

litter fee, which we are going to increase, provided that that increases in an amount that will be sufficient to cover the decrease in the retailers' tax. The concept is basically this, that we are trying to help out business by reducing two taxes to one tax, but we are trying to do it in such a way as to ensure that there is no loss to the two funds overall. So while we are reducing the one tax then, back over under the litter reduction fee, the litter fee, that's being increased in two ways, and one is to increase the \$150 fee to \$175. That's one change in the concept that will increase revenues. A major problem we are working with here is that the Department of Revenue will give us no figures whatsoever on how much revenues will be increased, other than to say they think it would be modest. The second way in which that fee is being increased is by lowering the qualifying amount in order to be taxed. Under the current law, you had to have 350,000 of gross sales in order to be taxed at all. We are lowering that to 100,000. As between those two changes on the litter tax side, it is anticipated that the amount of revenue that would be increased would, hopefully, be in the neighborhood of \$600,000, and \$600,000 is the amount of money, the exact amount of money that would be lost by the reductions, Senator Horgan's reductions in the retailers' fee, by the elimination of the retailers' fee. So, we are increasing one tax, decreasing the other, providing a mechanism whereby we can assure that funds are not lost, and I think that is the basic concept. It sounds a little bit complicated. I think you can understand it better if you understand that there are basically three compelling dynamics going on here. One is to eliminate that retailers' fee entirely. We are trying to do that. The second dynamic is to maintain level funding for these funds because we've got some big things coming up in the land disposal area that is going to require some money if we are going to relieve property taxes. So we are trying to maintain the levels of the funds, and we are trying to do these things in the face of a Revenue Department that cannot tell us exactly...

PRESIDENT MOUL: One minute.

SENATOR BEUTLER: ...how much money is involved. Now I am afraid I've confused you, but I don't know how to set it out any clearer and maybe what I should do is just stop and invite questions, but I hope you will start with clarification questions so that we can all get firmly in mind what's happening anyway, and then get to the agreements or disagreements part of the debate. Thank you for the time.