were doing it on a budgetary system, that's exactly what I would do.

SENATOR MARVEL: Well, let me summarize what I think is the dilemma that we are in and I am not certain that 555 is going to do anything but increase the dilemma, and if I am wrong in this, I hope that either in your summary, in your final statement on 555 before it is advanced, that you will correct this. The State Department of Education and DAS, also, because they must bear a share of this burden