

sembly's additional supplementary appropriation bills. He has that now, under the proposed constitution, under the Constitution as it exists. The only difference between what you say and what we have is this: You say the governor should have the responsibility, but that the legislature may move these items about. It is still the governor's responsibility.

What we say is the legislature has the right to reduce. If the legislature wants these programs, all it has to do is provide the tax for it. The governor has the right under our system to reduce or to eliminate it by a line item veto. If they then pass it over his veto, we know then this is a provision for a program put into the law, as well as a tax for that program by the General Assembly over the governor's veto.

DELEGATE J. CLARK (presiding): Delegate Hanson.

DELEGATE HANSON: Are you suggesting then we are actually quite close together on this proposition, the principal difference being that the thrust of my questions would move the power of the legislature back into the budgeting process itself and make it indeed coextensive with that of the executive branch?

DELEGATE SHERBOW: No. We are as far apart as can be, because the way in which you put it, if we were together you would accept what we have here and say this is good. We accept it. But when you say it is not good, you do not accept it, I say to you we are not together.

DELEGATE J. CLARK (presiding): Delegate Hanson.

DELEGATE HANSON: I am merely asking questions at this point.

One other question, Judge Sherbow: As I read the sections on supplementary appropriation and capital expenditures, I am somewhat concerned that we may be tightening the restrictions on the legislature, particularly in the field of capital expenditures, even more severely than they are tight at the present time.

I wonder if you would please explain, or assure me this is not so; or if it is so, explain why it is so and why it should be done.

DELEGATE SHERBOW: No, we are not tightening the requirements as to capital expenditures. The only thing we have said is that up until now the legislature in the capital budget construction provides

a real estate tax for its supplementary appropriations.

Now that we are removing the specific tax, real estate particularly, we are saying that if the full faith and credit and unlimited taxing power is behind that capital budget requirement, then you must provide the tax for it. All we are saying is it does not have to be real estate tax.

DELEGATE J. CLARK (presiding): The Chair recognizes Delegate Grumbacher.

DELEGATE GRUMBACHER: Mr. Chairman, your answer to the last question bothers me a little bit, sir. Does it not tighten things up a little bit in that the present method of financing the increases put in by the legislature has been through a blanket approval, a blanket deal with the real estate tax, whereby the tax was set finally by the Board of Public Works, whereas now we might have to put in a separate and distinct beer tax, perhaps?

DELEGATE J. CLARK (presiding): Delegate Sherbow.

DELEGATE SHERBOW: No, no, no. If you read it carefully, Delegate Grumbacher, what it says is "by a tax." You can still use the real estate tax. You can still require that it shall be the real estate tax, and the real estate tax shall be after you determine the figure as set by the Board of Public Works or whatever takes its place.

If you want to put a beer tax in its place you have to decide that, but there is nothing that says what the tax shall be, which is why I think it is broader than what you have.

DELEGATE J. CLARK (presiding): Delegate Grumbacher.

DELEGATE GRUMBACHER: In other words, you are saying, sir, the legislature could require the governor to put in the real estate tax an amount adequate to cover this?

DELEGATE J. CLARK (presiding): Delegate Sherbow.

DELEGATE SHERBOW: You could not require the governor to do this. You require the State. If you pass a bill for a capital budget requirement as a supplementary capital expenditure you have to provide an action that is going to take care of the interest and principal that is provided for its amortization.

When you do that, if it is going to be a real estate tax, you may do so. If it is going