

LWVAF, Report from the Capitol, Week 2

The General Assembly met this week for budget hearings. There are two budgets presented each year – one for the current year, FY20, to make adjustments to reflect actual revenues and expenditures, and the second for the next year which begins July 1, FY21.

The FY20, known as the amended, supplemental, midyear, or ‘little’ budget, reflects the governor’s directive of last fall to cut expenditures by 4%. The primary purpose is to adjust the educational budget to reflect the actual number of students who showed up on the doorstep in September so that the school districts will have funds to pay the teachers hired to serve those students, even as they receive that money much closer to the end than the beginning of the school year. The rest of the expenditures tend to be one-time items, such as vehicle or computer purchases, or to meet the needs of unexpected expenses arising from a weather or manmade emergency, like a hurricane or highway fire like that of Interstate 85 a couple of years ago. It almost never includes such things as payroll increases or program initiations, both of which would affect the following year’s budget. This year, though, funds were recommended for getting the medical cannabis commission and the BGI Gang Task Force started and the salary for the appointed Insurance Commissioner who replaced the indicted elected one and is still drawing a salary. Some vehicles and computers were replaced and the governor’s emergency fund was increased by \$10 million for unspecified future needs.

To show the extent of the recommended cuts, below are listed the FY20 net changes in each agency.

	Millions	Notes
Agriculture	[1.8]	
Banking and Finance	[.5]	
Behavior Health and Dev. Disab.	[33.3]	
Community Affairs	[5.3]	
Community Health	[12.7]	Indigent Care Trust Fund received +23 million. Medicaid: Aged, Blind, and Disabled got +76 million PeachCare for Kids increased 5.7 million
Community Supervision	[7.5]	
Corrections	[47.3]	
Defense	[.5]	
Driver Services	[2.0]	
Early Care & Learning	[1.8]	Lottery funded Pre-K took \$1 million of this cut.
Economic Development	[1.8]	
Education	138.5	\$145.7 million was given to the QBE grant, a protected program.
Employees’ Retirement	-0.0-	
Forestry Commission	[1.5]	
Governor’s Office	5.6	\$10 million increase to the Emergency Fund. This budget includes Governor’s Office, GEMA, Planning and Budget, Equal Opportunity Commission, Professional Standards Commission, Office of Student Achievement, Child Advocate, and State Inspector General.
Human Services	[25.4]	
Insurance Commissioner	.4	\$1 million for appointed Insurance Commissioner’s salary, information Technology, cyber security infrastructure and improvements.
Investigation, GA Bureau	[4.9]	\$1.1 million for Gang database and personnel
Juvenile Justice	[14.7]	
Labor	[.6]	
Law	[1.1]	

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Natural Resources	[4.0]	
Pardons and Paroles	[.7]	
State Properties	-0-	
Public Defender	[1.9]	
Public Health	[6.3]	Super Speeder fines and fireworks excise tax provided \$5.4 million.
Public Safety	[7.4]	
Public Service Commission	[.4]	
Regents, Uni. Sys. Of GA	[23.8]	
Revenue	14.8	\$25 million increase in Forestry Grants
Secretary of State	[.9]	\$200,000 to start the Medical Cannabis Commission
Student Finance	[15.6]	
Teacher Retirement	[.1]	
Technical College System	[2.2]	
Transportation	[12.8]	
Veterans Services	[1.5]	
Workman’s Comp	-0-	
Debt Sinking Fund	[79.6]	Reflects debt service reductions because of favorable rates.

The FY21 budget includes the cuts in FY20 plus an additional 2% requested by the governor. It also includes some gifts from the governor – a \$2000 raise for K-12 teachers to complete his campaign promise of a \$5000 raise. He also gives a \$1000 raise to any state employee who earns \$40,000 or less, and school food service workers and bus drivers get a 5% raise. The educational personnel raises account for \$356 million. The budget does not include any decrease in revenue from the income tax, which may be imposed by a resolution vote of the General Assembly after a .25% decrease, \$500 million, for tax year 2019. Yet, he projects larger revenues than those originally projected by the FY20 budget.

In addition there are funds to recruit and retain assistant district attorneys and for 12 additional ones, new judgeships, costs of moving the Supreme and Appeals courts to the new judicial building, and for cyber security.

Agency net changes are shown below, inclusive of the FY20 Amended recommendations:

Agriculture	[6.5]	
Banking and Finance	[.2]	
Behavioral Health & Dev. Disab.	[24.3]	
Community Affairs	[5.5]	
Community Health	226.8	Medicaid Aged, Blind and Disabled up \$141.8 million, Medicaid Low-Income up \$41.8 million, and PeachCare for Kids up \$44.7 million.
Community Supervision	[10.5]	
Corrections	[54.4]	
Defense	[.7]	
Driver Services	[3.2]	
Early Care & Learning	12.5	Teacher and staff raise are \$14.1 million
Economic Development	[2.7]	
Education	271.6	Equalization grants up \$32 million, Local Five Mill Share down \$150 Million, Teacher raises \$356.9 million, State Charter School supplement \$50 million. The Turnaround office is transferred to the State School Superintendent and the Chief Turnaround officer has resigned.
Forestry Commission	[1.9]	
Governor’s Office	[7.1]	

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Human Services	[28.9]	
Insurance Commissioner	[.1]	
Investigation, GA Bureau	[8.0]	
Juvenile Justice	[19.0]	
Labor	[1.0]	
Law	[1.5]	
Natural Resources	15.0	Outdoor Stewardship Program got \$20 million
Pardons and Paroles	[1.0]	
State Properties	-0-	
Public Defender	[3.5]	
Public Health	[13.6]	
Public Safety	[6.6]	
Regents, Uni. System of GA	60.0	\$78 million for increase in credit hours and square footage.
Revenue	[14.9]	
Secretary of State	[1.2]	
Student Finance	52.7	Most of it is Lottery Funds for HOPE.
Teachers Retirement System	[.1]	
Technical College System	[.1]	
Transportation	40.6	Most of it coming from dedicated funds.
Veterans Services	[1.8]	
Workers Compensation	[.1]	
Bonded Indebtedness	93.1	for \$890 million in bonds issued.

In both budgets, vacant positions were defunded. Agencies will have less funding with fewer people to do the same job. Things could get real grim for those dependent upon any governmental service.

Next week the General Assembly meets for 5 days.

NEW LEGISLATION

BUDGET

HB 792 Ralston – 7 H.Appropriations
The FY20 Amended budget.

HB 793 Ralston – 7 H.Appropriations
The FY21 budget.

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