



**Georgia Bio Legislative Report  
February 1, 2019  
Days 5-7 of 40 Day Session**

**General Info:**

Weather events impacted state government this week as Governor Kemp closed all state agencies except for essential personnel on Tuesday January 29<sup>th</sup>. The General Assembly did convene for legislative days 6-7 on Tuesday and Wednesday.

[Meetings and adjournments of the General Assembly](#)

**Budget:**

Governor Kemp released his budget recommendations to the General Assembly for both the amended current and upcoming fiscal years (amended FY19 and FY20).

Each year, the General Assembly authorizes funding for all agencies and programs of state government, and no money can be spent unless authorized by the annual appropriations act.

Georgia's constitution gives the governor the exclusive power to set the revenue estimate for the coming fiscal year, which determines how much money can be spent. Further, the governor has the exclusive power to propose the state budget, designating how much money will be appropriated to each agency.

The General Assembly's power over the state budget is limited by the fact that most of the state budget goes to state and federal entitlement and other formula-based programs that must be funded. However, the ultimate power to approve or not approve the state budget rests in the hands of the General Assembly.

Note: Georgia's fiscal year runs from July 1-June 30. Typically the General Assembly handles 2 budgets each session: (1) the "big" budget for the next fiscal year as well as (2) the "little" budget, or the amended budget for the current fiscal year, to ensure revenues are appropriately accounted for prior to the end of the fiscal year (given that GA has a balanced budget requirement).

Governor Kemp's Budget Recommendations -- Amended FY19 and FY20 – prioritizes enhancing K-12 education by investing in teachers, school safety, and mental health services; working with the House on the Rural Development Council's proposal to provide quality healthcare and access to broadband; crafting state flexibility options for the Medicaid program; growing the rural hospital tax credit; addressing Georgia's doctor shortage; and continuing to invest in transportation infrastructure and economic development.

## **Medicaid Waiver**

Governor Kemp set aside \$1 million in the state health department's budget to develop a waiver that would drive competition and improve quality while encouraging innovation. A waiver submission to keep with CMS guidelines is difficult, most states submit a 1115 waiver to use a consultant. DCH will select a consultant or firm to develop our waiver.

## **Amended FY19 Budget Highlights:**

\$89.7 million for a midterm adjustment for K-12 enrollment growth

\$3.6 million increase in funds to for growth in the Dual Enrollment program

\$54 million for Medicaid and the Indigent Care Trust Fund, including \$33.7 million for baseline Medicaid expense growth, a \$14.5 million reduction to the state's Hospital Provider Payment revenue, and \$18.7 million to support the Indigent Care Trust fund and draw down additional federal money for

Disproportionate Share Hospital payments

\$8.4 million for mental health services for high schools through the Georgia Apex Program (GAP)

\$9.3 million for Mercer University School of Medicine to establish a new four-year medical school in Columbus

## **FY20 Budget Highlights:**

\$491.6 million to increase salaries for certified teachers by \$3,000 and to provide a 2 percent salary increase for school bus drivers, nurses, and nutrition workers

\$133.5 million to cover student enrollment growth and routine adjustments in teachers' salaries through the Quality Basic Education formula

\$21.3 million to the Teacher Retirement System to maintain its fiscal strength

\$3.5 million for Dual Enrollment allocated to the Georgia Student Finance Commission

\$86.2 million for enrollment growth and operating costs in the university system

\$182 million for Medicaid and PeachCare, including \$92 million to offset a reduction in the FMAP rate

\$78.6 million for the Department of Behavioral Health and Developmental Disabilities, including \$10.2 million for crisis services and \$4.9 million for addictive diseases bed capacity

\$150 million for the Secretary of State to replace election voting systems statewide

\$100 million for repair and replacement of bridges across the state

The General Assembly will use the governor's recommendations as a starting point to develop and pass the state's budget, which the governor will then sign or veto. The governor can also veto line items within the as-passed version.

## **GEORGIA BIO LEGISLATIVE TRACKING SHEET**

Georgia Bio will provide updates on specific legislation of interest to the Georgia Bio membership. If you have bills that you would like included in the weekly bill update, please email [jsantoro@gabio.org](mailto:jsantoro@gabio.org).

## **[Legislative Tracking Sheet](#)**

## **GABIO POLICY & ADVOCACY COMM. MEETINGS/CALL SCHEDULE FOR 2019 GA LEGISLATIVE SESSION**

Thurs. Jan. 17th at 10am

Mon. Jan. 28th at 11am

Mon. Feb. 11 at 11am

Mon. Feb. 25 at 11am

Mon. Mar. 11th at 11am

Mon. Mar. 25th at 11am

Mon. Mar. 25th at 11am

If you would like to participate on a Georgia Bio Policy Committee call, please contact [jsantoro@gabio.org](mailto:jsantoro@gabio.org).