



LEGISLATIVE UPDATE

A Briefing for Faculty & Staff of the University System of Georgia No. 13, April 21, 2010

“Creating a More Educated Georgia”

House and Senate Vote Out Recommendations for FY 2011 Budget *Formula Funding Recommendation Remains Intact*

Both houses of the Georgia General Assembly have now had their say on the Fiscal Year 2011 Budget, and a Joint Conference Committee has until “sine die” (final adjournment) on April 29 to reconcile the differences reflected in the two sets of recommendations.

The House of Representatives passed the budget along to the Senate on April 14, Day 36 of the 40-day legislative session, making recommendations for the University System of Georgia (USG) similar in many respects to those of Gov. Sonny Perdue. Today, April 21 (Day 38), the Senate voted out a version that leaves the USG’s capital outlay budget up almost \$60 million, but also contains an additional reduction of approximately \$20 million to the USG’s operating budget.

Both House and Senate budget writers chose to preserve

Perdue’s recommendation of \$113 million for the University System of Georgia’s formula funding, noted Tom Daniel, senior vice chancellor for external affairs. “We sincerely thank the Governor, the House and the Senate for recognizing how critical the formula is to the effective operation of the University System,” he said.

However, the House and Senate have different views when it comes to the USG’s Major Repair and Renovation (MRR) funding. The House voted to reduce these funds by \$5 million, which would affect the University System’s stewardship of state-owned facilities, and the Senate later fully restored MRR funding to the Governor’s recommendation of \$60 million.

Operating Budget

Among the differences between the House and Senate in the USG’s operating budget, the

Also Noteworthy ...

The Senate passed HB 1128 (the carry-forward legislation) by a vote of 46-0 with one technical amendment requested by the Technical College System of Georgia to its section of the bill. Once the House of Representatives agrees to HB 1128 as amended by the Senate, the bill will move to the Governor’s desk to be signed into law.

HR 1763 and SR 1291, two urging resolutions concerning the Georgia Capitol Museum, passed out of their respective committees and now reside in the House and Senate rules committees.

The General Assembly adopted a schedule for the final days of the session. Today is Day 38. Day 39 will be Tuesday, April 27, and Day 40 (sine die, the end of the legislative session) will be Thursday, April 29. 🏠

House agreed with the Governor’s reduction of \$117 million in federal stimulus funds, as well as a 3.4 percent reduction in other line items in the budget due to the state’s declining tax revenues. However, the Senate recommended an additional reduction of \$13.4 million for USG institutions, bringing

the System’s net total reduction after the stimulus offset to \$307 million (16.3 percent). This is up from the Governor’s revised and House recommendation of \$294 million (15.6 percent).

Among other changes made in the USG’s operating budget,

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House budget writers restored \$2.5 million of the \$5 million reduction recommended for the **Medical College of Georgia's** (MCG) Cancer Initiative. The House also reduced the size of an additional cut to the budget of MCG Health Inc. from \$1.16 million to \$500,000. However, the Senate changed this back to \$1.16 million.

The House transferred \$15.4 million in Special Funding Initiatives (SFI) funding for **Georgia Gwinnett College** from a line item to the base budget in the USG's formula. The Senate reduced the size of the reduction for this initiative by \$1.2 million, also reducing the reduction for the **Georgia Public Libraries** by \$1.3 million.

The Senate recommended an additional reduction of \$8 million in special-funding initiatives, including \$6.2 million for MCG's mission-related program; \$649,000 for the **Intellectual Capital Partnership Program's** (ICAPP) Health Professions Initiative; and \$1.2 million for **Georgia's Leadership**

Institute for School Improvement.

The SFI cuts "effectively eliminate all state funds for these three initiatives," Daniel acknowledged.

The Senate also removed from the USG operating budget:

- ◆ \$900,000 requested by the Board of Regents to fund the expansion of physician education in Georgia;
- ◆ \$325,000 recommended by the House to maintain the Georgia Music Collection; and
- ◆ \$325,000 recommended by the House to maintain the Georgia Sports Collection.

The House restored \$150,000 of the \$200,000 reduction to the budget of the Cooperative Extension's Vidalia Onion Research Project, and the Senate added back an additional \$50,000.

House budget writers also restored:

- ◆ \$140,000 to the budget of the Southern Regional Education Board (SREB); and
- ◆ \$750,000 in cuts recommended for the research consortium in the Gover-

nor's revised recommendations.

Capital Budget

Regarding the USG's capital budget, the House' recommendations of \$116 million for bond projects amount to \$5 million less than those recommended by the Governor, while the Senate added almost \$60 million, including seven new building projects.

The Senate agreed with the House addition of several projects, including:

- ◆ \$4.75 million in construction funds for **Abraham Baldwin Agricultural College's** renovation of the historic Tift Lewis Herring building;
- ◆ \$6.5 million in construction funds for **Georgia Southwestern State University's** Health and Human Sciences Building;
- ◆ \$4.7 million in design funds for **Georgia State University's** Humanities Building; and
- ◆ \$6.4 million for an infrastructure expansion project at **Kennesaw State University.**

The House deleted \$4.5 million for the Eco-Commons project at **Georgia Tech** and \$14.3 million for the Library Addition project at **Armstrong Atlantic State University** (AASU), but the Senate restored partial funding for these projects – \$300,000 for Georgia Tech and \$5 million for AASU.

The House reduced funding for the design of the **University of Georgia's** Veterinary Medical Learning Center by \$5.3 million, but the Senate restored this project's funds to the Governor's recommendation of \$7.7 million.

The House added \$2 million in design funds for the expansion of **Augusta State University's** Wrightsboro Site, but the Senate deleted these funds from its recommendations. Likewise, the Senate disagreed with the House' addition of \$1.3 million towards the infrastructure needed for **North Georgia College & State University's** Information Technology Network and deleted this project.

The Senate added funding for seven new USG capital projects

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as well as two public libraries. They are:

- ◆ \$2.8 million in design funds for a Health Sciences Building at **Valdosta State University**;
- ◆ \$7 million for the renovation of laboratory space in **Georgia Gwinnett College's D Building**;
- ◆ \$10.9 million in construction funds for a Science Building at **Atlanta Metropolitan College**;
- ◆ \$1.3 million in design funds for an academic building at **Dalton State College**;
- ◆ \$15 million for the first phase of construction on a Biology Building at **Georgia Southern University**;
- ◆ \$3.75 million for the renovation of the Student Success Center at **South Georgia College**;
- ◆ \$1.6 million to renovate the Student Services Building at **Darton College**;
- ◆ \$2 million to build the LaFayette-Walker County Public Library; and
- ◆ \$1.5 million to build the Madison County Public Library. 