

session we really worked as hard as we could to keep the state budget within seven percent, and I think we have successfully done that. Now as Senator Warner has explained on a couple of prior occasions we have left approximately five million dollars to be added on the floor through various...in supportive areas, A bills or for new projects that may be added, or to fund this particular statute. Now I think the problem that all of us have with this medicaid reimbursement is the third and fourth year requirements, because health care costs particularly nursing home medicaid costs are escalating at such an extent in this case, an issue of course we're dealing with in the certificate of need bill, because for instance the reimbursements to nursing homes have increased. The state's share of that reimbursement, has gone from approximately sixty-five million dollars last fiscal year to the mid ninety million dollars this fiscal year, to an estimated one hundred and twenty million dollars next fiscal year. We're talking about a great deal of money, and I think this particular bill, if we reduce it from twenty percent all the way down to ten percent, is going to have a significant impact on the amount of money that is going to be available to the state for other kinds of appropriations. So I would ask the Legislature that we approach this matter cautiously, that we go ahead and fund the first two years that are provided for in Senator Goodrich and Senator Kahle's amendment, and in their bill, I should say, but with respect to the third and fourth year we defer that decision to a subsequent legislative session. I think by limiting it to two years we're talking about approximately 2.5 million dollars this year out of state funds, and we're talking about approximately five and a half to six million dollars in state funds next year, but because of these escalating hospital costs we really don't know how much money we're talking about in the third or fourth years. Again I think we should leave that for subsequent legislative sessions. I think we ought to bring this bill down to only two years at this point, and we can deal with the third and fourth year further on down the road when we have a clear idea of what the fiscal impact is going to be. So I would urge you to support this amendment. Thank you, Mr. Speaker.

SPEAKER MARVEL: The discussion is on the Hoagland amendment to 138. Senator Goodrich, do you wish to speak to the motion?

SENATOR GOODRICH: Yes, Mr. President and members of the body, I rise in opposition to the Hoagland amendment, and