

## **GOVERNOR'S OPTIONS FOR UTILIZATION OF \$12.9M FROM WORKING CASH**

1. Assume that FY 02 ends at (2.2%) negative growth as predicted. This means that there is no excess cash. If the Governor decides to use the \$12.9M, the only option, based on SB 3198, is to restore minimum education.
2. Assume that FY 02 ends at (2.2%) negative growth as predicted. This means that there is no excess cash. The Governor can decide not to use the \$12.9M, which means that minimum education would not receive the \$12.9M.
3. If there is any excess cash at the end of FY 02, the Governor can decide to restore any budget that has been previously cut. This method does not utilize the working cash. He is simply restoring budgets based on excess revenue above the (2.2%) budget cuts.
4. If there is any excess cash at the end of FY 02, the Governor can decide to restore any budget that has been previously cut **and** he can also utilize the \$12.9M for minimum education.
5. If the budget is out of balance at year-end the Governor has to use the \$12.9M to balance the budget pursuant to general law. If this happens, the deficit appropriation for minimum education cannot be made because it would take the budget out of balance.