

SB 2680

State's share of oil and gas severance taxes; all to be appropriated to public schools until FY2006.

The fiscal year 2002 general fund budget as passed by the Legislature is based on a 3.7% revenue growth rate. We are currently growing at less than 1%. While I have repeatedly proposed that the revenue growth rate be reduced to a more realistic level, the Legislature has manufactured an additional \$27.6 million of revenue in its budget that would be deposited into the Budget Contingency Fund. This action compounds the budget problem for the short and long term. These funds could have been deposited directly into the state general fund as other transferred funds were in fiscal year 2001.

Senate Bill No. 2680 provides for the creation of the Budget Contingency Fund. These funds are appropriated to 24 different state departments and agencies. No repealer of the Budget Contingency Fund has been provided for in Senate Bill No. 2680 potentially creating an uncontrolled Legislative slush fund.

Gloria, Put last paragraph of the standard veto here.