

House Bill 669

By: Representatives Clark of the 98th, Allison of the 8th, Ramsey of the 72nd, Welch of the 110th, Cooke of the 18th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4 of Title 50 of the Official Code of Georgia Annotated, relating to the
2 organization of the executive branch generally, so as to require the reporting of federal funds
3 received by certain state agencies; to provide for definitions; to provide for contingency plans
4 in the event of a reduction in federal funds; to provide for submittal of a report to legislative
5 appropriations committees; to provide for legislative recommendations; to provide for
6 legislative study regarding reporting by schools and postsecondary institutions; to provide
7 for related matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 4 of Title 50 of the Official Code of Georgia Annotated, relating to the organization
11 of the executive branch generally, is amended by adding a new Code section to read as
12 follows:

13 "50-4-8.

14 (a) As used in this Code section, the term:

15 (1) 'Designated state agency' means the Department of Administrative Services, the
16 Department of Agriculture, the Department of Revenue, the Department of Community
17 Affairs, the Department of Corrections, the Department of Natural Resources, the
18 Department of Banking and Finance, the Department of Public Health, the Department
19 of Community Health, the Department of Behavioral Health and Developmental
20 Disabilities, the Department of Human Services, the Department of Insurance, the
21 Department of Public Safety, the Georgia Technology Authority, the Department of
22 Transportation, the Department of Veterans Service, the Department of Labor, the
23 Department of Economic Development, the Public Service Commission, the Board of
24 Regents of the University System of Georgia, the Technical College System of Georgia,
25 the Department of Education, and the Department of Defense.

26 (2) 'Federal receipts' means the federal financial assistance, as defined in 31 U.S.C.
 27 Section 7501, that is reported as part of a single audit.

28 (3) 'Single audit' has the same meaning as defined in 31 U.S.C. Section 7501.

29 (b) Subject to subsections (c) and (d) of this Code section, each designated state agency
 30 shall annually, on or before October 31, prepare a report that:

31 (1) Reports the aggregate value of federal receipts the designated state agency received
 32 for the preceding fiscal year;

33 (2) Reports the aggregate amount of federal funds appropriated by the legislature to the
 34 designated state agency for the preceding fiscal year;

35 (3) Calculates the percentage of the designated state agency's total budget for the
 36 preceding fiscal year that constitutes federal receipts that the designated state agency
 37 received for that fiscal year; and

38 (4) Develops plans for operating the designated state agency if there is a reduction of:

39 (A) Five percent or more in the federal receipts that the designated state agency
 40 receives; and

41 (B) Twenty-five percent or more in the federal receipts that the designated state agency
 42 receives.

43 (c)(1) The report required by subsection (b) of this Code section that the board of regents
 44 prepares shall include the information required by paragraphs (1) through (3) of
 45 subsection (b) of this Code section for each state institution of higher education.

46 (2) The report required by subsection (b) of this Code section that the Department of
 47 Education prepares shall include the information required by paragraphs (1) through (3)
 48 of subsection (b) of this Code section for each school system and each state chartered
 49 special school within the public education system.

50 (d) Each designated state agency shall submit the report prepared in accordance with
 51 subsection (b) of this Code section to the Department of Audits and Accounts on or before
 52 November 1 of each year.

53 (e)(1) The Department of Audits and Accounts shall, on or before November 30 of each
 54 year, prepare a report that:

55 (A) Compiles and summarizes the reports the Department of Audits and Accounts
 56 receives pursuant to subsection (d) of this Code section; and

57 (B) Compares the aggregate value of federal receipts each designated state agency
 58 received for the previous fiscal year to the aggregate amount of federal funds
 59 appropriated by the legislature to that designated state agency for that fiscal year.

60 (2) The Department of Audits and Accounts shall, as part of the report required by
 61 paragraph (1) of this subsection, compile a list of designated state agencies that do not
 62 submit a report as required by this Code section.

63 (f) The Department of Audits and Accounts shall submit the report required by subsection
 64 (e) of this Code section to the Appropriations Committees of the Senate and the House of
 65 Representatives on or before December 1 of each year.

66 (g) Upon receipt of the report required by subsection (e) of this Code section, the
 67 chairpersons of the Appropriations Committees of the Senate and the House of
 68 Representatives shall place the report on the agenda for review and consideration at the
 69 next meeting of the Appropriations Committees of the Senate and the House of
 70 Representatives, respectively.

71 (h) When considering the report required by subsection (e) of this Code section, the
 72 Appropriations Committees of the Senate and the House of Representatives may elect to:

73 (1) Recommend that the legislature reduce or eliminate appropriations for a designated
 74 state agency;

75 (2) Take no action; or

76 (3) Take another action that a majority of the committee approves.

77 (i) During the 2012 interim, the Senate Government Oversight Committee and the House
 78 Committee on Governmental Affairs shall jointly study whether to draft and propose
 79 legislation requiring:

80 (1) A political subdivision to:

81 (A) Calculate the aggregate value of federal receipts the political subdivision receives;

82 (B) Calculate the percentage of the political subdivision's total budget that constitutes
 83 federal receipts; and

84 (C) Develop a plan for operating the political subdivision if there is a reduction of:

85 (i) Five percent or more in the federal receipts that the political subdivision receives;
 86 and

87 (ii) Twenty-five percent or more in the federal receipts that the political subdivision
 88 receives; or

89 (2) A state institution of higher education or a school within the public education system
 90 to develop a plan for operating the state institution of higher education or the school if
 91 there is a reduction of:

92 (A) Five percent or more in the federal receipts that the state institution of higher
 93 education or school receives; and

94 (B) Twenty-five percent or more in the federal receipts that the state institution of
 95 higher education or school receives."

96 **SECTION 2.**

97 All laws and parts of laws in conflict with this Act are repealed.