

Notes from the Georgia Senate

March 14, 2008

By: Sen. Bill Heath (R-Bremen)



The Senate moved beyond Crossover Day this week, passing more than 30 bills over to the House for consideration. In addition, Senate Resolution 1148 was adopted, outlining a new schedule for the General Assembly through Legislative Day 35 on March 27. Some of the highlights of the week include the passage of a bill providing military scholarships for children of soldiers killed or disabled as a result of a combat wound; legislation requiring that if a school system loses its accreditation, a special election may be held to elect a new school board and a bill creating the Georgia Arts Alliance. The biggest news this week, though, was the Governor's announcement that revenue estimates for both the FY 08 amended budget and the FY 09 budget must be reduced.

On Monday, Gov. Perdue announced that the state would tighten its belt due to the slowing rate of revenue collections. Gov. Perdue also met with Senate and House leadership to discuss his revised budget recommendations. For the amended FY 08 budget, revenue will be reduced an estimated \$65 million from the original proposal. The reductions recommended include cuts of \$40 million, originally allocated for one-time equipment and technology infrastructure upgrades for schools, and \$25 million in funding for school buses in FY 08. For FY 09, the revenue will be reduced by an estimated \$245 million. The reduction in spending recommended by Gov. Perdue will be derived from programs in state agencies.

A day after this announcement, the House passed many random tax exemptions on Crossover Day. The Senate took the first steps in the tax reform debate this session by passing three different Constitutional Amendments to cap property taxes for homeowners. With broad bipartisan support, the Senate voted to send both measures to the House for consideration. In a somewhat surprising development on Crossover Day, the House took the tax reform debate even further by rolling some of Senate's ideas into House Resolution 1246. HR 1246 also calls for the elimination of all ad valorem taxes in Georgia on cars. The "GREAT" Plan has evolved into what passed the House on Crossover Day. The fiscal responsibility of moving a tax reform plan forward like this when the state's economy is slowing is somewhat questionable. It should be interesting to see how the tax reform debate moves forward from here, as we head toward Sine Die.

Some of the other key bills that passed recently in the Senate include:

- SB 196 provides military scholarships for children of soldiers killed or disabled as a result of a combat wound.
- SB 549 establishes a three-level system of stroke centers.
- HB 297 provides two additional exemptions from the franchise agreement requirement for the sale of recreational vehicles (RVs) by dealers.
- HB 1088 promotes the development and maintenance of agritourism attractions.
- HB 301 strengthens current dog fighting law in Georgia by imposing tougher penalties on spectators and participants of dog fighting exhibitions.
- SB 548 prohibits the use of state funds by purchase orders or other such payment vehicles for personal benefit or gain.

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