



LEGISLATIVE UPDATE

A Briefing for Faculty & Staff of the University System of Georgia • No. 1, January 18, 2011

“Creating a More Educated Georgia”

Governor Says Leaders “Must...Demonstrate a New Form of Statesmanship”

Governor Commends State Employees and Teachers

Gov. Nathan Deal delivered his inaugural speech on Jan. 10 and his first State of the State address on Jan. 12, during which he presented his budget recommendations.

In his inaugural address, the Governor said that “we must concentrate our attention and our resources on the core responsibilities of government.”

Deal noted that there are many functions and responsibilities of state government, but what he considers the most important include: the security of its citizens; K-12 education; transportation; the demand for water; and, the health of its citizens.

“Each in its own way is a part of the greatest challenge we face, the creation of jobs for our citizens,” said Deal. “If we make Georgia the best place in the country to live, learn and work, businesses will grow and expand and we will achieve real prosperity. That is my goal and the

actions of my administration will always be focused on it.”

The Governor noted that in regard to the State and its citizens, he concurred in the description found in the 1885 publication, “*The Commonwealth of Georgia*,” prepared under the direction of the second Commissioner of Agriculture for Georgia, J. T. Henderson.

The passage asks the question: “In general productiveness, in salubrity of climate, in the incomparable blessing of good water, in facilities of transportation, in educational advantages, in the moral tone of her people, and the almost unbroken good of order of society, what State of our day and generation can justly claim a happier condition or a higher civilization?”

Governor Deal said, “It is comforting to know that the things which truly define who we are as a State and a people have changed very little in 126 years. With regard

to our State budget, however, it must be adjusted to reflect the financial realities of today.”

The Governor went on to say that though there are signs of economic recovery, there should not be additional spending even if actual collections exceeds estimated collections. The commitment to replenish the “Rainy Day Fund” is one of the driving principles of his budget recommendations.

Deal presented two budgets: an amendment to the Fiscal Year 2011 budget, in which he reduced the Revenue Estimate – which the budget is based on – by more than \$27.5 million primarily due to fee revenues being lower than projected, and the Fiscal Year 2012 budget.

He set the Revenue Estimate for FY12 at a 3.75 percent increase over the amended 2011 recommendations. Federal Stimulus Funds - totaling \$1 billion - will no longer be available.

Along with lowering the Revenue Estimate to replenish the “Rainy Day Fund,” some other initiatives the Governor

is undertaking include: curbing the growth of state employees by adjusting authorized positions downward; re-directing some budgeted spending; and, borrowing on a lower level – at 50 percent of recent packages.

Said Governor Deal, “Both budgets make funding for K-12 education a top priority.”

Other priorities are a commitment to preserving HOPE, addressing health care costs, improving Georgia’s economic competitiveness, water reservoir creation and expansion, Savannah harbor deepening, transportation, and finding alternative funding sources such as public-private partnerships.

Before closing, the Governor acknowledged challenging times for all, and especially the sacrifice of state employees and teachers. He said, “I know this period has been particularly challenging for state employees and teachers and I want to recognize their excellence and professionalism in this difficult time...To all members of our state team: thank you

Questions? Suggestions? Comments?

We welcome your thoughts on this publication. To share them, just send an e-mail to the editor at sonja.roberts@usg.edu.

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Governor’s Budget Recommendations

Gov. **Nathan Deal** released his budget recommendations for the University System of Georgia’s (USG) Fiscal Year 2011 Amended and Fiscal Year 2012 Original budgets on Jan. 12. The recommendation for the FY11 amended budget is \$1.8 billion (excluding federal stimulus funds), a reduction of \$111.9 million, or six percent, from the FY11 base state appropriation of \$1.92 billion.

In FY12, the Governor has recommended a reduction of \$185 million (which includes the continuation of the FY11 amended reduction), or almost 10 percent. The total FY12 recommendation is \$1.73 billion in state funds for the USG.


“All in all, it is a difficult budget situation for the state and the system, and a difficult year ahead for all of us as we work together,” said **Chancellor Erroll B. Davis Jr.** “We will rely on our experience in managing tight budgets over the past three years and effective work of 35 institutional presidents to serve our students in FY12.”

Looking forward, Davis noted that as economic conditions improve, it is vital to stress the importance of formula funding in future budget years.

Also reflective of the difficult budget situation is the Governor’s recommendations for capital funding of \$81.1 million.

Of the total package, Major Renovation and Rehabilitation (MRR) funds make up \$50 million. The remaining \$31.1 million are for various projects at the institution level, and includes funds for the Georgia Public Library Service.

The recommended projects include:

- \$1M in equipment for Atlanta Metropolitan College Science Academic Building;
- \$4.2M in infrastructure funds for Georgia Institute of Technology - Eco-Commons;
- Construction funds which include \$3.25M for the Historic Tift Lewis Herring Renovation at Abraham Baldwin Agricultural College, \$16.5M for the University of West Georgia Nursing Building, and \$5M for the Valdosta State University Health Science Building; and,
- \$1.15M for the Middle Georgia Regional Library (Jeffersonville, Twiggs County). 

Governor

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for putting in the extra effort and the extra hours to meet this challenge! Thank you for refusing to make excuses.”

In closing, the Governor gave his assessment of the state: “These are tough times, but the state of our State is strong... We are entering an era of smaller government and greater personal responsibility.”

Governor Deal says he’s optimistic and believes

that Georgia’s citizens “are ready to rally in this time to achieve great things...and to create a better Georgia.”

His parting words to elected officials were “...we must sound the call and demonstrate a new form of statesmanship.

“I am confident that through working together we can put our people back to work, and educate our children for the jobs of the future.” 

Governor Nathan Deal Salutes Higher Education

In a January 7, 2011 guest article written for the *Atlanta Journal-Constitution*, Governor Nathan Deal commented on the importance of higher education.

Deal wrote, “There are promising signs springing up in Georgia’s economy...This helps tremendously – and allows us to continue to meet our education responsibilities. But it’s not enough to fill the gaping budget hole. Tough decisions remain, but I pledge that every decision will go through this prism: Will this help Georgia preserve and promote jobs today and will it prepare Georgia for the jobs of tomorrow?”

He further commented, “One way we prepare for our economic future is producing a highly skilled work force, where a college education is more important than ever.” 