



**The American
Institute
of Architects**



Report – Week 2

Budget Week

This week was the annual budget week at the State Capitol. For the last couple years, the legislature has gaveled in and out in order to burn days during budget hearings. This year is different. In anticipation of tough budget decisions regarding cuts the Governor has discussed, legislators are taking the week off to give their full attention to these budget discussions.

The schedule for budget hearings was tight with each agency head receiving between 15 and 35 minutes. The agency heads presented their budget priorities – many focusing on how they have dealt with budget cuts and oftentimes defending the Governor’s call for such cuts. This comes on the heels of the Governor instructing agencies to cut their budget by 4% in 2020 and 6% in 2021.

Below is a day-by-day summary of the key presentations.

Day 1 – Governor Kemp’s remarks, Economic Development, Transportation, Secretary of State

Governor Kemp opened up the Joint Appropriations meeting by applauding state agencies for adhering to his call for a reduction in costs. He was very thankful to agency leaders and noted that they had earned his confidence in their leadership by finding creative ways to reduce costs and continue to be strong stewards of taxpayer resources while also continuing to provide top-notch services. The Governor’s FY 2021 budget can be found in its entirety here –

http://www.house.ga.gov/budget/Documents/2021_FiscalYear/FY_2021_Tracking_Sheet_Gov_Rec.pdf

The Governor’s remarks began the secession of agency leaders.

Another speaker that drew a large crowd on the first day of hearings was the State Fiscal Economist, Dr. Jeffrey Dorfman. He noted that the Georgia economy is showing positives. While the budget is tight, the economy is “quite good.” He said that revenue is slow but the state’s corporate tax is fruitful. Some factors that have slowed down revenue include the 2018 income tax rate cut of .25 percent as well as

the TAVT reapportionment. Over \$170 million that was previously dedicated to the state now goes to the counties.

There were many questions to Dr. Dorfman from legislators concerned about recouping hurricane funding, unemployment, the likelihood of a recession, and consumer confidence. All in all, Dr. Dorfman painted a favorable picture of a Georgia that is set to prosper in 2020.

Also, on Day 1, we heard from the Secretary of State, The Department of Transportation, the Department of Natural Resources, the Department of Agriculture and others.

Day 2 – Education

When asked what state policies could keep the state’s economy growing, The State Fiscal Economist said funding education is the smartest thing policymakers can do. Ultimately, it pays for itself through people earning more and paying more taxes. This is reflected in the Governors commitment to continue to fully fund QBE and follow through on a \$2,000 pay raise for PreK – 12 teachers – the back end of a \$5,000 pay raise promised during his campaign.

Richard Woods began his presentation by thanking the Legislature for their support of education efforts in Georgia by fully funding the QBE formula, dedicating funding for mental health professionals and school security. Woods applauded the state of Education in Georgia and highlighted an 82% graduation rate, which is an all-time high in Georgia. Ted Beck, the Department of Education’s CFO, spoke on the budget requests. The Department will be asking for \$114 million in QBE midterm adjustments. The Department of Education will be complying with the requested budget cuts by measures such as implementing a hiring freeze, using more telework and teleconference opportunities and replacing technology only when broken.

Day 3 – Healthcare

The final day of budget hearings focused on agencies dealing with the healthcare of Georgians. Agency heads for the Department of Human Services, Department of Public Health, The Board of Healthcare Workforce, the Department of Community Health, The Office of Insurance and Fire Safety, and the Department of Behavioral Health and Developmental Disabilities all spoke on the budget requests for their departments.

Commissioner Toomey of the Department of Public Health spoke about how 2020 was unusual given a large measles outbreak, over 500 hospitalizations with influenza and a Hepatitis A outbreak. There are also new threats on the horizon such as vaping. Even with the requested budget cuts in place, the Department plans to focus on maternal health and infant mortality, HIV prevention and care, and

immunization and telehealth services. Toomey noted that the requested budget cuts are mostly found in grants to counties.

Commissioner Judy Fitzgerald of the Department of Behavioral Health and Developmental Disabilities spoke about how “painful” the budget cuts to her department would undoubtedly cause a reduction of services to Georgia’s most vulnerable population. Legislators were uncomfortable with this analysis and raised many questions in response to her presentation.

Calendar

The calendar remains the same. The legislature will convene on Monday, January 27th for Day 5 of the 2020 Legislative Session.

Day 5 – January 27th
Day 6 – January 28th
Day 7 – January 29th
Day 8 – January 30th
Day 9 – January 31st
Day 10 – February 3rd
Day 11 – February 4th
Day 12 – February 5th
Day 13 – February 6th
Day 14 – February 10th

Save The Date

Join us for AIA Day at The Capitol! February 6th will provide you an opportunity to hear from legislators and speakers and ask them any questions you may have. It will be located in the Coverdale Legislative Office Building (CLOB) in room 328. February 7th is the Christopher Kelly Leadership Development Program. That will be located in 403 CAP.

As always, please find the attached spreadsheet containing all bills we are following. Please let us know if you have any questions or concerns.