

University System to slow down on tuition and fee increases

By Rep. Debbie Buckner

University System of Georgia Chancellor Hank Huckaby, speaking before a joint budget hearing to members of the House and Senate Appropriations Committees, said last week that continuing increases in tuition and fees have caused as many as 700 students to drop out of classes at some of the state's larger campuses.

The chancellor told lawmakers the University System would begin to slow down the pace of these increases. In his budget presentation, he noted the Board of Regents has approved several tuition increases in recent years to compensate in part for major reductions in the funding budgeted by the legislature for higher education. He said the University System has seen its budget reduced by about \$1 billion over the past four years. To save money, the Regents recently approved a recommendation to consolidate eight of the state's public colleges into four institutions.

Meanwhile, Technical College System of Georgia Commissioner Ron Jackson told legislative budget writers that a number of under-utilized technical college campuses will likely be closed in order to achieve a 2 percent budget cut ordered of all agencies by Gov. Nathan Deal. The budget meetings concluded Thursday, with committee members having heard presentations from the heads of more than 20 state agencies and departments, along with Supreme Court Chief Justice Carol Hunstein (speaking on behalf of the judicial branch of government), Secretary of State Brian Kemp and Agriculture Commissioner Gary Black.

Gov. Deal has presented an amended budget proposal for the remainder of fiscal year 2012 totaling \$18.5 billion, and an annual budget for fiscal year 2013 totaling \$19.2 billion.

School Funding Concerns: Public education advocates in Georgia have expressed concerns about the governor's budget plan as it relates to K-12 school funding in our state, particularly a claim that the new budget "includes no reductions to QBE, Equalization Grants, State Schools or other enrollment driven programs." According to Joe Martin, executive director of the Georgia School Funding Association, "This statement would be true if the word 'further' was inserted before the word 'reductions,' but without any clarification, it creates an impression that is very misleading. It would be far more accurate to say that a formula which has not been updated for years will still be cut by more than \$1 billion. The combined effect of an unrealistic formula and huge austerity reductions comes to about \$30,000 a year for a typical class in Georgia. Moreover, the equalization grants, which are intended to help the least wealthy systems, will be cut by nearly half from what is intended by the current law."

Revenues Decline in December: Georgia's revenue collections in December 2011 totaled \$1.54 billion, a decline of 1.2 percent from the same month a year ago. It was the first month for reduced revenues recorded in a year and a half. Much of the decline came in the categories of corporate income taxes, which were down by \$26 million or 17.3 percent. For the first six months of fiscal year 2012, state revenues are up by 5.2 percent over the same period last year.

Jobless Rate Falls to 9.7%: Georgia's seasonally adjusted unemployment rate declined for the third straight month in December, dropping to 9.7 percent, down from an adjusted 9.8 percent in November and significantly lower than the December 2010 rate of 10.4 percent. Labor Commissioner Mark Butler said, "The rate declined because 11,500 Georgians went back to work in December. Plus, we saw some increases in employment in areas that have been especially hard hit." There were 600 new construction jobs in December, and manufacturing grew by 400 jobs last month.

Gov. Deal said, "This is great news for our state, particularly Georgians who have faced a tough job market for several years now. A decrease in unemployment alongside a number of other positive economic indicators suggests we are heading in the right direction." December was the 53rd consecutive month that Georgia's unemployment rate has exceeded the national average, which is now down to 8.5 percent.

Go Build Georgia: Also last week, Gov. Deal announced the launch of a new skilled labor advancement initiative, "Go Build Georgia." The program will address the skilled labor shortage in our state through public outreach designed to educate young people and the public at large about the wage, lifestyle and employment benefits in the skilled labor trades. The governor said "Go Build Georgia" will open new opportunities for our students and job seekers. Over the next year, 16,500 projected jobs will become available in the industries that rely on skilled labor. The program will assist in getting Georgians the skills they need to fill these employment opportunities. For more information, visit www.gobuildgeorgia.com.

Session Schedule: The full legislature was schedule return to the Capitol on Jan. 23 for the sixth legislative day of the 2012 session. Please continue to contact me with your views on the issues or whenever I can be of service.

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