

PRESIDENT: Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature, this is the general operations and aid bill. If you are following the summary book that was passed out, it would be those items in Section 2 that begins on page 7, agency by agency, by program within agencies. One of the things that was a little different this year in the appropriation process is that we, the committee requested agencies back in July to submit what we refer to as a 95 percent base and that their request came to us generally and each agency had flexibility as to how they did this the first year. But generally requests came to the Legislature at an amount 95 percent of their current appropriation, but the additional 5 percent to be identified for programs to be reviewed as well as any increase that they were asking over the current years' budget exclusive of the salary policy. Salaries contained in the bill is a 3 percent salary commencing July 1 for employees. The bill retains the current health plan with some cost reduction or restrictions containment items included in it. Actually, it ends up with a reduction in the amount that both the state or the employees pay for health care or health insurance for the coming year. The total appropriation contained in this bill is \$827,468,973. I would be glad to respond to questions item-by-item for those that didn't have a chance to ask some of those detailed questions at the briefing we held the other evening.

PRESIDENT: Are there questions of Senator Warner or discussion on the bill? Senator Carsten, do you wish to...?

SENATOR CARSTEN: Mr. Chairman and members of the Legislature, as Senator Warner said, and I think we need to emphasize this, a new approach to the appropriations process was instituted this year and at least, in my opinion, and I think even though the committee as a whole were a little reluctant when we started out, even some of the old members of the committee, but particularly the new members, whether this process was going to work. But I believe as we worked through the process and as the agencies and the departments did, we have found that it does work. I think they have become accustomed to it now to the fact that if we continue this, they will use the so-called 95 percent base and from that mark up their requests by options and number them "1"