

A View from the House

By Representative Doug Holt

The past two weeks have been very focused on the budget, between appropriations hearings and review of the Governor's budget proposals. The drop in state revenue is more severe than has been seen in most of our lifetimes. To keep the budget in balance, we will have to cut about 10%, or roughly \$2 billion from the current year spending plan. It is also clear that we will need to keep the next fiscal year's budget at least \$1 billion below previous spending levels. Inevitably, several of the proposals floated by the Governor and by legislative leaders have provoked some sharp reactions. Many individuals and groups around the state are very dependent on, and thus quite focused on certain segments of the budget – so it's understandable that they are rather upset by the idea of the axe falling in their direction. Nonetheless, it is our task to make the cuts based on Georgia's highest level priorities, and as fairly as we can manage. So just because one particular wheel manages to squeak more than others, that still doesn't entitle it to more grease. Which is how things should be in a democracy.

On the House floor, we voted on one significant measure this week, HB 143. In short, the bill does two things: it commits the legislature to funding the Homeowner's Tax Relief Grant for the current fiscal year, and it creates specific conditions on which to apply the original act's (1999 session) language that the grant be based on sufficient funds.

Not funding the grant for this fiscal year was never really an option, even though it has been discussed. That would have required local governments to send out supplemental property tax bills to make up their shortfall. And on short notice, too, which would have been a doubly cruel surprise to homeowners.

Spin control (by both parties) aside, placing conditions on future grants is simply facing up to reality. In it's 10 years of existence, the program has surged from being 6% of the state budget to 19+% (over 21% if you count the deficit). No large program growing at over 12% per year can be sustained. Period. The situation is even more questionable when you admit that the grant is at heart a shell game of moving money and responsibility back and forth between state and local governments. Sure, homeowners get a great short-term benefit, but the reality and severity of what's actually going on gets quickly lost.

The state's share of property taxes (1/4 mill) amounts to less than a fifth of the \$428 million the program presently costs. So the only way the grant can be funded is out of a surplus, as was done almost every year of its existence. We need to do local governments the favor of controlling expectations: a foul economy means no surplus, so the grant really can go away – don't get in the habit of planning on something that we can't guarantee. In any case, after a couple of hours of debate, HB 143 passed by 117 to 55. And yes, I did vote yes.

I had a chance to see several folks from home this week. Barbara Morris and Sandra Wilkerson were kind enough to come by and chat with me about nursing concerns. District Attorney Ken Wynne was at the Capitol for a Judiciary Committee hearing, and had a few minutes to visit. On Friday, John Sutherland was here to watch the debate on HB 143, and then came by my office to say hello. I also spotted Sheriff Ezell Brown this week, here attending to business for a second visit this session. I didn't get to speak with him, but hope to catch him next time.

I also had a surprise treat this week. Sarah Rawls, who is in 8th grade at Westminster Christian Academy, came to page for Senator Johnny Grant on Tuesday. She and her dad, Ken, were here early, and since the Senate was convening later that day, she was able to page in the House too. She is one of the few who've done that, and did a great job. Thanks Sarah!