



STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0900

Sonny Perdue
GOVERNOR

March 25, 2008

The Honorable Casey Cagle
Lieutenant Governor
240 State Capitol
Atlanta, Georgia 30334

The Honorable Glenn Richardson
Speaker of the Georgia House of Representatives
332 State Capitol
Atlanta, Georgia 30334

Dear Gentlemen:

As you are well aware, Art. III, Sec. 9, Paragraph 4 of the Georgia Constitution provides that "the General Assembly shall not appropriate funds for any given fiscal year which, in aggregate, exceed a sum equal to the amount of unappropriated surplus expected to have accrued ... together with an amount not greater than the total treasury receipts from existing revenue sources ... as estimated in the budget report and amendments thereto." The House passed the general appropriations act for fiscal year 2009 (HB 990) and added \$17 million to state general funds in excess of the revenue estimate contained in the budget report as amended on March 10, 2008. The budget as passed does not comply with this constitutional provision requiring a balanced budget.

I am aware that in years past certain budgets were passed by the General Assembly in consultation with the Executive Branch which "proposed" an upward revision of the revenue estimate. Signing an appropriations act into law, in those instances, constituted an acquiescence by the Governor to the proposal on behalf of the General Assembly to increase the revenue estimate. Effectively, this acquiescence by the Governor served as his revision of the revenue estimate.

Given the economic forecasts facing our state, which have already necessitated that I reduce the fiscal year 2009 revenue estimate by \$245 million, recognizing further revenues is not prudent. Moreover, the decision by the General Assembly to fund the estimated \$65 million shortfall in the revenues for FY '08 by taking those revenues from the Revenue Shortfall Reserve instead of making difficult spending cuts as I recommended may necessitate an even further reduction of the FY '09 revenue estimate. Therefore, by this letter I provide notice to the General Assembly that I do not acquiesce to the revenue estimate as proposed in HB 990 nor will I sign an appropriations act that proposes an upward revision of my latest estimate, as amended on March 10, 2008.

Sincerely,

A handwritten signature in cursive script that reads "Sonny Perdue".

Sonny Perdue

SP:jt

cc: The Honorable Jack Hill, Chair, Senate Appropriations Committee
The Honorable Ben L. Harbin, Chair, House Appropriations Committee
Mr. Trey Childress, Director, Office of Planning and Budget