

## Governor's Budget Includes Significant Construction Outlays

The first week of the legislative session is typically focused on the Governor's State of the State address and the simultaneous release of his budget. This year's budget is aimed at helping the state's construction industry weather the current economic uncertainties by accelerating a lot of deferred state construction.

For example, Governor Perdue announced a \$247 million bond package for Georgia's Board of Regents as part of his FY09 budget proposal. The bonds will fund critical new construction and renovation projects throughout Georgia's University System.

Besides the bond funded projects, the Governor's FY09 budget also includes \$35 million in cash for major repairs and rehabilitation. The list of Governor Perdue's FY09 Board of Regents bond projects is attached.

<b>Purpose</b>	<b>Principal</b>
Major Repairs and Rehabilitation Statewide	\$30,000,000
Design and construct School of Dentistry, Medical College of Georgia, Augusta, Richmond County	70,000,000
Design and construct Engineering Technology Center, Southern Polytechnic State University, Marietta, Cobb County	33,305,000
Design and construct Math & Computer Science Renovation, Valdosta State University, Valdosta, Lowndes County	4,075,000
Construct Northwest Campus Infrastructure, University of West Georgia, Carrollton, Carroll County	1,900,000
Design and construct Science Building and BHS Mold Remediation, Clayton State University, Morrow, Clayton County	6,900,000
Design and construct Hendrick's Hall Renovation, Georgia Southern University, Statesboro, Bulloch County	4,000,000
Renovate Hinman Technology Building, Georgia Institute of Technology, Atlanta, Fulton County	6,400,000
Design, construct, and equip Marine Operations Infrastructure, Skidaway Institute of Oceanography, Savannah, Chatham County	1,200,000
Design and construct Alpharetta Academic Facility, Georgia State University and Georgia Perimeter College, Alpharetta, Fulton County	12,800,000
Design Ray Charles Fine Arts Center, Albany State University, Albany, Dougherty County	1,500,000

Design Health Sciences Building, Coastal Georgia Community College, Brunswick, Glynn County	1,000,000
Design Tift, Lewis and Herring Halls, Abraham Baldwin Agricultural College, Tifton, Tift County.	600,000
Design and construct Nursing/Health Building, Gordon College, Barnesville, Lamar County	14,400,000
Renovate biology labs, East Georgia College, Swainsboro, Emanuel County.	700,000
Design Teacher Education Building, Macon State College, Macon, Bibb County.	1,600,000
Design Academic Facility, Gainesville State College, Gainesville, Hall County	2,400,000
Design Special Collections Library, University of Georgia, Athens, Clarke County	1,500,000
Design and construct Nancy Guinn Memorial Library Addition, Conyers, Rockdale County	2,000,000
Design and construct Senoia Public Library, Senoia, Coweta County	1,225,000
Design and construct Blackshear Memorial Library, Blackshear, Pierce County	1,900,000
Design and construct Houston County Library, Houston County	2,000,000
Major research and development equipment for Georgia Research Alliance, Atlanta, Augusta, and Athens	19,000,000
Construct and equip New Preparatory School Facility, Georgia Military College, Milledgeville, Baldwin County	10,000,000
Equipment for Traditional Industries Program (TIP) Research, statewide	900,000
Subtotal	\$246,905,000

The budget also includes about \$51 million in incentive funds for nursing homes to begin upgrading their facilities. Many of the state's nursing homes were built in the 1960s and 1970s and are not up to today's design standards. If an existing nursing home builds new facilities or significantly renovates an existing facility, the capital costs can be included in their daily rates, which are reimbursed through the Medicaid program.

This is significant in the light of regulatory action by the Department of Community Health. DCH recently repealed a rule that prohibited a nursing home from relocating more than 3 miles from its current location. The new rule allows a nursing home to relocate anywhere within the county it currently serves.

This rule combined with the Governor's appropriation could produce a mini-boom in nursing home construction and renovation over the next 24 months.