

# Under the Gold Dome



District 149 Legislative Update – Budget Week — 2016



Tuesday, January 19th marked the beginning of what we refer to as, “budget week”. The only thing that we are constitutionally required to do during our 40 day session is pass a balanced budget. While balancing a budget seems simple enough, when dealing with billions of dollars, it is a huge undertaking! House and Senate appropriations committees held a series of joint budget hearings throughout the week. This gave us the opportunity to closely examine Governor Deal’s recommendations as well as hear testimony from various state agencies that are in need of funding. We are in the first stages of crafting two budget bills: the Fiscal Year 2017 budget and the Amended Fiscal Year 2016 budget. As a member of the House Appropriations Committee, it is part of my job to ensure that each dollar is spent responsibly for the betterment of our government and especially House District 149.

## **2016 Fiscal Year- Spending Changes**

The 2016 budget will be amended to reflect a more accurate estimate of state revenue and accounts for any discrepancies between the projected estimate that was passed last year and actual revenue obtained. We have seen an increase in state revenues in each of the past three years, but the most astonishing growth we have seen is in our state’s population. Over the last 5 years, Georgia’s population has grown by more than two million, making us the eighth largest state. Due to additional revenue and population growth, we are able to allow for “new” funding to account for adjustments in the 2016 fiscal year budget. Governor Deal has made recommendations to the Appropriations Committees on where additional funding should be allocated. Highlighted below are a few of the spending changes Governor Deal is proposing for the 2016 amended budget:

- \$109.9 million in the midterm adjustment to fund student enrollment growth in public K-12 schools and state charter schools
- \$86 million for increased state support for out-of-home services in the Department of Human Services
- \$42.8 million for Medicaid enrollment growth and \$48.1 million for other Medicaid and Peach-Care changes, including restoring funding proposed in the original 2016 budget but not included in the final budget we passed
- \$20.2 million for the Move on When Ready initiative, which allows high school students to receive high school credit for postsecondary courses
- \$154.9 million in money from the general fund for transportation, including replacing Motor Fuel Funds with general funds for debt service on road and bridges
- \$10 million for the Governor’s Emergency Fund

## **2017 Full Budget**

As Georgia’s economy continues to recover from the recession, state revenue and spending have increased. In his State of the State Address last week, the governor announced that the 2017 fiscal year budget proposal is the largest budget in Georgia’s history at \$23.7 billion! This is approximately one billion dollars more than the total 2016 fiscal year budget.

*2017 Budget Continued...*

The governor listed his funding priorities, and as expected, education remains a top priority for 2017. While Georgia does have a surplus in revenue this year, much of the Governor's spending increases are mandated by law. In example, with education, the more students we have, the more we are required to spend. The same concept goes for Medicaid and prison increases. Unfortunately, when you take into account our population growth, paired with the mandatory increases, there is not much "new money" left over. Transportation and infrastructure improvements remain a priority as the proposed budget appropriates over \$800 million to help maintain the state's roads and bridges. The 2017 proposal also includes the 3% raise for state employees and teachers.

- Fifty-four percent, or \$559 million of the new general fund spending in the governor's proposal is for education
- \$217.5 million, about 21 percent, is allotted to health care programs, including mental health and developmental disabilities services, and Medicaid.
- \$78 million, nearly eight percent, is directed to human services programs.
- \$92 million, or 9 percent of new funding, to corrections and other public safety programs

**What's Next?**

After a long week of budget hearings, the balancing act continues. House Appropriation subcommittees will dive even further into the governor's budget proposals and will eventually pass portions of the suggested budget out of their respective committees. Following this process, those individually passed budgets will then go before the full House Appropriations Committee. After a couple of more checks and balances, the budget will eventually receive a full vote on the House floor. If the House passes the budget, it then moves over to the Senate side and the process begins all over again. If both the Senate and House agree on the budget, it goes to the Governor's desk for his approval and signature.

As we move into the third week of session, my calendar will be filled with numerous committee meetings. As the Chairman of the House State Planning and Community Affairs Committee, I look forward to overseeing the many bills that Speaker Ralston has already placed in my committee. We will be responsible for vetting bills, eventually deciding if the bill moves forward or "dies". While last week was very busy due to my responsibilities on the Appropriations Committee, I also spent many hours studying and preparing to bring those bills forward. It is imperative that I do my best in making sure we move good policy out of my committee, for the betterment of Georgia, and especially district 149.

The last day of session, "Sine Die" has been set for Thursday, March 24<sup>th</sup>. As we continue to make our way towards day 40, I will continue to update you on all that is happening under the Gold Dome! Representing the people of our district is such an honor and I am more than grateful, that you have given me the opportunity to learn from you, to listen to you and most importantly, to serve you. If you need anything at all, please don't hesitate to contact me anytime.



Jimmy Pruett  
GA Representative of the 149<sup>th</sup> District