

cent increase in its general fund spending this year, and it's not really feasible to ask the State to do that in a year when the State's general fund increase is only six percent. In other words, they have an increase already in prospect, if they live up to their budget hopes, of more than double what we were able to do.

Q. You say you are hopeful of giving the City something. Would you say \$5 million is a pretty? . . . (fade out)

A. I think that's beyond the ken at the moment.

(Scholarship Program)

Q. Governor, getting back to the legislative program for a moment — particularly the scholarship program. In your state of the State message you called upon the Legislature to make what you called a political sacrifice. Now the Senate Finance Committee has made it pretty clear that the program is dead. It's not even going to get a hearing. Do you feel that this is a politically motivated action?

A. No. First of all let me say this. There's no doubt in my mind that the Senate Finance Committee has not killed this program, but has merely asked that it be referred for study. You see, I don't have to depend on what I read about what the Senate is saying. I meet with them periodically, and I know they are very interested in some of these reforms. They want a chance to look them over and consider them — modifications in my proposals — for next year and I have already agreed that I have no objection to delaying this for another year if it will make a more objective approach on their part possible. So I don't think the program's dead. I'll wager that without any question there will be some changes in the scholarship program next year, and that there will be changes in the remission of fees and all other programs that relate to loans and scholarships. It just isn't going to happen this year. Sometimes it takes a while to get these things worked out, but the programs aren't dead and they weren't a waste of time to submit.

Q. Do you feel that you are getting the same cooperation from the Legislature this year that you got last year?

A. Well I think I've got to be completely candid and say I have run into a lot more political opposition this year than I did last year. It wasn't unexpected totally, and I don't think it's debilitating. I don't think it need continue to the point that it affects the progress that we are making. Our relationships are still excellent as of this morning at eight o'clock. They are very good.