

Things are fluid in Tallahassee, and it appears the House is moving in a positive direction on both gaming and a cigarette tax. We are hearing that the House is removing the State University System from their salary-cut proposal. The Senate has moved to the House on some fee increases.

But we are uncertain as to where the Legislature is on our other cuts.

The Presidents' press conference Thursday morning focused on the significant reductions in basic state support to the universities (aka, General Revenue).

This has been framed as "basic state support" to avoid confusion about GR vs. E&G, and not to include tuition.

Here are the numbers we are using:

- Cuts in basic state support so far – \$285 million (fiscal 08 and 09)
- Cuts in basic state support in the Senate proposal – \$250 million (fiscal 10)
- Cuts in basic state support in the House proposal – \$500 million (fiscal 10)
- Cuts to salaries (also General Revenue) in House proposal – \$100 million (fiscal 10). Again, it appears the House has removed the SUS from this cut, so this may be off the table.

This means that if the House proposal goes through, the State University System will see \$725 or \$825 million in cuts (depending on the salary issue) to this basic state support – over three-quarters of a billion dollars – since the budget troubles began in the 2007-08 budget year.

That is a 37-percent decrease in the basic state support (the general revenue portion of our budgets) over three years. That is why we are so concerned.

Some of this is offset by tuition increases and now potentially by Indian gambling revenue. And some is offset by the federal stimulus money, but that is, of course, temporary.