

of the things that Senator Wesely indicated that had we sustained the vetoes last year we wouldn't have had the problem now. I don't know if I've got the sheets up here to pass out, but the simple facts are that if we would have sustained all vetoes in the regular session, it is also a fact that we would all agree to, I am sure, that the half cent sales tax would not have been passed. It would not have gone into effect January 1. That impact of the reduction in revenue, instead of the 40 million that we are talking about, shortfall or gap for next year, would have become 57 million, and the difference is, of course, because you have got a full 12 months of half cent of sales tax annualized next year, where in the current fiscal year you only pick up five months of collections received by the state even though the tax starts in January, but five months of collections, and as a result, the gap would have been greater. So what you did last spring avoided a bigger problem rather than create a bigger problem when you look at the simple facts and the figures.

SPEAKER NICHOL: Senator Hefner, please, then Senator Hall.

SENATOR HEFNER: Mr. President and members of the body, first of all, let me commend the Appropriations Committee and their members. I understand they met Saturday when some of us went home. They also met again yesterday. This brings me to a question under (a), and, Senator Warner, I would like to have you respond if you could, but specific reductions, and, number one, mental retardation, (a). I see that you have come up with a \$300,000 reduction instead of the 635. Now, will that \$300,000 reduction be among all six regions, and, if so, in what proportion? Do you analyze that on a per client basis, or how did you handle that?

SENATOR WARNER: Senator Hefner, there will be passed out a breakdown. I had assumed that we would be dealing with MR as a separate issue in a separate amendment and that's why I hadn't passed it out yet. But I can tell you briefly what we did and the exact figures are here and they should be...well, they're being passed out now. But what we did was made a 1 1/2 percent reduction in the total appropriation as we would have done in other agencies. The net effect of that is that instead of a million two hundred and...what was it last year...\$1,270,000 increase in the appropriation last year, the net effect is around 970,000 increase, but the distribution by regions will be on that sheet and it shows the reduction by region with the committee action. It shows the reduction by region with the