

The Senate Appropriations Committee offered the following substitute to SB 33:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 4 of Chapter 12 of Title 45 of the Official Code of Georgia
2 Annotated, known as the "Budget Act," so as to provide short titles; to provide for the
3 application of zero-base budgeting to the budget process; to provide for analysis of
4 departmental and program objectives; to provide for consideration of alternative funding
5 levels; to provide for departmental priority lists; to provide for related matters; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Waste Reduction Act of 2011" and shall
10 also be known and may be cited as the "Zero-Base Budgeting Act."

11 **SECTION 2.**

12 Part 1 of Article 4 of Chapter 12 of Title 45 of the Official Code of Georgia Annotated,
13 known as the "Budget Act," is amended by adding a new Code section to read as follows:

14 "45-12-75.1.

15 (a) The Governor in preparing his or her budget report under Code Section 45-12-75, and
16 budget units in preparing their budget estimates under Code Section 45-12-78, shall make
17 use of zero-base budgeting as provided in this Code section. The requirements of this Code
18 section shall apply to the budget report presented to the General Assembly in January of
19 2013 and each year thereafter.

20 (b) It is the intent of this Code section that in any given year the Governor's budget report
21 shall include zero-base budgeting for no more than one-third nor less than one-quarter of
22 all the programs in the most recently passed General Appropriations Act. The Office of
23 Planning and Budget shall determine which programs shall submit zero-base budget
24 recommendations in each year, except that no program shall use zero-base budgeting more
25 often than once every four years.

26 (c) In the years in which zero-base budgeting applies, each budget unit shall include in its
27 budget estimate an analysis summarizing past and proposed spending plans organized by
28 program and revenue source. Information presented shall include the following:

29 (1) A statement of the budget unit's departmental and program purposes; effectiveness,
30 efficiency, and equity measures; and program size indicators;

31 (2) At least three alternative funding levels for each program and revenue source with
32 effectiveness, efficiency, and equity measures and program size indicators detailed for
33 each alternative funding level; and

34 (3) A priority listing encompassing all alternative funding levels for all programs.

35 The presentation of alternative funding levels shall not, however, relieve the obligation of
36 the Governor to present a recommended budget that is balanced.

37 (d) In the years in which zero-base budgeting applies, the Governor shall include in the
38 budget report relevant materials related to each budget unit's submission under
39 subsection (c) of this Code section and such other relevant material as deemed appropriate
40 by the Governor.

41 (e) Without in any way limiting the generality of the other provisions of this Code section,
42 it is specifically provided that the Board of Regents of the University System of Georgia
43 shall be a budget unit subject to this Code section, and the programs of the board of regents
44 shall be periodically subject to zero-base budgeting as provided for in this Code section."

45 **SECTION 2.**

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