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Natural Resource Districts. Those funds have to be applied for in that manner anyway and I think the bill will save a little money and streamline the operation of state government. I'd be willing to answer any questions.

SPEAKER MARVEL: Senator Cullan, do you wish to be recognized?

SENATOR CULLAN: Yes, I would. Senator Schmit, I am not as familiar with the background of these funds and so forth as I could be, could you tell me what the differences between the two funds are and a little bit about the historical development of these funds and how they are used currently?

SENATOR SCHMIT: One is called the conservation fund and one is called the development fund. The development fund we have had in existence for a number of years. It consists of state funds that are made available to the Natural Resource Districts for the development of soil and water resources within that Natural Resource District. We have historically put about a million dollars into that fund annually and there are many millions of dollars worth of requests for projects in the Natural Resource Districts from the development fund. Several years ago Senator Bereuter introduced a bill which established a conservation fund. There isn't really much difference, I don't think, between conservation and development. Apparently the Governor in his budget recommendations felt that the two funds could be combined and that the commission could determine how they wanted to allocate the funds back to the Natural Resource Districts. There frankly is not going to be enough money to go around. No matter what we do we cannot appropriate I don't think anywhere near the amount of money that is required or that has been requested. I think it is important that we concentrate our efforts in those areas where we have known expertise and that we not diminish and dilute these funds to the point that they become meaningless and I am concerned that that might be what would happen if we allow proliferation of these various funds.

SENATOR CULLAN: Senator Schmit, are the funds used, is there a different purpose or are the funds used for basically the same types of projects or what was the reason to create two funds initially rather than one?

SENATOR SCHMIT: The funds can be used at the present time under the Governor's recommendation, those funds can be used for the purposes both of the conservation fund and the development fund. If you read the statutory language, there really isn't much difference in them. I suppose you