AFY 2020 – FY 2021 Governor's Budget Proposal
Frequently Asked Questions

State Revenues

How have state revenues performed relative to the fiscal note for the 2018 personal and corporate income tax reforms?

- The fiscal note for HB 918 (2018 Session) includes positive revenue impacts in the near term (FY 2018 – FY 2021) followed by lower revenue growth in the outyears (FY 2021 – FY 2023).
- This would have resulted in a positive revenue impact of $265M in FY 2019 and $393M in FY 2020, driven almost entirely by corporate income tax, followed by a negative revenue impact of ($467M) in FY 2021.
- Corporate income tax overperformed compared to fiscal note estimates in FY 2019 which resulted in the anticipated FY 2020 revenue bump occurring in FY 2019. As this was a one-time bump resulting from tax changes, growth assumptions for FY 2020 are now lower than what was contemplated in the original fiscal note. Additionally, personal income tax growth projected from the fiscal note has not materialized due to the record unemployment and leveling of job growth.

How have other legislative changes impacted revenue?

- During the 2018 legislative session, HB329 adjusted the state and local split in revenues from the Title Ad Valorem Tax (TAVT). For the upcoming budget cycle, that will reduce state revenues by $170 million in FY 2020 and $178 million in FY 2021. These revenues will still be collected, but they will be distributed to county governments resulting in a revenue increase for locals.
- These additional funds for locals could be used by county governments to directly offset state budget reductions in grants to county boards of health ($9.2M), public defenders ($3.5M), or county cooperative extension services ($4.1M) as these are jointly state and locally funded activities.
- Finally, an increasing number of bills have dedicated traditional state general revenues to be appropriated for specific activities, limiting the discretion appropriators have in determining fiscal priorities in each budget, particularly in the Amended budget. These include the fireworks excise tax, Joshua's Law, super speeder fines and fees, lifetime sportsmen licenses, and most recently, the Georgia Outdoor Stewardship Act.

Impacts to State Employees

Did the Governor include furloughs for staff in his budget recommendations?

- No. None of the recommended items in the Governor's budget direct any state agencies to initiate furloughs to meet budget reductions. Select state agencies stated in their budget submissions they would furlough staff, but OPB has tried to work closely with those agencies to identify alternative savings opportunities. Others assured OPB they would not need to do any furloughs and then reported otherwise to the House appropriations committees. OPB will continue to work with any agencies considering furloughs to look for other savings opportunities.

Will agencies have to conduct large reductions-in-force (RIFs) to meet these budget reductions?

- No. The Governor's Budget identified over 1,200 positions across state agencies that are either currently vacant or which the agency anticipates becoming vacant during the current or next fiscal year as a result of regular position turnover. By asking state agencies to largely *maintain current staffing* levels, both the AFY 2020 and FY 2021 budgets were able to recognize approximately $70 million in savings in each year. In some instances, positions had already been vacant for 18 months or longer and the budgeted funds were being used for year-end equipment or vehicle purchases.
- There are some filled positions that will be eliminated in the budget that agencies identified in their budget proposals to the Governor, approximately 246 in AFY 2020 and 318 in FY 2021 out of a workforce of more than 113,000, approximately .3% of the state's workforce. Further, more than half of these positions are the result of an administrative restructure effort at the Department of Corrections to better centralize administrative functions. All employees' whose current positions are being eliminated through the restructure are expected to be offered alternative opportunities in other vacant positions within Corrections or at other facilities. Corrections expects some individuals may choose to seek other employment.

How was the $1,000 pay raise for employees making under $40,000 calculated? Why was this pay raise structure used in FY 2021 instead of a merit increase included in other recent years?

- Prior to the Great Recession, pay adjustments to state employees were classified as "Cost of Living Adjustments" and provided largely across the board based on a percent increase. Since FY 2015, the most recent pay raises have been classified as "merit increases" and calculated as a percent of payroll, but giving agencies the discretion to distribute funds for merit based salary increases or recruitment and retention of strategic positions. Despite that flexibility, agencies have by and large distributed salary increases in an across the board manner without addressing salary concerns in high turnover positions.
- One of the most common concerns agencies raised during fall budget meetings with Governor Kemp was the difficulty in recruiting and retaining employees, particularly those in the lowest earning salary groups. Additionally, because many agencies have consistently opted to use merit raises for across the board percentage based salary increases in recent years, lower earning employees received significantly lower nominal pay increases than higher paid, executive level employees.
- In order to specifically address turnover and retention concerns for agencies, Governor Kemp's budget included a more targeted salary increase to more than 47,000 eligible state employees that will enable them to receive between a 2.5% - 5% salary increase depending on their current salary. Agencies would

still have discretion to not award salary enhancements to underperforming employees who failed to have positive performance reviews.

- OPB's methodology for calculating the budgeted amount for the pay increase has been consistent with all prior years' calculation methods. The Governor's Budget has always included the state funds portion necessary for a given salary increase or any other statewide item. Agencies receiving federal or other funds for activities are expected to utilize those funds sources in the same ratios they have in prior years. The state has been consistent in this budgeting approach in order to not subsidize federally funded activities or those activities meant to be self-funding with state tax dollars.

Agriculture

How will budget reductions impact the agency's food inspection responsibilities?

- The table below shows that even with the FY 2020 allotment withholds and Governor's recommendations, the Department currently has almost the exact same number of inspectors currently on staff as they did in each of the last two fiscal years. Of the 13 full time positions identified in the Governor's budget for reduction in the Consumer Protection program, all are currently vacant. The average time of vacancy is over six months.
- Additionally, the Governor's FY 2021 recommendation will provide an average 3% pay increase to 163 of the 185 employees, the primary positions the Department states are the most difficult for them to recruit and retain due to low pay. An FY 2021 3% increase to these positions would be the largest pay raise they have received since FY 2017.

	# of Positions Filled				Current Average
Job Title	**FY 2017**	**FY 2018**	**FY 2019**	**Jan. 2020**	**Salary**
Safety & Compliance Spec 1			3	4	$32,000
Environmental Compliance Spec 1		1	1		
Environmental Compliance Spec 2		4	3	1	$32,971
Environmental Compliance Spec 3		1	1	2	$36,268
Agriculture Compliance Spec 1	19	23	15	17	$31,292
Agriculture Compliance Spec 2	23	21	27	24	$33,932
Agriculture Compliance Spec 3	4	5	6	5	$39,188
Agriculture Compliance Spec Spv	15	11	11	9	$45,246
Compliance Specialist 1	2	2	3	5	$47,474
Compliance Specialist 2			1	1	$46,103
Compliance Specialist 3				1	$49,370
Agriculture Inspector 1	52	57	52	51	$29,564
Agriculture Inspector 2	31	25	34	35	$33,356
Agriculture Inspector 3	31	29	26	24	$36,980
Agriculture Inspector Spv	22	19	17	16	$40,922
Compliance Monitor 2	1	1	1	1	$49,501
Meat Inspector 1	23	24	23	28	$31,356
Meat Inspector 2	18	17	19	16	$35,021
Meat Inspector 3	7	10	10	9	$37,044
Meat Inspector Spv	6	5	5	5	$43,766
Total Inspectors and Regulators	**254**	**255**	**258**	**254**	**$34,541**

Ag has stated that they will not be able to give staff eligible for the $1,000 FY 2021 salary increase the full raise because the budget only includes the state funds portion of the cost. Will the Department have to prorate raises for staff?

- From recent memory, OPB's methodology for calculating the state share of personal services changes has not changed from any previous year in which salary adjustments were included in the budget. For each of the last fiscal years in which a merit increase was included in the budget, the Department correspondingly increased the portion of employees' salaries paid through federal or other funds to match the state funds increase. Additionally, in all prior recent years in which a merit pay increase was appropriated to the Department, the Department provided across the board raises to employees and not a merit-based increase plan. The FY 2021 proposed salary increase will provide a larger and more targeted salary enhancement to directly address pay issues in some of the agency's highest turnover positions.

Banking and Finance

How will the transfer of the Industrial Loan program from Commissioner of Insurance (COI) to Banking and Finance (DBF) impact private sector companies currently regulated by both entities?

- OPB performed a Zero-Based Budget for FY 2017 on the Industrial Loan program and described the efficiencies in moving the program to DBF. Georgia is an anomaly in that other states' industrial loan regulation programs are in their banking department or larger financial institution or Attorney General Offices. The Department of Audits and Accounts also performed an audit that was released in January 2018 which reached some of the same conclusions, detailing that most of these programs are housed in a banking department.

Behavioral Health and Developmental Disabilities

What is the mission of the agency and who are the primary individuals being served?

- As Georgia's public safety net, DBHDD's primary responsibility is to serve those who are uninsured**.** The agency also serves individuals on Medicaid and others with few resources or options. The Department serves those living with mental health challenges, addictive diseases, substance use disorders, and/or intellectual and developmental disabilities (IDD).

How will recommended budget reductions impact the Department of Behavioral Health and Developmental Disabilities (DBHDD) compared to last year's budget (FY 2019)?

- DBHDD received almost $75 million in new funding in the original FY 2020 budget over the FY 2019 budget. While the AFY 2020 budget pulls back $33 million of that, the agency will still receive a total budget increase of $41M for AFY 2020 over last year's budget. For FY 2021, DBHDD's budget will be $9 million higher than the proposed AFY 2020 budget, and $50 million more than the FY 2019 budget. Since its establishment as an independent department in FY 2010, including the Governor's FY

2021 budget recommendation, the state will have increased its investment in Georgia's behavioral health services by more than half a billion dollars annually.

One of the major concerns within the DBHDD budget is the organizational impact of reductions. How will budget reductions impact DBHDD consumers and state employees?

- In issuing his budget instructions, Governor Kemp exempted $295 million of DBHDD's budget from the required reductions to mitigate any impact on individuals receiving services either through a NOW or COMP waiver – the $295 million representing the state match for Medicaid waiver services for individuals with IDD. This amount is 24% of their total budget that was held harmless from any budget reductions.
- Where possible, OPB worked with DBHDD to first identify opportunities for savings in administrative costs or personnel efficiencies for which funding could be reduced without impacting current workloads or services. For example, due to the donation of a portion of Central State Hospital to the Milledgeville Redevelopment Authority, the department will save approximately $200,000 in state funds through the elimination of certain maintenance costs. The state also has restructured contracts for autism services to take advantage of new Medicaid eligible services, which will save the state $1M annually while still providing autism services not provided through Medicaid to both Medicaid and non-Medicaid eligible children.
- Where administrative cuts were not possible, OPB and DBHDD sought to pull back funding for new or expanded services added in the original FY 2020 budget that had not yet been deployed. While this could slow expansion of services, it would not impact the current services DBHDD is providing to consumers. In AFY 2020, this accounts for half of the overall budget reduction. In FY 2021, it is 2/3 of the budget reductions.
- Finally, the budget does include reductions in funding for personal services, primarily through eliminating 97 unfilled but funded positions. Additionally, some positions will be reclassified to better align with the need of the agency. DBHDD estimates that approximately 35 filled positions could be eliminated out of their current workforce of 4,089.

Of particular concern has been the budget's impact to Adult Mental Health Services. How did the Governor's budget recommendation address DBHDD's concerns?

- During fall budget development, Commissioner Fitzgerald expressed concern about the impact of possible reductions to Adult Mental Health Services. The Governor, after meeting with Commissioner Fitzgerald, specifically addressed those concerns in his budget recommendation, reducing the Department-proposed cuts in that program from the requested $9.6M and $23.4M in AFY 2020 and FY 2021 respectively to $3.4M and $7.4M. This program received $43.7M in new funding in the FY 2020 budget, meaning that the Governor's recommended reductions will still net a $40.2 million increase in AFY 2020 and $36.3 million in FY 2021 over the FY 2019 budget and will meet the agency's request to maintain flexibility in service provision in this program.

Discussions about DBHDD's budget have focused largely on reductions. What additional funding does the Governor's Budget Recommendations include?

- The FY 2021 budget provides $2.7 million to provide a full year of funding for 125 NOW and COMP waiver slots for intellectually and developmentally disabled adults to continue the state's efforts to serve these consumers in their communities. It also provides $6.6 million to open a new 40 bed forensic unit at West Central Regional Hospital.
- Finally, the Governor's budget includes nearly $4.3 million in additional funding for the Governor's proposed $1,000 pay raise for employees making under $40,000 a year. This will positively impact an estimated 2,658 employees of behavioral health facilities and directly assist the agency in recruiting and retaining employees, an ongoing area of concern for the Department, particularly with regards to the staff serving in our state hospitals.

Community Affairs

The Governor's Budget reduces funding for broadband deployment. How will this impact efforts to expand broadband access in rural areas?

- The Department received $2M in the current fiscal year for mapping efforts to determine areas of need. DCA contracted with the University of Georgia and other entities to complete broadband mapping across the state. Mapping for the broadband project is scheduled to end in June 2020; therefore, the $2M in mapping funds will not be needed in FY 2021. DCA will have $340k in funding in their budget to review the results of the mapping effort and begin to develop a broadband enhancement strategy.

Community Health

How have Medicaid programs been impacted in the Governor's budget recommendations?

- In issuing his budget instructions, Governor Kemp exempted $3.38 billion related to Medicaid spending in the Department of Community Health's (DCH) budget from the required reductions to mitigate any impact on Medicaid services. This represents 97% of DCH's state funds budget.
- State population growth combined with an aging population will require $89 million in new state funding for Medicaid and PeachCare baseline expense growth in FY 2021 to meet projected need. Additionally, due to Georgia's relative increasing per capita income when compared to other states, in FY 2021 the federal government will decrease the state's federal medical assistance percentage (FMAP) which is the federal cost share for Medicaid services. This will require the state to fund a larger percentage of any Medicaid related expenses. For FY 2021, this results in an increase of $84.3 million in state funds to fill the funding gap.
- Medicaid needs alone could account for over $169 million, or almost 40%, of the additional $435 million in estimated general fund revenue growth for FY 2021.

Why did the Governor's budget recommend reducing funds for the Rural Health Systems Innovations Center?

- The FY 2019 budget provided $1,875,000 in start-up funding for the Rural Health Systems Innovation Center ($75,000 for the competitive bid process for the Rural Health Systems Innovation Center, $300,000 for start-up of the Rural Health Systems Innovation Center, and $1,500,000 for the start-up of the Health Coordination and Innovation Council). The FY 2020 budget, approved last year by the legislature and signed by the Governor, directed the agency to utilize $1,362,000 of those start up dollars as ongoing funding for the Rural Health Systems Innovation Center; however, it did not account for the additional one-time start up dollars that should not be needed for ongoing expenses.

How will the Governor's budget impact recent efforts to increase the number of doctors and medical staff practicing in underserved and rural areas. Will the FY 2021 reductions negatively affect the work towards that goal?

- The Governor and General Assembly have invested over $12.8 million since FY 2018 for increased residency slots medical fellowships, loan repayment programs for those practicing in rural areas, and for the creation and support of new residency programs like the one established at the Philadelphia College of Osteopathic Medicine in South Georgia. As shown in the table below, the Governor's FY 2021 budget still increases base funding for those goals by $1.1 million. Overall, the Governor's budget supports an almost $14 million increase in investment in Georgia's health care workforce since FY 2018, especially for those providing services or planning to provide services in rural and underserved areas.

Caption/Item	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021***	**Total Add**
Residency program start-up			180,000	(30,000)	**150,000**
Family Medicine Accelerated Track at Memorial Health program expansion	219,684	180,000		(399,684)	-
Psychiatry residency program and slots	360,000	308,500			**668,500**
Primary care medicine residency slots.	1,378,492	1,732,569	2,400,665	2,441,902	**7,953,628**
Family Medicine residency slots	65,783				**65,783**
OB/GYN residency slots	306,660	306,600	828,042		**1,441,302**
Child & adolescent psychiatry residency slots			381,470	(58,372)	**323,098**
Pediatrics residency slots			115,500		**115,500**
Various fellowships including gynecological oncology, surgical, vision, and retinal.		1,050,000	125,000	(125,000)	**1,050,000**
Residency recruitment fair		40,000		(40,000)	-
Loan repayments for PAs, APRNs, dentists, and physicians in rural and underserved areas	300,000		500,000	(500,000)	**300,000**
Malpractice insurance premium assistance for physicians in underserved counties		130,000		(130,000)	-
Philadelphia College of Osteopathic Medicine South Georgia		200,000	890,820		**1,090,820**
Rural Surgery Initiative			352,968	(58,372)	**294,596**
Center of Excellence on Maternal Mortality at Morehouse			500,000		**500,000**
Total	**2,630,619**	**3,947,669**	**6,274,465**	**1,100,474**	**13,953,227**

Education

How will the teacher pay raise impact teachers and school systems across the state?

- The FY 2021 budget includes a $2,000 pay increase for more than 147,000 certified teachers and employees at local school districts. School counselors, social workers, school psychologists, media specialists, special education specialists, and technology specialists are also included in the $2,000 pay increase. This will be a 5% increase to the base state pay for teachers. The budget also includes a 5% enhancement to the state base pay for school bus drivers and the state pay supplement for nutrition workers.
- Non-certified school employees funded through the state at less than $40,000 will also receive a $1,000 salary increase, including licensed practical nurses, accountants, and school administrative assistants.
- While much has been said publicly regarding Governor Kemp's budget and its impact on rural Georgia, it is important to note that $194 million, or a majority of $356 million included for teacher and education staff pay raises, will go directly to rural school systems outside of Metro Atlanta. **This provides a direct economic stimulus impact of approximately $320 million to those rural communities** as the school system is often one of the largest if not the largest employer in these communities.

Human Services

Out-of-Home Care (OHC) has been a major cost driver in recent budgets. Why is this program being cut in the Governor's budget recommendation?

- The DFCS policy shift to prioritizing family preservation along with caseworkers' efforts to maintain placement permanency has led to a recent decline in OHC utilization. Family preservation includes short-term, family-focused services designed to assist families in crisis by improving parenting and family functioning while keeping children safe. Prioritizing family preservation helps to ensure children do not experience trauma by being removed from their home. Should DFCS conclude a child must be removed and put in a placement setting, the caseworker aims to keep the child in the same place, which constitutes permanency efforts. Family preservation and placement permanency will also assist the state in its readiness efforts for the implementation of the Family First Prevention Services Act (FFPSA) by September 29, 2020. FFPSA requirements focus on family preservation and assisting families in avoiding situations where a child must be removed from the house due to issues such as safety and malnutrition.
- Since FY 2015, the state experienced sustained growth in the number of OHC placements by 24.1 percent in FY 2015, 16.1 percent in FY 2016, 8.8 percent in FY 2017, and 7.1 percent in FY 2018. In FY 2019, the state experienced a decline in placements by -1.06 percent. Due to decreased need, the Governor's budget reduces $6.7 million in state funds from the AFY 2020 and FY 2021 to reflect the decline in OHC utilization.

Throughout the DFCS budget, there is a recognition of savings through vacancies. How will these personal services reductions impact service, particularly in child welfare?

- Since FY 2015, state funding for child welfare initiatives has totaled over $81 million annually, excluding OHC utilization and rate increases. This includes over 770 new positions and over $30 million in salary enhancements. In FY 2014, there was an average of 2,427 child welfare employees. For the first quarter of FY 2020, the average was 2,988. That is an increase of 561 positions. The FY 2020 head count reflects an increase of 561 positions; approximately 210 positions fewer than budgeted for.
- With low employment, nontraditional hours, and the type of work required, the Department has acknowledged the difficulty in hiring and retaining qualified employees. Through the first quarter of FY 2020, the average statewide turnover rate for case managers was 37%. The AFY 2020 and FY 2021 budget is reducing funds generated through attrition and vacancies, while limiting any type of impact on front line services.

How does this budget impact services for elderly Georgians?

- In conversations with DHS and the Office of Planning and Budget, the Governor recognized a need to maintain levels of funding for some of Georgia's most vulnerable, our elderly. As a result, the Governor's Budget Recommendations did not reduce any funding for home and community-based services, meals on wheels, or adult protective service (APS) caseworkers and public guardianship officers. The only reduction to these services is recognizing a delayed start date to the additional APS caseworkers provided for in FY 2020.
- The Governor also worked with the agency to ensure funding for the Long-Term Care Ombudsman (LTCO) was not reduced. The maintained level of funding will allow for the continuation of protection and advocacy services for Georgians living in long-term care facilities.

Georgia Bureau of Investigation

How will the vacant scientist and technician positions in the Forensic Scientific Services program impact the Bureau's ability to provide forensic information for judicial cases?

- The Bureau currently has 3 existing vacant scientist positions in Toxicology (1), Firearms (1), and Impressions (1). The AFY 2020 budget does not reduce any funds for positions in the two disciplines with the largest backlog, Chemistry and Forensic Biology (DNA). For FY 2021, the Bureau expects that it may be able to outsource processing for some cases in Chemistry and Forensic Biology to help address backlog without requiring additional in house scientists.

How does this budget impact processing of sexual assault kits?

- The AFY 2020 budget does not reduce funds for positions in the Forensic Biology discipline, which is where sexual assault kits are processed. The Bureau has 24 state-funded scientists in the Forensic

Biology discipline and an additional 15 are funded through a federal DNA backlog reduction grant and not funded through state funds. Within the Forensic Biology discipline, sexual assault kits are prioritized as the first to be tested.

- GBI began testing sexual assault kits in 2016 after the passage of SB 304 requiring kits that had been held in storage at hospitals or with law enforcement to be tested. GBI initially began with a backlog of approximately 4,000 kits to be tested and was received 150-250 new kits each month from ongoing investigations. As of January 3rd, 2020 there are no SB 304 kits waiting to be tested, and the Bureau continues to receive and process sexual assault kits from open investigations.
- GBI has outsourced testing in the past and is exploring additional outsourcing options to continue to meet the ongoing need to process new sexual assault kits.

Criminal Justice Coordinating Council

The state has invested heavily in expanding accountability courts across the state in recent years in order to divert non-violent offenders away from state prisons and to community based alternatives. How will the reduction in state grants in AFY 2020 and FY 2021 impact the courts' ability to continue diversion activities?

- The FY 2020 budget includes $30.7 million for state grants to local accountability courts, of which $28 million is granted to local courts with $1.2 million being reserved each year for supplemental grants to be distributed as determined by the Council of Accountability Court Judges. These supplemental grants have been used in the past to start new courts or provide additional grant levels to existing courts in order to address one-time service needs. These are not ongoing annual grants to the same entities.
- Of the $28 million distributed in local grants, courts returned approximately $1.4 million of those funds in FY 2019. The AFY 2020 budget reduction of $1.3 million assumes a similar lapse level from courts as last year and would not reduce court activity over last year's levels. For FY 2021, the $2.1 million reduction would assume continued similar surplus levels from FY 2019 along with some reduction of supplemental funding to courts. These are not expected to negatively impact the number of individuals the courts are able to serve in either fiscal year. However, it is important to note that the Council of Accountability Court Judges' funding committee will ultimately decide individual allocations to local courts.

Public Defenders

How will budget cuts, particularly to positions, impact Public Defenders and their clients?

- For AFY 2020, the Governor's budget recommends holding open approximately 15 state-funded positions in the agency that have become vacant during FY 2020. With these vacancies, the agency still has approximately 792 filled positions. In FY 2021, recommended to hold approximately 27 state-funded positions in the agency that have become vacant after January 1st, 2019.

- Freezing vacancies by reducing state funds would not preclude a county from contributing additional local funds to retain these positions. Many counties already pay for additional public defenders beyond the state requirement to provide one state funded assistant public defender per superior court judge in each judicial circuit. With these position freezes, the state will still be exceeding the mandated funding requirements for each judicial circuit. As a result of TAVT legislative changes, local counties will collectively receive an additional $170 million in new revenue that could be used to replace the $3.5M state funds cut for public defenders.
- Beyond position freezes, OPB worked closely with the Council during the fall to identify opportunities for savings outside of personnel in order to minimize impact on public defendants. The AFY 2020 budget includes funding to relocate the Council from the State Bar Building to Capital Hill, which could net savings of $110,000 in FY 2021. The budget does not reduce those anticipated savings which would then be available to reinvest in personnel. The budget also reduced the rate for contracted experts by four percent and contracted attorneys by 0.5 percent, saving an estimated $360,000 and allowing public defenders to continue to utilize experts and contracted attorneys for the same number of cases, while lowering the overall cost per case.

Public Health

How will local boards of public health be impacted by the proposed reductions?

- Each county board of health provides public health services for county residents, including women's health services, environmental inspections, epidemiological services, health promotion services, and emergency preparedness programs. The Department of Public Health (DPH) provides funds to support county boards of health through either programmatic grant-in-aid, which provides for specific population-based or client-based services, or general grant-in-aid (GGIA), which are flexible state funds used for operational costs of administering the county's public health system or for miscellaneous services and projects. Through period 7 of the FY 2020 budget, counties have leveraged over $64 million in funds from DPH not including general-grant-in-aid. This includes funding dedicated towards HIV, diabetes, rape prevention, asthma, immunizations, hospital preparedness, and WIC to name a few. In FY 2019, counties spent over $129 million in total funds excluding general-grant-in-aid.
- County boards of health are also able to leverage revenues generated through several other sources; GGIA is not the only source of operational revenue. Throughout the budget process, DPH has worked with OPB and both have been transparent in the process and coordinated closely with the boards of health to ensure no impact to direct patient service.

How is the Georgia Poison Center funded? What impact will the reduction in the state contract have on operations?

- The Department of Public Health (DPH) has a full contract amount with the Georgia Poison Center of $1,222,719. Please note this amount reflects state funds only, meaning that federal matching funds from the Department of Community Health are not reflected in the DPH contract. The proposed reduction will reduce the contract amount by $49,000 which represents a 4% reduction to the total contract amount. The other $40,000 included in this line item is for the reduction of a contract consultant that will, per DPH, have no measurable impact on the program.

Regents

How do the proposed reductions to the Agricultural Experiment Station (AES) and Cooperative Extension Service (CES) programs impact the College of Agricultural and Environmental Sciences (CAES) at the University of Georgia?

- CAES is state funded through a combination of the Teaching formula in addition to the "B Unit" AES and CES budgets. Current FY 2020 state funds allocations to CAES totals $92.5 million. Of this, $1.4 million is from the Teaching program, $47 million from the AES program, and $44 million from the CES program. CAES also generates revenue through fees collected for services rendered, project specific grant funds from private, local, state, and federal entities, and federal funds from the Hatch Act (AES) and Smith-Lever Act (CES). In FY 2019, other revenues collected by AES and CES totaled more than $83.9 million.
- While state funding is required to lapse, CAES can retain other generated revenues. Of the $83.9 million generated in FY 2019, $13.3 million remained as unrestricted funds at year end for use in future fiscal years. Since FY 2015, the unrestricted fund balance has grown 45% from $9.2 million to $13.3 million.
- Of the current $13.3 million unrestricted fund balance, CAES anticipates needing approximately $9.5 to $11.5 million to cover ongoing costs, leaving approximately $2-4 million for other purposes. The Governor's budget recommends utilizing that unrestricted revenue to support 19 filled positions in AFY 2020 ($1,070,439) and 31 filled positions in FY 2021 ($2,567,663) to minimize the impact to state employees and constituents.

Revenue

The AFY 2020 Governor's Recommendation provides $25M for forestland protection act grants (FLPA). How was that amount determined and how will those funds be used?

- Forestland protection act grants are awarded to local governments or school districts to offset property tax digest losses resulting from private landowners placing forestland under a non-development covenant, thereby reducing its property tax value. Since 2009, the state has received over $317M in applications for reimbursements from local entities. Approximately 56% of all reimbursements go to local school districts, and 75% of those reimbursements are to areas outside of metro Atlanta.
- The AFY 2020 budgeted amount is necessary because the program has a base funding level of $14.1M, but receives on average $41M in requests. In FY 2019, the department received $45M in requests. If the recommended increase is not met and fail to fully fund annual demand in this program will require the Department take a "first come first serve" approach in distributing grants, resulting in some school districts and local governments not receiving funds this year.

Veterans Service

The Governor’s Budget reduces funds for the Georgia War Veterans Nursing Homes program. How will this impact patient care within the nursing homes?

- OPB regularly reviews the Department’s daily patient census. Over the last four fiscal years, there has been an overall 2% decline in bed usage at the Augusta nursing home. Based on the average actual daily patient census, the budget provides for 42 beds in excess actual utilization. The Governor’s budget recommendations only includes a reduction of approximately 24 beds. This will still allow the Augusta nursing home an additional 17 budgeted beds over current usage in the event the patient census should increase.