

would show up and obviously looking at the 16 plus million that is available and you subtract 18.3 from 16 million plus, that comes up negative. But that is assuming everything else is passed that is an expenditure above it too in the form that it is in which I do not know. As I indicated, the reason is, as I stated, there are a number of people who are concerned about funding it. This is a vehicle to do it. If it is not needed, fine, but at least I think it should be to Select File or even to Final Reading and held to see if it is needed.

SENATOR WESELY: Oh, I see.

SENATOR WARNER: As you well know, I do not support homestead. I am not concerned if it is not funded now, but I know a number of the body are concerned about it and this would permit that those who wish to do so, if the revenue is available, to do it.

SENATOR WESELY: With the figures that you said, the 16 million excess, 18.3 million cost, that would be down 2 million then over what the budget situation is now. Would...the reserve we now are talking about is a 3 percent, would that reserve then go down as the result of passage of this?

SENATOR WARNER: Obviously, there would be less revenue than appropriation. Reserve cannot go below 3.

SENATOR WESELY: Oh. Okay.

SENATOR WARNER: By statute.

SENATOR WESELY: Okay. I guess, you know, I have great concern about the situation in terms of the budget. I would love dearly to have a homestead exemption with meaningful property tax relief. To me, it is a preferred route for tax relief, but under the present budget circumstances I am very concerned. I guess maybe the wise course of action is to allow the bill to advance at this point and certainly we can make a judgment at some point, perhaps on Final Reading, whether or not this is something we can afford. Also perhaps the bill could be used as a vehicle to repeal it if we wanted to, I am sure, so it can serve a dual purpose, but there is great concern that we should have over this legislation and the cost involved.