

## RAINY DAY FUND APPROPRIATIONS APPROVED

By Shawn Ashley  
Staff Writer

■(GIT) Lawmakers in both houses gave their approval on Thursday to appropriations totaling \$22.6 million from the state's Rainy Day Fund.

The House voted 90-8 and the Senate followed with a 44-1 vote for **HB2824**. The bill makes appropriations to a variety of state agencies from the Rainy Day Fund.

The bill mirrors an agreement announced last week by legislative leaders from both houses and parties and Governor Frank Keating.

Appropriations in the bill include:

- ✓ \$6.3 million for 1994-95 midterm funding;
- ✓ \$6.7 million for 1995-96 midterm funding;
- ✓ \$1.5 million for a student tracking system;
- ✓ \$1.6 million for rural fire departments;
- ✓ \$1 million for weather modification;
- ✓ \$1 million for the governor's emergency fund;
- ✓ \$2.9 million to cover the costs of converting the Medicaid system to a managed care program;
- ✓ \$1.19 million for an Oklahoma Highway

way Patrol Academy and to purchase vehicle for the new troopers; and

✓ \$320,428 for National Guard armory maintenance.

House speaker Glen Johnson, D-Okemah, hailed the bill's passage as another step in a bipartisan effort toward addressing the state's immediate financial needs and toward an orderly adjournment.

Members of the Senate also praised specific components of the bill.

"I think we can be proud of the fact that we've solved the midterm funding problem and pumped some much needed funding into our growing public schools," said Sen. Don Williams, D-Balko. "It's a big step forward, but it's only the first step in our education investment program."

Sen. Bruce Price, D-Hinton, said the money appropriated for rural fire departments "will help save lives and property. Our rural fire departments have been stretched to the limit and they're in dire need of any and all help we can give them."

Citing the damage done by the ongoing drought, Sen. Robert Kerr, D-Altus, said, "... anything we can do to help our farmers is welcome. The cloud seeding may not help this year's wheat crop, but it can help other alternative crops that could be planted for summer growth. It will make a great difference for farmers who are on the edge."

Praising the appropriation to the Medicaid system, Sen. Ben Robinson, D-Muskogee, said, "The appropriation for Medicaid is an investment that will save us money in the long run. It will help us fully convert to a managed care system that is saving us \$17 million this year alone."

The appropriation for a Oklahoma Highway Patrol academy, Sen. Sam Helton, D-Lawton, said, "... will allow the department to fill their needs."

"We're really fixing an emergency situation at the OHP. They need new vehicles and new troopers to provide the kind of law enforcement that's vital to public safety."

Governor Frank Keating indicated his support for the Rainy Day proposal earlier this month when he and a bipartisan group of legislative leaders announced the terms of a three-part budget agreement.

*"A great deal of learning can be packed into an empty head."*

Karl Kraus

## AG PROCESSING TAX CUT PASSES HOUSE

By Shawn Ashley  
Staff Writer

■(GIT) House members voted 96-0 on Thursday to advance another portion of the tax cut program agreed to by a bipartisan group of lawmakers and the governor.

**HB2959**, by Rep. Clay Pope, D-Loyal, provides the so-called value added tax cut. The bill exempts certain investments in value added agricultural processing from taxes.

Specifically, the tax exemptions include:

- ✓ An exemption equal to 15 percent of the investment by the owner in the new or expanded processing facility; and
- ✓ An exemption equal to 30 percent of the investment by Oklahoma agricultural producer-owned cooperatives, processing venture or marketing associations.

In an unusual chain of the events, the bill actually passed the House twice in the same day. House members had to reject their first vote on the bill after what was called a minor wording problem was found. That sent the bill back to conference committee.

After the problem was corrected, a third conference committee report was produced, accepted and the bill was passed.

The bill is expected to receive easy passage in the Senate, where leaders there have endorsed the proposal, and a signature from the governor, who has also praised the tax cut idea.



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*"Beaufort can almost see the light at the end of the session."*

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report be rejected and the bill returned to committee for further conference. The request was granted by unanimous consent.

The bill returned to the House floor sometime later, and Kirby said the delay was necessary to correct some wording in the bill. The new wording in the third conference committee report (page 19, lines 2-6) allows public sector employees to also take advantage of the tax exemption as long as their combined exemption does not exceed \$5,500.

House members readily accepted the third conference committee report and gave the bill a 97-0 passing vote.

"I am very glad we won this struggle," Kirby said. "It was a frustrating battle, but the issue of fairness was too important to allow this bill to fall by the wayside."

Rep. Chris Hastings, R-Tulsa, was also pleased with the bill's passage. Earlier this month, Hastings held a mock funeral for a bill that contained a similar provision.

"One month ago I was told there was enough money to do this," Hastings said. "This bill shows that the process works."