

CLERK: Mr. President, Senator Warner would move to amend the bill.

PRESIDENT: The Chair recognizes Chairman Warner of the Appropriations Committee.

SENATOR WARNER: Mr. President, members of the Legislature...

PRESIDENT: May we begin the day (gavel) with order in the Chamber, a lowering of conversational tones so we may hear the speaker. Senator Warner.

SENATOR WARNER: Mr. President, as has been explained, Senator Beutler called us this morning and we discussed yesterday as well that perhaps LB 501 should be taken up earlier or first in order that the transfer of 5 million from the cash flow reserve fund could be determined and would be presumed to be in place before the discussion of LB 722 and the other appropriation bills were completed and I concurred that that certainly ought to be done. And what the amendment does, if it was approved as recommended by the committee, it would transfer \$5 million from the cash flow reserve fund to the general fund which then also would require that that cash flow fund be reimbursed with the 5 million on July 1 to July 15th in 1986 so the integrity of the fund is preserved but, of course, that fund was established not only to assist in cash flow issues but one of its other purposes was to be able to be used on a short term basis, and the importance, of course, is that the total amount is preserved and that is what this does. With this we will be operating depending on what happens on the appropriation bills but probably between 3 1/2 and 4 percent in the reserve. I think there is probably some encouragement from the existing receipts this year or this month, told us this morning that there would be some indication that they are running a little bit higher than was projected just recently, but having said that, I should also caution you that we don't run with a couple of days or a couple of week's improvement or even one month's improvement but it gives you some confidence if it is going in that direction, it is on the right side at least. So I would offer the amendment. I think it is reasonable. The fund is restored next time and I think that primarily it keeps that reserve up at a higher level than would otherwise be possible without a tax increase.