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Weekly Legislative Report #2

Week Ending January 20, 2017

With the MLK, Jr. holiday on Monday and numerous legislators trekking to Washington for Friday's Presidential inauguration, the General Assembly was in recess all last week. However, the Joint House and Senate Appropriations Committees did hold all-day budget hearings on Tuesday and Wednesday.

Budget Hearings

The keynote speaker was Gov. Nathan Deal, but his remarks pretty much reflected what he had said in his State of the State address the week prior, or had been released by his office. He re-emphasized to committee members the importance he will be placing on criminal justice reform, including \$656,000 in the budget for accountability courts which divert people from prison by giving them an alternative sentence for minor offenses. He also re-stated his goal of having \$2.5 billion socked away in the state's rainy-day fund by the time he leaves office in January 2019. While admitting that sounded like a lot, he said that during the two recessionary years prior to his taking office in 2011, the state drained \$1.4 billion out of the fund.

"I don't think anyone would have predicted that to happen in such a short time frame," he said.

The other big name to testify was Ken Heaghey, the state's official fiscal economist from Georgia State University. Heaghey tried not to sound overly optimistic, but acknowledged that he had mostly good news. The state's FY 17 budget was formulated around an anticipated growth rate of 3.2%, but we have experienced 3.6% cumulative growth thus far. Thus, several state agencies were able to add one-time expenditures to their FYA 2017 budgets. For example, the Department of Public Health is now slated for \$10 million to modernize its "enterprise system" of software packages, equipment and data analytics across all internal divisions.

In addition, Heaghey said Georgia's economy is nearing full employment with solid job growth and there has even been improvement in wage growth. He explained that while headlines may say unemployment has risen slightly recently, he attributed that statistic to more people entering the job market and being listed as "looking," rather than sitting on the sidelines.

Senate Appropriations Chair Jack Hill asked Heaghney how worried he was that the last four months of the fiscal year have been less than robust. Heaghney replied, “That’s what economists do – worry!” But, he went on to downplay the total revenue numbers in relation to all the statistics he monitors. Heaghney annually gives the Governor three projections – high, medium and low – regarding the state’s anticipated revenue. Governor Deal then sets what has always been a conservative figure for the official “Revenue Projection,” against which state spending must be balanced.

Transportation Appropriations

The newly formed Appropriations Transportation Subcommittee met for the first time ever this week, receiving briefings from Commissioner Russell McMurry of the Georgia Department of Transportation and Christopher Tomlinson, Executive Director of both the State Roads and Tollway Authority (SRTA) and the Georgia Regional Transportation Authority (GRTA). The two agency heads addressed issues pertinent to Georgians who commute to their jobs and otherwise use the state’s highways and mass transit. Chairman Jason Shaw (R-Lakeland) was there bright-eyed and in suit and tie, but his own commute illustrates the effort it sometimes takes to be an elected official. Home for Shaw is about three and half hours south of Atlanta and the Chairman was commuting to the Capitol with Rep. John Corbett (R-Lake Park), who unfortunately hit a deer just before reaching Shaw’s house around 4:00 a.m. The two men proceeded MacGyver-style to tie Corbett’s bumper to a tree, straighten it out by backing away, and then continue on their trip. Shaw was cheerfully chairing the hearing by 8:00 a.m., leaving locals in the room little leeway to complain about the early morning meeting time.

Tax Credits for Rural Hospital Contributions

Two bills that target improvements in the financial situation of rural hospitals are on the agenda for attention this session. Rep. Geoff Duncan (R-Cumming), who sponsored the original legislation last session, will be pushing HB 54 this year. The bill would raise from 70% to 90%, that portion of an individual contribution that would be tax-free. There simply have not been that many people or corporations willing to make contributions to a hospital on the basis of earning only a 70% tax credit.

And speaking of corporations, SB 14 by Sen. Dean Burke (R-Bainbridge) would extend the tax credit for rural hospital contributions to include LLCs, Subchapter “S” corporations and partnerships. The original bill put a \$4 million limit on the amount of a contribution that can earn a credit and \$180 million limit on the amount of taxes the state will forego over a three-year period.

David Poythress Passes

Lt. Gen. David Poythress, an attorney, former Georgia Secretary of State, Labor Commissioner and Commander of the Georgia National Guard died on January 15 at the age of 73. In addition to serving in various state-wide positions, Poythress did staff work for Governors George Busbee and Jimmy Carter and was a candidate for Governor himself in 1998 and 2010. An Airforce

attorney who served in Vietnam, he was extremely active in civic organizations, including service as Board Chairman for the State YMCA of Georgia (twice) which sponsors Youth Assembly, a mock legislative program for high school students held each year at the Capitol. Poythress' wife, Elizabeth, is also well-known across the state, currently serving as President of the Georgia League of Women Voters.

Tracking List

Here are the bills we are tracking. **New activity is noted in red.** Click on the [Bill Number](#) to access the current version of the bill.

The 2017 Legislative Session is the first session of the 2017-2018 Term of the Georgia General Assembly. Therefore, bills not passed or defeated during this session will be carried over to the 2018 session. Bills pending in the House or Senate Rules Committees at adjournment sine die of the 2017 session will be recommitted to the committee from whence they came.

Aging and Adult Services

[SB 12, Dental hygienists practice.](#) (Sen. Renee Unterman-R)

Regulates the practice of dental hygienists when the supervising dentist is not in same building. **Status:** House Hopper

City & County Governments and Regional Commissions

[HB 33, Local government; individuals appointed to authorities and boards be United States citizens; require.](#) (Rep. Raffensperger- R)

A BILL to be entitled an Act to amend Chapter 80 of Title 36, Article 1 of Chapter 2 of Title 45, and Chapter 1 of Title 50 of the O.C.G.A., relating to general provisions applicable to counties, municipal corporations, and other governmental entities; general provisions regarding eligibility and qualifications for public office; and general provisions relating to state government, respectively, so as to require that individuals appointed to authorities, boards, councils, and commissions be United States citizens or nationals, lawful permanent residents, or aliens having lawful status to be present in the United States; to provide for other residency requirements. **Status:** Referred to Judiciary Cmte

[HB 42, Elections; election superintendents to correct mistakes and omissions on ballots for a primary or election; authorize,](#) (Rep. Lumsden- R)

A BILL to be entitled an Act to amend Chapter 2 of Title 21 of the Official Code of Georgia Annotated, relating to elections and primaries generally, so as to authorize election superintendents to correct mistakes and omissions on ballots for a primary or election. **Status:** Referred to Governmental Affairs Cmte

[HB 61, Sales and use tax; certain retailers to either collect and remit or notify purchaser and state,](#) (Rep. Powell- R)

A BILL to be entitled an Act to amend Code Section 48-8-30 of the Official Code of Georgia Annotated, relating to imposition of tax, rates, and collection, so as to require certain retailers to either collect and remit sales and use taxes or provide certain notifications to each purchaser and the state; to define a term; to provide for penalties. **Status:** House Hopper

[HB 62, Appeal and error; judgments and rulings deemed directly appealable; revise provisions,](#) (Rep. Powell- R)

A BILL to be entitled an Act to amend Article 2 of Chapter 6 of Title 5 of the Official Code of Georgia Annotated, relating to appellate practice, so as to revise provisions regarding those judgments and rulings deemed directly appealable; to amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state sales and use tax, so as to revise a definition; to provide for certain legal actions, injunctions, and appeals under certain circumstances. **Status:** House Hopper

[SB 2, "The FAST Act - Fairness, Accountability, Simplification, and Transparency - Empowering Our Small Businesses to Succeed"](#), (Senator Dugan-R)

Relating to general provisions applicable to counties and municipal corporations, general provisions regarding professions and businesses, and state government, respectively, so as to enhance accountability and notice requirements for agency rule making so as to reduce regulatory burdens on businesses. **Status:** Referred to Economic Development and Tourism Cmte

Health – General

[HB 65, Change conditions and eligibility for Low THC Registry](#). (Rep. Allen Peake-R)

Change provisions relating to conditions and eligibility; to provide a definition; to remove certain reporting requirements for the Low THC Registry. **Status:** House Hopper

[HR 14, Create a Joint Study Committee on the Creation of High-Tech Health Incubators for Job Growth](#). (Rep. Brad Raffensperger- R)

Creating the Joint Study Committee on the Creation of High-Tech Health Incubators for Job Growth for Georgia; and for other purposes. **Status:** Referred to Special Rules Cmte

[SB 16, Change conditions and eligibility for use of low THC Oil](#). (Sen. Ben Watson- R)

Relating to the regulation of low THC oil and the establishment of the Low THC Oil Patient Registry, definitions, purpose, registration cards, quarterly reports, and waiver forms, respectively, so as to change the definition of low THC oil; to change provisions relating to conditions eligible for use of low THC oil. **Status:** Referred to Health and Human Services Cmte

Health – Public Health

[HB 28, Test for lead contamination in drinking water, public and private schools](#). (Rep. Billy Mitchell-D)

To require testing of drinking water in public and private schools for lead contamination; to provide for remediation plans or alternate sources of drinking water. **Status:** Referred to Education Cmte

[HB 38, Issuance of license for three-wheeled motor vehicle](#). (Rep. Alan Powell-R)

Provide for the issuance of a noncommercial Class C driver's license for the operation of three-wheeled motor vehicles equipped with a steering wheel for directional control; to provide for the issuance of a noncommercial Class M driver's license for the operation of motorcycles equipped with handlebars for directional control. **Status:** Referred to Motor Vehicles Cmte

Hospitals

[HB 54, Provide an additional reporting requirement for indigent care in rural hospitals; change certain amounts eligible for tax credit](#). (Rep. Geoff Duncan-R)

Relating to hospital care for the indigent generally, so as to provide for an additional reporting requirement for rural hospitals; make changes relating to the imposition, computation, rate, and exemptions from income taxes. **Status:** Referred to Ways & Means Cmte

[SB 8, Surprise Billing and Consumer Protection Act](#). (Sen. Renee Unterman-R)

To provide for disclosure requirements of providers, hospitals, and insurers; to provide for billing and reimbursement of out-of-network services; to provide for procedures for dispute resolution for surprise bills for nonemergency services; to provide for payment of emergency services; to provide for an out-of-network reimbursement rate workgroup. **Status:** House hopper

[SB 14, Clarify the amount of a state income tax credit for rural hospitals.](#) (Sen. Dean Burke-R)

Relating to imposition, rate, computation, and exemptions from state income taxes, so as to clarify the amount of an exemption for certain entities under the contributions to rural hospitals income tax credit.

Status: Referred to Finance Cmte

Pharmaceuticals

[HB 30, Add synthetic opioid to Schedule I Controlled Substances.](#) (Rep. Kevin Tanner-R)

Relating to Schedule I controlled substances, so as add a synthetic opioid to Schedule I. **Status:** Referred to Judiciary Non-Civil Cmte

[HB 35, Pharmacy benefits managers required to confirm receipt of prior approval request within 48 hours.](#) (Rep. Bruce Broadrick-R)

Relating to regulation and licensure of pharmacy benefits managers, so as to require confirmation of receipt of prior approval requests for prescription drugs within 48 hours. **Status:** Referred to the Insurance Cmte

Taxes

[HB 59, Tax credits for rehabilitation of historic structures.](#) (Rep. Ron Stephens-R)

Changes to tax credits for the rehabilitation of historic structures, so as to revise procedures, conditions, and limitations. Status: House Hopper