



## Senate Press Office

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For Immediate Release:  
February 22, 2010

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## Heath: The Budget, Economic Recovery & Reducing Burdens

By Sen. Bill Heath



Our *top priority* this session is enacting policy focused on job creation and economic growth. But there is no debate; the 2011 budget is the *biggest challenge* we have. Georgia's budget is a paramount challenge and the unprecedented nature of the dire situation calls for a focused approach. The 2010 amended budget only assumed a \$1.35 billion shortfall. Today, we're at a \$1.59 billion shortfall. Over the next two weeks, the Senate will be in recess making adjustments to the 2010 amended budget and looking ahead to the 2011 budget. The current 2011 budget anticipates a 4 percent revenue growth, which may be too optimistic. Balancing the budget is our constitutional obligation and it must be done the right way in order to create an economic climate in Georgia that will provide more jobs - our top priority.

We are in the process of adjusting 2011 budget back to 2005 revenue levels with approximately 600,000 more Georgians added to our population since then. Due to previous cuts in the 2009 and 2010 budgets, our budget make-up consists of 65% education (k-12 & universities combined), 15% health services, 6% Department of Corrections, 3% for human services (DFCS, Foster Care, Adoption Assistance, and 11% for all other Agencies. To say we have some "tough choices" ahead is a colossal understatement. The 2011 budget may very well have to go beyond the appropriations process and statutory changes may have to be considered.

Some suggest that raising taxes and fees is a simple and quick fix to match revenues to expenditures. This band-aid approach could not come at worse time for hard-working families around the state already struggling to make do with less and businesses that are being forced to cut jobs and trim payroll.

It is paramount we take time to go over every area of every agency to analyze where we can find the cuts with minimal impact. Our Senate budget team, alongside our Budget Task Force of top business and economic experts around the state, are working toward identifying wasteful government spending while protecting vital areas such as education and public safety. It is a long process that must allow every idea and avenue to be laid on the table for discussion. Our state's future is too important to rush

through this budget and not identify common-sense, fiscally responsible solutions that will move Georgia toward a prosperous and bright tomorrow. These are your tax dollars. Please contact me with any suggestions on how to use your money more effectively.

While the budget is the *biggest challenge*, our *top priority* must be job creation and economic growth for Georgia. The national economy is beginning to show signs of stabilization, but we won't begin to feel the relief in Georgia for a while. Thousands of Georgians are still looking for work amid one of the most severe recessions our state has seen. The best way to turn Georgia's economy around is to cultivate the right environment for businesses to grow and expand so people can get back to work. Permanent, non-government job creation is the best catalyst for Georgia's economic recovery.

We must also do everything in our power to reduce burdens on our taxpayers. In an attempt to bring fairness to an unfair property tax system, the Senate Finance Committee has been working diligently on the property tax assessment and appeals reform bill. Assessed values have not kept pace with falling property values over the past few years, resulting in property taxes for many property owners being artificially high. At a time when so many are struggling with family budgets, they don't need to be burdened with a property tax system that is grossly over assessing property values. Since the bill's proposal, the Finance Committee has worked on nearly 40 changes to the property tax system. The committee will continue to perfect this bill and work to ensure property is taxed fairly.

We must continue our conservative leadership of less spending, lower taxes, providing business growth incentives and finding government efficiencies to spur economic development. Conservative leadership in Georgia has a proven record of reducing inefficiencies, while increasing investments in those limited areas where state government has a fiscal responsibility – particularly education.

As this budget process continues, I will continue to work with my colleagues in finding conservative solutions to growing our economy and reducing our state budget. We must continue to evaluate the role of government in our daily lives and how best government can get out of the way to let the citizens of Georgia grow and prosper.

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*Sen. Bill Heath serves as Chairman of the Retirement Committee and Governor Sonny Perdue's Floor Leader in the Senate. He represents the 31<sup>st</sup> Senate District which consists of Haralson and Polk counties and portions of Bartow and Paulding counties. He may be reached at 404.651.7738 or by email at [billheath@billheath.net](mailto:billheath@billheath.net).*