

1 and talk the basic principles, which is not true always.  
2 Yes, Governor Lane has taken a simple incident there to  
3 tell you how a problem could be ironed out, and I think  
4 it quite appropriate for me to tell you what it was.

5 The estimates of the State Department of  
6 Education are based upon in part the assessable basis  
7 as given to us by the State Tax Commissioner. If they  
8 needed, in those days, possibly a quarter of a million  
9 dollars -- I've forgotten exactly what -- say a half a  
10 million out of a couple of hundred million, that is all  
11 right. I don't remember exactly. Now, how can you do  
12 it?

13 Everybody knows in the Department, everybody  
14 in the Budget Director's office knows it, the legislators  
15 know it, that if you simply change your estimate of the  
16 number of the assessable basis, you have cut down the  
17 State budget because your tax is predicated upon this  
18 assessable basis. It is a very simple thing to do and,  
19 frankly, that is the way you build up your surpluses,  
20 by the simple device of making an estimate. I don't  
21 mean to imply any motives or to say that it is necessarily