

2013

This Week



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Week Ending January 25

During the first week of the General Assembly's 2013 legislative session, Governor Nathan Deal delivered his State of the State Address and presented his amended budget for the Fiscal Year 2013 (AFY 2013) and the full budget for Fiscal Year 2014 (FY 2014). This week the House and Senate appropriations committees began the arduous process of reviewing the governor's budget recommendations and turning them into the actual legislation that will ultimately guide all state spending. The process started on Tuesday, January 22nd with a week's worth of joint appropriations committee meetings. Governor Deal led the presentations by detailing the major highlights of his budget proposals. The governor was then followed by the leaders of our state agencies, each of whom explained their agency's budget and answered questions from House and Senate members.

In his budget remarks, Gov. Deal provided us with positive news. With increased funds available for education, the governor recommends we expand our pre-K program by 10 days, which will advance early learning and increase salaries for pre-K teachers. The governor also recommends fully funding enrollment growth for K-12 schools through the Quality Basic Education funding formula, and providing \$147 million for salary increases for teachers based on training and experience in FY 2014. Additionally, Gov. Deal designates \$1.6 million to continue the reading mentor program, and \$41 million to new funding for the Quality Basic Education Equalization program.

To support our state's higher education investments, the governor chose to designate specific funding to increase HOPE awards, and to establish a new HOPE grant program: the Strategic Industries Workforce Development Grant. This grant will provide additional financial assistance above what is covered by the traditional HOPE Grant for students in our Technical College System pursuing a high-demand certificate or diploma program. Gov. Deal has also allotted \$84.6 million for the Board of Regents to fund growth within our colleges and universities, and \$185 million to construct and equip new higher education facilities.

Like education, infrastructure is also a priority in the governor's proposed budget. Gov. Deal designated \$50 million for the Savannah Harbor Deepening Project. Gov. Deal also designated \$25 million for water supply projects in an effort to continue our four year plan to boost water security. He also proposed more than \$60 million in new funding for exploring innovative solutions to our state's transportation needs. All of these projects are essential to ensuring Georgia's infrastructure is prepared for continued state growth.

Because Healthcare is the largest cost driver in recent budgets, growth in Medicaid expenses will require an additional \$246 million in both FY 2013 and FY 2014. In order to defray these growth requirements, the Governor has worked closely with the Department of Community Health to identify areas where we can save money. The Governor also proposed an additional \$35 million for mental health and developmentally disabled consumer services.

While these funding initiatives for education, infrastructure, and healthcare are certainly a positive result of Georgia's economic recovery over the last year, most state agencies are still being asked to make budget cuts. The AFY 2013 budget has about \$26 million in spending cuts to reflect actual revenues.

Despite a continued need for additional budget cuts, there is good news to be reported about the state of our economy. We're happy to let you know that we have kept our budget balanced while lowering taxes. Our per capita spending of government money is 17 percent less than it was one decade ago, and we currently have 9,000 fewer state employees than we did five years ago. We have continually increased the Rainy Day Fund, or Revenue Shortfall Fund, to the current total of \$378 million, and in the past ten years, our state has decreased more state tax collections per capita than any other state in the nation. Overall, our state continues to make steady progress as we emerge from the economic difficulties of the last several years.

Now that this week's joint appropriations committee meetings have ended, my fellow state representatives and we will spend the next few days reviewing the finer details of the AFY 2013 and FY 2014 state budgets. Since all fiscal bills are required to originate in the House of Representatives, the House Appropriations subcommittees will delve even further into the Governor's budget proposals. Once the subcommittees pass their respective portions of the budget, the whole House Appropriations Committee will review and pass balanced budgets for both the remainder of FY 2013 and upcoming FY 2014.

After the House Appropriations Committee passes the budget, it will go to the Rules Committee where it will be placed on the House calendar. It will then go to the House floor, where every member of the House will have the opportunity to voice their opinions on how the state is spending your taxpayer dollars. We will then vote to approve or reject the state budget.

Once the budget passes the House, it will go to the state Senate and repeat this same committee process. After making its way through the Senate Appropriations subcommittees, the Senate Appropriations Committee, and the Senate floor vote, the budget will then come back to the House. At this point in the process, the Speaker of the House and Lt. Governor will both appoint a conference committee to work out the differences between the House and Senate versions of the state budget.

The House and Senate will then vote on the conference committee's version of the budget. This is important because the House and Senate must completely agree on all contents of the legislation before it can be sent to the governor's desk for consideration. Once signed by Governor Deal, the budget becomes law. Though complicated, all legislation must go through this process before becoming law.

We welcome you to visit us at the capitol during this legislative session. You can also reach out to us with your questions or concerns by contacting us at:

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