

to come in and show us an unusual expenditure and commitment that they had no funds for and submit a deficit request, yes.

SENATOR WESELY: So I'm assuming that if a problem does arise that that can be handled with a deficit appropriation. So I'd ask that one element of this proposal not be included in the cut. So we could provide the \$100,000 on that. I'm going to ask you to consider the section of the proposal that would reinsert the \$200,000 for the research fund. There is an Ag Technology Development and Research Fund that I never heard of before, and maybe you haven't either. This fund has been in operation since 1959 and was moved under the Department of Economic Development in 1967. What has been done is money was appropriated and research conducted to try to provide for development of ag products. Patents have been issued, as a result of this research, and money has been made from these patents and this research. That money all goes back into the fund and then is used, number one, for lawsuits to protect those patents, or to file for additional patents. So there is overhead cost that the money goes to. Secondly, it also goes back into research and is reinvested in research activity. Some of this money has gone to the Food Processing Center at the University. It has gone in other areas as well. This is a very important function of our Department of Economic Development and our University. As we look to agriculture and diversification of our ag base, ag research is critical. This \$200,000, although it will be made up for by shifting cash funds out of the amount of money that is now in that pool, so it isn't exactly lost, but it is lost to the ag research function. I think you'll find that we need more, not less, of this activity. We need to diversify our state and ag research is where that can be done, particularly in ag processing. One of our great resources in Nebraska is agriculture. But we are a colony. We ship out the raw product. We don't process agricultural commodities as we could be. We could do more of that. This ag research function and this money set aside for that function could be very valuable, the next few years, to finding ways to keep that product here and processed in Nebraska rather than sent out, processed somewhere else and then sent back to us. So that \$200,000, in my estimation, is a good investment. It is not tax dollars. It has been money that was raised from previous research and patents that we made. So I am suggesting that we ought to try and keep that \$200,000 there