

Legislative budget writers hear agencies' funding requests

By Rep. Debbie Buckner

The Appropriations Committees of the House of Representatives and Senate met jointly Jan. 18-20 for hearings on the state of Georgia's amended budget for the remainder of fiscal year 2011, which ends June 30, and the annual budget for fiscal year 2012, which begins July 1. The heads of 17 state agencies presented their requests for funding to the committee members.

To open the hearings, Gov. Nathan Deal and Chief Economist Kenneth Heaghey presented their analysis of Georgia's economic conditions and state revenue trends. Sales tax collections, average hourly earnings by workers and individual income tax revenues are all on the increase, but the recovery rate is only a fraction of the decline of the past three years.

Perhaps the biggest problem from a budgetary standpoint is the loss of more than \$1 billion in federal stimulus funds that helped balance the budget last year. Another challenge for the legislative budget writers is lower-than-projected income from court filing fee increases, a hospital bed tax and "super speeder" highway fines implemented during the 2010 session.

The Governor's budget proposal calls for an average 4 percent reduction in spending for the rest of this fiscal year and a 7 percent cut for FY 2012. The cuts are prioritized, rather than across-the board, the way cuts were made by the previous administration. Gov. Deal's plan also reduces by about half the amount of bonded indebtedness for construction projects the state took on annually during the previous administration.

Chancellor Erroll Davis of the University System of Georgia stated that it would take a 30 percent increase in student tuition to completely offset the total of \$318 million in proposed higher education cuts. Instead, the Chancellor said Georgia's colleges and universities will seek other ways to cut spending and increase efficiency, although he said a tuition increase is still likely.

State Corrections Commissioner Brian Owens told committee members his department is seeking less costly alternatives to dealing with non-violent offenders and that he agrees with Gov. Deal's proposal to divert drug addicts from the prison system and into treatment programs as a means of reducing corrections spending by some \$20 million. The commissioner said about 40 percent of the inmates in state prisons were sentenced for non-violent offenses.

Chief Justice Carol Hunstein of the Supreme Court of Georgia spoke on behalf of the judicial branch and said the court is now filling staff positions with unpaid law students and taking "every precaution possible" to save costs on office equipment and supplies to deal with budget reductions. An increase in

death penalty cases has added to an already demanding work load for the Supreme Court, which has lost more than 10 percent of its staff in recent years.

Public Safety Commissioner Bill Hitchens explained that State Troopers are now conducting more road blocks as opposed to patrols in light of rising motor fuel costs but still responding to wrecks and other emergencies, which in rural areas can be as much as 100 miles apart.

Juvenile Justice Commissioner Amy Howell reported her department has reduced the beds in its facilities by 30 percent and its administrative staff by 20 percent to save costs and is also seeking legislation to give judges alternatives to long periods of incarceration when sentencing certain juvenile offenders.

The budget process was scheduled to resume when the General Assembly reconvened for Day 3 of the 40-day legislative session Monday, Jan. 24.

Heating Bill Assistance: The Georgia Public Service Commission has agreed to make \$5 million available to help low-income seniors pay their natural gas bills this winter. The funding comes from the PSC's Universal Service Fund, which held approximately \$30 million as of December. The fund was established in part to assist residential consumers in times of need. Angela Speir Phelps, a former PSC member and now executive director of Georgia Watch, said, "We applaud the PSC for acting quickly to address a situation that has reached emergency levels. The recession has hit consumers hard, and record-low temperatures are exacerbating an already dire situation."

Unemployment: The state's unemployment rate rose slightly from 10 percent to 10.2 percent in December, the 39th consecutive month in which Georgia's jobless rate exceeded the national rate, which is currently 9.4 percent. Labor Commissioner Mark Butler said, "The increase in unemployment and job loss in December is continued evidence that Georgia's job market is fragile. Sustained improvement will come only when employers begin adding jobs and increase hiring."

- *State Rep. Debbie Buckner (D-Junction City) represents the 130th District (Harris, Muscogee and Talbot counties) in the Georgia House of Representatives. Contact her at 511 Coverdell Legislative Office Building, Atlanta, GA 30334; by phone at 404-656-6372; or by email at debbie.buckner@house.ga.gov.*