



LEGISLATIVE UPDATE

A Briefing for Faculty & Staff of the University System of Georgia No. 9, March 9, 2006

“Creating a More Educated Georgia”

Amended Budget Passes With Top Three Majors Projects Included

University System of Georgia officials are pleased that the Fiscal Year 2006 Amended Budget passed by the full House and Senate on Wednesday includes the top three projects on the Board of Regents’ Major Capital Outlay Priority List.

“This decision validates the Board of Regents’ carefully structured capital request process,” said **Thomas E. Daniel**, senior vice chancellor for external activities and facilities. “We are very appreciative of the General Assembly’s support for these projects.”

The following “majors” projects were funded in the FY06 Amended Budget:

- ◆ The renovation of two historic buildings housing *Georgia College & State University’s* Parks Nursing/Health Science programs (\$9.1 million);
- ◆ A new facility to house the *University of West Georgia’s* Health, Wellness and Lifelong Learning Center (\$24.2 million); and

- ◆ A new library and technology center for *North Georgia College and State University* (\$18.4 million).

When the General Assembly elected to include only design funds for these projects in the FY06 Budget last spring, **Gov. Sonny Perdue** said legislators would have to find construction funds for them during the current session. The House left this issue for discussion during deliberations on the FY07 Budget, but the Senate added funding during its deliberations on the Amended FY06 Budget a few weeks ago. The joint conference committee assigned to blend the House and Senate versions of the amended-budget legislation let them stand.

The conference committee’s final budget bore a strong resemblance to the Amended Budget passed by the Senate in mid-February. Committee members made only a few minor changes. ☰

Mixed News for University System on House Version of FY07 Budget

The Georgia House of Representatives adopted a version of the Fiscal Year 2007 Budget on Wednesday that includes reductions in the University System of Georgia’s formula funding and maintenance, repair and rehabilitation (MRR) funds.

However, the budget also saw the addition of funding for six of the Board of Regents’ minor capital outlay projects.

The House reduced by \$2.5 million the \$8.2 million portion of formula funds needed to cover recent increases in health insurance premiums for University System of Georgia faculty and staff.

The House took an even bigger chunk out of the University System’s MRR funding – money used to address major renovation and infrastructure projects on the USG cam-

pus and to reduce the ongoing backlog of needed repair and rehabilitation of facilities.

Representatives reduced the \$68.2 million set aside for this purpose by \$12 million, lowering MRR funding to \$56.2 million.

“These actions appear to be a policy shift away from fully funding our formula request,” said Chancel-

lor **Erroll B. Davis Jr.** “The reduction in MRR funds is of particular concern because the Governor’s recommendation [for full funding] was intended to help us offset a last-minute loss of \$14 million [at the hands of the] conference committee during the last session.”

Davis said he and other USG officials will work with the Governor and his staff and

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“make our case with the Senate” for reversing the two reductions.

The House version of the FY07 Budget also included other reductions, including:

- ◆ A 3 percent cut to the University System Office’s \$6.4 million budget, which shaved \$193,973 from these funds; and
- ◆ The deletion of two “minors” projects: \$3.9 million in bonds for *Fort Valley State University*, to cover the stabilization of Huntington Hall and a campus-wide infrastructure upgrade; and \$4.7 million

in bonds for *North Georgia College & State University*, for the renovation of the campus’ historic Education Building.

The minors projects added to the FY07 Budget by the House include:

- ◆ \$5 million in bonds for *Darton College’s* Allied Health Facility;
- ◆ \$5 million in bonds for an addition to *Georgia Southern University’s* Foy Fine Arts Building;
- ◆ \$4.5 million in bonds for the renovation of Dillard Hall at *Middle Georgia College*;
- ◆ \$4.7 million in bonds for infrastructure upgrades at

Coastal Georgia Community College;

- ◆ \$4.8 million in bonds for infrastructure upgrades at the *University of Georgia*; and
 - ◆ \$2.8 million in bonds for the expansion of a central energy plant at *Augusta State University*.
- The House also made several other additions to the budget, including:
- ◆ \$1.5 million for *Fort Valley State University’s* land grant mission;
 - ◆ \$2 million in bonds for the Live Oak Public Library;
 - ◆ \$1 million for materials for public libraries;

- ◆ \$312,000 for the renovation of Mountain View Library;
- ◆ \$500,000 in one-time funds to create a bio-business incubator at the *Medical College of Georgia*;
- ◆ \$361,330 to restore a cut of \$361,330 in the resident-instruction budget for funding of the nurse anesthetist program;
- ◆ \$75,000 to the Co-operative Extension Program for Vidalia onion research; and
- ◆ \$12,650 to restore a cut to the Forestry Cooperative Extension’s budget and \$60,231 to restore a cut to the Forestry Research program budget.

The FY07 Budget now moves to the Senate for consideration. 🏠