

MINUTES OF CITIZENS ADVISORY Forum: October 15, 2011

Members present: State Senator Curt Thompson (*presiding*), COS Louise Johnson, Brett Zupan, Legislative Assistant, others listed on sign in sheets.

OPENING REMARKS

Governor Deal submitted some redistricting maps to the U.S. Justice Department. There are expected to be more in the pipeline. The Justice Department already rejected the Texas redistricting plan and some Alabama maps. Strategically, our state Republican leadership has filed a “placeholder” lawsuit, in order to get a case number and be in queue to be heard...in order to reduce havoc in our state election calendars that must hold elections at a time when the courts are backlogged with redistricting disputes.

ANNOUNCEMENTS:

Local maps in our county, pertaining to county commission districts and school board districts, especially need reviewing. For example, Asian populations are “cracked” three different ways in the Duluth area. Before the set deadline of November 15, Curt asks us to lodge our concerns with inappropriate racial/language groups gerrymandering by emailing comments@georgiafairdistricts.com.

The state budget is being written now. It has to take into account that the American economy, since December 2007, has had an average monthly loss of 337,000 jobs. This continues unabated, in spite the recession technically ended in August 2009...and Georgia ranks dead last in job growth.

MEETING TOPICS:

Our featured speaker was Alan Essig, the Executive Director for the Georgia Budget & Policy Institute. GBPI is an independent, nonprofit, nonpartisan organization founded in 2004. Their mission is to build a more progressive Georgia by: analyzing budget and tax policies; providing education to inspire informed debate and responsible decision-making; and advancing their vision of a state in which economic opportunity and well-being are widely shared among all citizens.

For FY2012, our state General Funds Budget is almost \$17 billion. It sees the almost 96 cents of every dollar spent on programs generated through state taxes and fees (not including motor fuel taxes). They are allocated to five areas: K-12 and post-secondary education (56 cents of every dollar spent); Health Care (21 cents of every dollar spent); Criminal Justice (11 cents of every dollar spent); Debt Service—like just paying interest on the debt (5 cents of every dollar spent); and Department of Human Services (3 cents of every dollar spent). Our state Department of Transportation is predominantly funded by motor fuel taxes.

July 1, 2012 is the official start of FY2012. If, as suggested, the state regulatory agencies have a cross-the-board cutback of 20-25% in their budgets, then their core missions are not done. The sole reason for reductions in staff for all these agencies is the simple fact of attrition. People are not replaced when they retire or quit.

The Board of Regents has been especially hard hit, their annual \$1.7 billion budget, must serve 130,000 more students than they had ten years ago with the same amount of funding. Therefore they had to increase tuition, which immediately caused trouble for students relying upon HOPE scholarships, which were reduced. This has an impacts the recruitment of industries to relocate to Georgia, because it is top-notch universities that attract them in the first place.

We cannot rely upon the state's Rainy Day Fund, because Governor Perdue almost used up every dollar in this reserve fund to balance his budget. There is a big problem whenever tax policy people don't talk with budget people. In fact, Georgia is ranked as having the 19th most regressive state and local tax system. We're still using tax brackets from the year 1934. Georgia has the lowest motor fuel tax rates and the lowest cigarette sales tax rate. We do have a high alcohol sales tax rate, but we're very incompetent in collecting it. Also, Georgia businesses have been paying low, consistent unemployment compensation taxes for the last six years.

Gwinnett County is still considered to be among the most prosperous counties in Georgia; yet, if Gwinnett hypothetically becomes the 51st state, we'd still have the 10th highest high school dropout rate and the 6th highest rate in teen pregnancies.

In the next legislative session, Medicaid funding is expected to be the #1 hot issue in the state budget.

For more information, visit www.GPBI.org.

NEXT MEETING:

Our next monthly CAF meeting will happen on Saturday, November 19, 2011 at 10:30 a.m. in Café 45 South.

Meeting Minutes Recorded
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