

## **2015 GEDA Legislative Monitor Report 8 Update**

GEDA will focus on tracking bills that directly affect the membership's ability to create jobs and investment. Please contact Kevin Shea, GEDA President, if you identify a bill(s) that you feel GEDA should track.

Listed below are bills that passed the House or Senate respectively by the conclusion of 'Crossover Day', Friday, March 13, 2015, Day 30 of the 2015 Legislative Session. This update includes the latest information on bills that GEDA is continuing to track.

### **BILLS THAT PASSED THE HOUSE OR SENATE**

**HB 57** – Representatives Dudgeon of the 25<sup>th</sup>, Drenner of the 85<sup>th</sup>, Brockway of the 102<sup>nd</sup>, Geisinger of the 48<sup>th</sup>, Setzler of the 35<sup>th</sup>, and others

Amends Article 1 of Chapter 3 of Title 46 of the OCGA, relating to the generation and distribution of electricity generally, so as to provide for financing solar technology by retail electric customers for the generation of electric energy to be used on and by property owned or occupied by such customers or to be fed back to the electric service provider; and for other purposes.

The bill proposes to create the 'Solar Power Free-Market Financing Act of 2015' to allow individuals and certain commercial applications to utilize solar energy procurement agreements to finance the upfront costs of construction and installation of solar technologies. 'Solar technology' is defined as a system that: (1) generates electric energy that is fueled solely by ambient sunlight; (2) is installed upon property owned or occupied by a retail electric customer; and (3) is connected to the service provider's distribution system on either side of the electric services provider's meter. The capacity limit for a residential application is ten kilowatts, and one hundred and twenty-five percent of the actual or expected maximum annual peak demand of the premises the solar technology serves for a commercial application.

Assigned to the Senate Committee on Energy, Utilities and Telecommunications

**The bill was favorably reported on 3/13/15.**

**HB 63(CS)** – Representatives Tanner of the 9<sup>th</sup>, England of the 116<sup>th</sup>, Dickson of the 3<sup>rd</sup>, Coleman of the 97<sup>th</sup>, Evans of the 42<sup>nd</sup>, and others

Amends Article 2 of Chapter 7 of Title 48 of the OCGA, relating to the imposition, computation, and rate of and exemptions from state income taxes, so as to revise the adult basic skills education program tax credit, to provide for a sunset date; and for other purposes.

The bill proposes to allow employers to receive a tax credit of \$400.00 for each employee who passes the basic skills education test that was paid for by the employer; and \$1,200 for each employee who completes an approved adult basic education program consisting of at least 40 hours of training while the employee is being compensated at his or her normal rate of pay, and passes the basic skills education test that was paid for by the employer. Employer tax credits must be preapproved by the Commissioner of the Technical College System of Georgia. The amount of preapproved tax credits cannot exceed two million dollars per calendar year. No single employer can receive credits in excess of \$100,000 per calendar year. The tax credit authorization will be repealed on January 1, 2020.

Assigned to the Senate Committee on Finance.

The bill was read for the first time 2/25/14.

**HB 75(CS)** - Representatives Ralston of the 47<sup>th</sup>, O'Neal of the 146<sup>th</sup>, and England of the 116<sup>th</sup>

The bill creates the FY-2015 Supplemental Budget.

The bill was signed by the Governor on 2/19/15.

**HB 76(CS)** - Representatives Ralston of the 47<sup>th</sup>, O'Neal of the 148<sup>th</sup>, and England of the 116<sup>th</sup>

The bill creates the FY 2016 Budget.

The Georgia Department of Community Affairs budget includes \$20 million for the Regional Economic Business Assistance (REBA) program. The OneGeorgia Authority received a \$20 million allocation, but the allocation contains a set aside to 'utilize existing funds for special projects' and a second set aside to 'utilize existing funds for credit enhancement for disadvantaged small businesses who are contracting or are attempting to contract with the Department of Transportation (total funds \$5,000,000)'.

The Georgia Department of Economic Development Departmental Administration budget includes \$265,389 to 'increase funds for personnel and operations for one position to support international relations and trade'. The Governor had recommended \$295,389. The Film, Video, and Music budget includes an additional \$100,000 to 'increase funds for film marketing', and \$60,000 for 'funds for personnel for one film location scout to assist with increased demand'. The budget also includes a \$300,000 allocation in the Georgia Council for the Arts budget 'to institute a statewide 'Grassroots' arts program, with the goal to increase the arts participation and support throughout the state with grants no more than \$5,000'. The Global Commerce budget includes \$85,000 to 'increase funds for personnel for one industry representative position, \$200,000 to 'increase funds for international trade office contracts', and \$159,310 to 'increase funds for personnel for two positions to support international trade, research, and marketing. The Tourism budget includes \$300,000 'for marketing to increase Georgia tourism. The Governor had recommended \$750,000 and the House had recommended \$100,000. Also included is \$160,000 'to increase funds for personnel for a marketing project manager position and a social media specialist position'. The Senate added \$25,000 'to increase funds for the Georgia Civil War Commission', \$25,000 'to increase funds for the Georgia Civil War Heritage Trails', \$1,000,000 'to increase funds for one-time funding for the National Infantry Museum', and \$20,000 'to increase funds for one-time funding for signage and marketing of the 'Vietnam Moving Wall' at the Walk of Heroes'.

The Technical College System of Georgia budget includes \$13,058,532 in state funds for the Quick Start and Customized Services budget. This is a slight increase in funds above the FY-2015 budget.

The bill was assigned to the Senate Appropriations Committee

The bill passed the Senate 3/20/15. The final bill will be negotiated in the Green Door Committee.

**HB 170(CS)** - Representatives Roberts of the 155<sup>th</sup>, Burns of the 159<sup>th</sup>, Hamilton of the 24<sup>th</sup>, England of the 116<sup>th</sup>, Stover of the 71<sup>st</sup>, and others

Amends various provisions of the OCGA, so as to provide for additional revenue necessary for funding transportation purposes in this state, and for other purposes.

~~The bill proposes to create the Transportation Funding Act of 2015. The bill converts the state's 4 percent sales tax and 7.5 percent per gallon tax on gasoline to a straight 29.2 cents per gallon excise tax. The excise tax rate can be adjusted each year for inflation and other factors. Cities and counties are denied the collection of a sales tax on gasoline as a part of a LOST or HOST tax. Cities and counties will be allowed to raise the LOST or HOST tax rate from 1 percent to 1.25 percent to offset the loss of revenue. The purchase of alternative fuel vehicles would require a registration fee of \$200 for personal vehicles and \$300 for commercial vehicles. The bill would remove the \$5000 tax credit for the purchase of alternative fuel vehicles. The bill amends the 'Georgia Transportation Infrastructure Bank Act' and authorizes the Board of the Department of Community Affairs to provide preference to eligible projects in tier 1 and tier 2 counties. The Board is also authorized to make every effort to balance any loans or other financial assistance among all regions of the State.~~

The bill passed by the Senate included 3 of 9 proposed floor amendments. The bill now includes the following:

- 1) A 24 cents per gallon excise tax on gasoline and diesel. The House proposed a 29.2 cents per gallon excise tax;
- 2) A \$5 fee increase to be added to current rental car fees beginning July 1, 2015;
- 3) A \$250 million annual budget allocation to reduce the debt service for the Department of Transportation. The amendment is designed to offset funds that the Department allocates annually for debt service payments;
- 4) Allows local governments to collect a local sales tax on motor fuels that can be used for SPLOST, LOST, and ESPLOST;
- 5) A \$200/year fee on alternative fueled vehicles used for personal transportation, and \$300/year for commercial vehicles;
- 6) Eliminates the \$5,000 state tax credit for the purchase or lease of new low-emission or new zero emission vehicles purchased on or after July 1, 2015; and
- 7) Eliminates the current sales and use tax exemption on the sale of jet fuel by a qualifying airline at a qualifying airport beginning July 1, 2015. On or after July 1, 2017 revenue derived from the levy of sales and use taxes on jet fuel shall be used for a state aviation program or airport related purposes as required by the federal government.

The bill was assigned to the Senate Committee on Transportation.

The bill passed the Senate on 3/20/15.

**HB 174(CS)** – Representatives Jones of the 62<sup>nd</sup>, Bruce of the 61<sup>st</sup>, Gravley of the 67<sup>th</sup>, Hightower of the 68<sup>th</sup>, and Alexander of the 66<sup>th</sup>

Amends Chapter 61 of Title 36 of the OCGA, the 'Urban Redevelopment Law', so as to include blighted areas; to provide for the use of surface transportation projects in urban redevelopment areas; and for other purposes.

The bill proposes to remove the term 'slum' and substitute the word 'blight and the term 'slum areas' to 'pockets of blight'. ~~It also proposes to add surface transportation projects as eligible projects.~~

Assigned to the Senate Committee on State and Local Government Operations

The bill was favorably reported 3/19/15.

**HB 213(CS)** – Representatives Jacobs of the 80<sup>th</sup>, Roberts of the 155<sup>th</sup>, Smyre of the 135<sup>th</sup>, Geisinger of the 48<sup>th</sup>, Mitchell of the 88<sup>th</sup>, and others

Amends the 'Metropolitan Atlanta Transit Authority Act of 1965' so as to provide for a permanent suspension of restrictions on the use of sales and use tax proceeds upon the submission of an independent management audit to certain officials; and for other purposes.

The proposed amendment removes current restrictions on the MARTA Board to use more than fifty percent of the current MARTA tax for subsidizing the operating costs of the system. Failure by the Board to submit an independent management audit to the Governor, State Auditor, and chairperson of the MARTA overview committee every four years will continue the 50 percent cap on subsidizing operating costs.

Assigned to the Senate Committee on Transportation

The bill was favorably reported 3/19/15.

**HB 237(CSFA)** – Representatives Williamson of the 115<sup>th</sup>, Dudgeon of the 25<sup>th</sup>, Hamilton of the 24<sup>th</sup>, Martin of the 49<sup>th</sup> and Ramsey of the 72<sup>nd</sup>

Amends Article 2 of Chapter 7 of Title 48 of the OCGA, relating to the imposition, rate, and computation of and exemptions from state income tax, so as to extend the angel investor tax credit; and for other purposes.

The bill defines a qualified business as one that employs 20 or fewer people in this state, has gross annual revenue of \$500,000 or less on a consolidated basis, is primarily engaged in manufacturing, processing online and digital warehousing, wholesaling, software development, information technology services, or research development. The qualified business does not include businesses substantially engaged in retail sales, real estate or construction, professional services, gambling, natural resource extraction, financial, brokerage, or investment activities or insurance, or entertainment for which an admission or membership is charged. Any individuals or any pass-through entity making a qualified investment directly in a qualified business through the 2020 calendar year will be allowed a tax credit of 35% of the amount invested against the tax imposed commencing on January 1 of the second year following the year in which the qualified investment was made. The total aggregate of all tax credits allowed qualified investors will not exceed \$5 million in a year.

Assigned to the Senate Committee on Finance

The bill was read for the first time 3/13/15.

**HB 261(CS)** – Representatives Harrell of the 106<sup>th</sup>, Powell of the 32<sup>nd</sup>, Douglas of the 78<sup>th</sup>, and Waites of the 60<sup>th</sup>

Amends Article 1 of Chapter 3 of Title 3 of the OCGA, relating to general provisions regarding regulation of alcoholic beverages generally, so as to provide for the sale of alcoholic beverages during certain times on Sunday in commercial service airports owned or operated by a municipal governing authority; and for other purposes.

The bill proposes to allow a municipal governing authority that owns or operates a commercial service airport to authorize the sale of alcoholic beverages for consumption in eating establishments located in a sterile area of such commercial service airport on Sundays between the hours of 5:00 AM and 12:00 Midnight.

Assigned to the Senate Committee on Regulated Industries and Utilities

The bill was favorably reported 3/19/15.

**HB 308(CS)** – Representatives Stephens of the 164<sup>th</sup>, Peake of the 141<sup>st</sup>, and Harbin of the 122<sup>nd</sup>

Amends Article 2 of Chapter 7 of Title 48 of the OCGA, relating to the imposition, computation, rate, and exemptions from state income taxes; so as to revise the tax credit for the rehabilitation of historic structures; to provide for procedures; to provide for a sunset date; and for other purposes.

The bill defines ‘certified structure’ and ‘employment retention requirement’. The bill establishes an ‘employment target’ as verifiable creation and retention of at least 200 full-time jobs as a result of rehabilitation of a certified structure. In the case of the rehabilitation of a certified structure, the proposed tax credit is equal to 25 percent of qualified rehabilitation expenditures. The maximum credit for a certified structure would be \$5 million for any taxable year. If the project meets or exceeds the employment target, the maximum credit for any individual certified structure would be up to \$25 million.

Assigned to the Senate Committee on Finance

The bill was read for the first time on 3/13/15.

**HB 315** – Representatives Nimmer of the 178<sup>th</sup>, Coomer of the 14<sup>th</sup>, and Dickey of the 140<sup>th</sup>

Amends Article 2 of Chapter 4 of Title 20 of the OCGA, relating to technical and adult education, so as to change the name of the Technical College System of Georgia to the Georgia Career College System; to change the name of the State Board of the Technical College System of Georgia to the State Board of the Georgia Career College System; to amend various provisions of the OCGA; and for other purposes.

The bill proposes to change the name of the Board and Department from the Technical College System of Georgia to the Georgia Career College System.

Assigned to the Senate Committee on Higher Education

The bill was read for the first time on 3/4/2015.

**HB 339(CS)** – Representatives Burns of the 159<sup>th</sup>, Stephens of the 164<sup>th</sup>, Strickland of the 111<sup>th</sup>, Rice of the 95<sup>th</sup>, Peake of the 141<sup>st</sup>, and others

Amends Article 2 of Chapter 7 of Title 48 of the OCGA, relating to the imposition rate, and computation of state income taxes, so as to extend the tax credit for film, video, or digital production in this state.

The bill proposes to extend the income tax credit, and provides that the maximum allowable credit claimed for any qualified interactive entertainment production company and its affiliates is \$1.5 million in any single year. The credit would extend through 2019.

Assigned to the Senate Committee on Finance

The bill was read for the first time on 3/5/15.

**HB 348** – Representatives Dickey of the 140<sup>th</sup>, Nimmer of the 178<sup>th</sup>, Coomer of the 14<sup>th</sup>, and Rogers of the 10<sup>th</sup>

Repeals Chapter 14 of Title 34 of the OCGA, relating to the Georgia Workforce Investment Board; to amend Chapter 7 of Title 50 of the OCGA, relating to the Department of Economic Development, so as to create the State Workforce Development Board; to provide for a Workforce Division within the Department of Economic Development; to provide for a Deputy Commissioner; and for other purposes.

The bill proposes to create the State Workforce Development Board in compliance with Public Law 105-220. The Board would meet quarterly, and be funded by federal law. The Workforce Division would replace the current Governor's Office of Workforce Development. The Governor is authorized to appoint the deputy commissioner of the Workforce Division.

Assigned to the Senate Committee on Industry and Labor

The bill was favorably reported 3/19/15.

**HB 408** – Representatives Willard of the 51<sup>st</sup>, Raffensperger of the 50<sup>th</sup>, Geisinger of the 48<sup>th</sup>, and Wilkinson of the 52<sup>nd</sup>

Amends Article 3 of Chapter 13 of Title 48 of the OCGA, relating to an excise tax on rooms, lodging, and accommodations, so as to clarify the application of certain provisions to certain municipalities; to provide conditions and limitations; and for other purposes.

The bill proposes to amend paragraph 5 of subsection (a) of Code Section 48-13-51 that currently authorizes local governments to collect the Hotel Motel excise tax at the rate of 7%. The bill would continue to allow the collection of the excise tax at the rate of 7% and to dedicate a percentage of the tax collected toward funding a multi-purpose domed stadium facility. The bill also proposes to allow local governments to use 39.3% of taxes collected toward funding any of the purposes permitted for tourism product development.

Assigned to the Senate Committee on Finance

The bill was read for the first time 3/13/15.

**HB 439(CS)** – Representatives Shaw of the 176<sup>th</sup>, Abrams of the 89<sup>th</sup>, England of the 116<sup>th</sup>, Hatchett of the 150<sup>th</sup>, Knight of the 130<sup>th</sup>, and others

Amends Chapter 1 of title 33 of the OCGA, relating to general provisions regarding insurance, so as to establish qualified low-income community investment; to provide for a short title; to provide for definitions; to provide that certain entities may earn credit against state premium tax liability; to provide for certification of qualified equity investments; to provide for recapture of credit claimed under certain circumstances; to provide for certain refundable fees; to provide for a retaliatory tax; and for other purposes.

The bill proposes to create a new Code section known as the ‘Georgia New Markets Jobs Act’. The bill appears to mimic credits authorized in Section 45D of the Internal Revenue Code of 1986 and 26 C.F.R. Section 1.45D-1. Qualified community development entities are authorized to make ‘Qualified Equity Investments’ and ‘Qualified Low-income Community Investments’. Any entity that makes a qualified equity investment earns a vested right to credit against the entity’s state premium tax liability. No credits claimed will be refundable or saleable on the open market. Credits may be carried forward for use in any subsequent taxable year. The Department of Community Affairs is listed as the state agency to promulgate rules and manage the process.

Assigned to the Senate Committee on Industry and Labor

The bill was read for the first time 3/13/15.

**HB 476** – Representatives Fludd of the 64<sup>th</sup>, Bruce of the 61<sup>st</sup>, Bell of the 58<sup>th</sup>, Mabra of the 63<sup>rd</sup>, and Kaiser of the 59<sup>th</sup>

Repeals an amendment to the Constitution of Georgia creating within Fulton County the Fulton County Industrial District and prohibiting the governing authority of Fulton County from levying any tax for educational purposes within such district; to provide for referendum; and for other purposes.

The bill proposes to repeal the amendment to the Constitution of Georgia creating within Fulton County the Fulton County Industrial District and prohibiting the governing authority of Fulton County from levying any tax for educational purposes within the district.

Assigned to the Senate Committee on State and Local Government Operations

The bill was read for the first time 3/18/15.

**HB 510(FA)** – Representative Stephens of the 164<sup>th</sup>

Amends Chapter 34 of Title 50 of the OCGA, relating to the OneGeorgia Authority, so as to provide for the creation of the Georgia Sports Commission Fund; to define certain terms; to provide for gifts and contributions; to provide for a committee to manage such fund; to provide conditions for obtaining grants and loans from such fund; and for other purposes.

The bill would authorize creation of the Georgia Sports Commission Fund managed by a five member committee appointed by the Governor, President of the Senate and Speaker of the House of Representatives. The Commissioners of DEcD and DCA would serve as ex-officio nonvoting members

of the committee. Local ‘sports commissions’ could register with the Authority and authorized to apply for grants from the fund. ‘Sport Commissions’ are defined as nonprofit organizations that are charged with managing the bid process to attract professional and amateur sporting events to a county, municipality, or consolidated government. The grants would be used by registered sports commissions to cover the initial costs of hosting a sporting event or payment of an up-front fee for the privilege of hosting a sporting event.

Assigned to the Senate Committee on Economic Development and Tourism

The bill was read for the first time 3/18/15.

**SB 4(CS)** – Senators Gooch of the 51<sup>st</sup>, Williams of the 19<sup>th</sup>, Mullis of the 53<sup>rd</sup>, Orrock of the 36<sup>th</sup>, Ginn of the 47<sup>th</sup>

Amends Chapter 61 of Title 36 of the OCGA, relating to urban redevelopment for counties and municipal corporations, so as to provide for the use of surface transportation projects in urban redevelopment areas; to provide for definitions; to provide for public contracts with private enterprises for the completion of surface transportation projects; to provide for methods of procurement for surface transportation projects in urban redevelopment areas; to provide for limitations on former public employees when negotiating contracts for surface transportation projects; and for other purposes.

The bill proposes to add surface transportation projects to the types of rehabilitation projects and included in the urban redevelopment plan. ‘Surface transportation project’ is defined as a project for public improvement and any related public facilities which is planned to impact 10,000 or more acres and at least ten transit miles within the area of operation of the sponsoring local government , including any related facilities, systems, parks, trails, streets, greenspace, and any other integrated public or private development features included within any adopted infrastructure or transportation plan, urban redevelopment plan, strategic implementation plan, redevelopment plan, workable programs, or comprehensive plans. Surface transportation projects may be undertaken under this chapter in areas proximate to, but lying outside of, a designated urban redevelopment area, without regard to any requirement that the area be a slum or blighted area, but only within the territorial limits of the sponsoring local government.

Local governments are encouraged to use private enterprise for the rehabilitation or redevelopment of an urban redevelopment area. Unsolicited proposals are not permitted.

Assigned to the House Committee on Transportation

The bill was favorably reported 3/20/15.

**SB 5(CS)** – Senators Cowser of the 46<sup>th</sup>, Watson of the 1<sup>st</sup>, and Ligon, Jr. of the 3<sup>rd</sup>

Amends Code Section of 52-2-9 of the OCGA, relating to general powers of the Georgia Ports Authority, so as to provide for powers of the authority with respect to acceptance of loans or grants from the United States upon certain terms and conditions; and for other purposes.

The bill clarifies that the Georgia Ports Authority has the power to provide indemnification on behalf of the authority or any other agency or instrumentality of the state if such agency or instrumentality is an

equal participant with the authority as a non-federal sponsor of a congressionally authorized civil works project for the benefit of the United States of America or any agency which power has existed since the creation of the authority.

Assigned to the House Committee on Economic Development and Tourism

The Governor signed the bill 2/23/15.

**SB 59(CSFA)** – Senators Hill of the 6<sup>th</sup>, Mullis of the 53<sup>rd</sup>, Gooch of the 51<sup>st</sup> and Beach of the 21<sup>st</sup>

Amends Title 36 of the OCGA, relating to local government, and Title 50 of the OCGA to provide for a ‘Partnership for Public Facilities and Infrastructure Act’; to create the Partnership for Public Facilities and Infrastructure Act Guidelines Committee; and for other purposes.

The bill proposes to create the Partnership for Public Facilities and Infrastructure Act Guidelines Committee with members appointed by the Governor, Lieutenant Governor, and Speaker of the House for two year terms. The Committee will prepare model guidelines for public entities in the implementation of this chapter. The bill allows for a private entity to submit an unsolicited proposal under certain conditions.

Assigned to the House Committee on Governmental Affairs

The bill was read for the second time 3/18/15.

**SB 63(CSFA)** - Senators Hill of the 6<sup>th</sup>, Gooch of the 51<sup>st</sup>, Albers of the 56<sup>th</sup>, Bethel of the 54<sup>th</sup>, Ginn of the 47<sup>th</sup>, and others

Amends Title 3 of the OCGA, relating to alcoholic beverages so as to provide for manufacturers of malt beverages to make limited retail sales of malt beverages under certain circumstances; to change the definition of a ‘brewpub’; to provide for licensed brewpubs to sell malt beverages manufactured on its premises to the public for off-premises; to define the term ‘tasting room; and for other purposes.

The bill would allow consumers to receive up to thirty-six ounces of beer for consumption in a tasting room on the premises of a licensed brewpub, and up to 64 ounces to take home. Any beverage received for home consumption would have to be packaged in a single container. Direct sales to the public are prohibited. Floor amendments defined ‘brewery tour’ as guided access to the manufacturing portion of the licensed premises of a brewer, an educational or promotional video relating to the brewer and the brewer’s products or manufacturing process or combination thereof. On site consumption of beverages would not be allowed during the brewery tour.

Assigned to the House Committee on Regulated Industries and Utilities

The bill was read for the second time 3/19/15.

**SB 85** – Senators Beach of the 21<sup>st</sup>, Ginn of the 47<sup>th</sup>, Gooch of the 51<sup>st</sup>, Mullis of the 53<sup>rd</sup>, and Albers of the 56<sup>th</sup>

Amends Chapter 62 of the OCGA, relating to development authorities, so as to revise the definition of project as applicable to said chapter; modify the tax exemption of development authorities; to correct cross references; and for other purposes.

The bill proposes to repeal Code Section 36-62-2, relating to definitions and enacts a new paragraph that defines a 'project'.

Assigned to the House Committee on Governmental Affairs

The bill was read for the second time 3/5/15.

**SB 101(CS)** – Senators Watson of the 1<sup>st</sup>, Jackson of the 2<sup>nd</sup>, Ligon of the 3<sup>rd</sup>, Williams of the 19<sup>th</sup>, Tolleson of the 20<sup>th</sup> and others

Amends Chapter 7 of Title 12 of the OCGA, relating to the control of soil erosion and sedimentation, so as to provide for a buffer against coastal marshlands within which certain land-disturbing activities are prohibited; to provide for exceptions and variances; and for other purposes.

The bill would maintain a 25 foot buffer along coastal marshlands while allowing the Director of the Environmental Protection Division to grant a variance for specified purposes, including the maintenance of existing structures, while minimizing the impact on water quality or aquatic habitat of the adjacent marsh.

Assigned to the House Committee on Natural Resources and Environment

**This bill was favorably reported 3/13/15.**

**SB 122** – Senator Mullis of the 53<sup>rd</sup>

Amends Code Section 48-8-111 of the OCGA, relating to the procedure for implementing a special purpose local option sales tax, so as to provide for an additional purpose for use of the proceeds of the tax; and for other purposes.

The bill proposes to add the repair of capital outlay projects, including, but not limited to, roads, streets, and bridges, located in part or in whole, within the special district that have been damaged or destroyed by a natural disaster to the list of eligible LOST projects.

Assigned to the House Committee on Ways and Means

**The bill was read for the second time 3/19/15.**

**SR 114** – Senators Hill of the 32<sup>nd</sup>, Shafer of the 48<sup>th</sup>, Cowsert of the 46<sup>th</sup>, Hill of the 6<sup>th</sup>, and Harper of the 7<sup>th</sup>

The resolution proposes to create **the Joint Senate/House Entrepreneur in Residence Study Committee**. The entrepreneur in residence program would focus attention on ensuring that government is not an impediment to the success of entrepreneurs. The Committee will undertake a study of the conditions, needs, issues, and problems and recommend any action or legislation which the Committee deems necessary or appropriate.

GEDA tracked SR 113 that proposed to create the Senate Entrepreneur in Residence Study Committee. The resolution was dropped by the sponsor once SR 114 passed.

Assigned to the House Committee on Small Business Development

The resolution was read for the second time 3/19/15.

**SR 135(S)** – Senators Beach of the 21<sup>st</sup>, Hill of the 6<sup>th</sup>, Jones of the 25<sup>th</sup>, Black of the 8<sup>th</sup>, and Ramsey of the 43<sup>rd</sup>

Proposes an amendment to the Constitution so as to authorize the General Assembly to provide by law for pari-mutuel wagering on horse racing; and for other purposes.

Assigned to the Committee on Regulated Industries and Utilities

The resolution was favorably reported 3/5/15.

**SR 287(CS)** - Senators Miller of the 49<sup>th</sup>, Tippins of the 37<sup>th</sup>, Jeffares of the 17<sup>th</sup>, Sims of the 12<sup>th</sup>, Gooch of the 51<sup>st</sup>, and others

Proposing an amendment to the Constitution of Georgia so as to allow the General Assembly to authorize the establishment of an Opportunity School District to provide for state intervention for failing schools; and for other purposes.

The resolution would authorize the state to assume the supervision, management, and operation of public elementary and secondary schools which have been determined to be failing through any governance model allowed by law.

Assigned to the House Committee on Education and Youth

The resolution was read for the second time 3/11/15.

## **BILLS THAT DID NOT PASS THE HOUSE OR SENATE**

**HB 2** – Representatives Geisinger of the 48<sup>th</sup>, Randall of the 142<sup>nd</sup>, Stephens of the 164<sup>th</sup>, Willard of the 51<sup>st</sup>, and others

Amends Title 50 of the OCGA, relating to state government, so as to provide for pari-mutuel wagering or betting on horse racing in this state; to provide for comprehensive regulation of such activities; to provide for legislative intent; to provide for the establishment of the Georgia Racing Commission; to provide for funding; to establish and provide for the Georgia Breeders Funds; and for other purposes.

The bill proposes to create The Georgia Racing Commission which would be empowered to control all horse racing with pari-mutuel wagering in the state with primary plenary power to prescribe regulations and conditions under which such racing and wagering will be conducted. The bill would allow for pari-mutuel wagering at a racetrack or satellite facility licensed by the commission. The bill would also allow simulcast horse racing at licensed facilities. There would be a minimum of sixty live racing days each calendar year. No license can be issued by the commission until a referendum approving the location of a facility is held in each county or municipality in which the facility is to be located. The state would receive five percent of a racetrack's pari-mutuel wagering pool, and counties and municipalities in which a racetrack is located would receive 2 percent of the pool.

Assigned to the Committee on Regulated Industries

Read for the second time on 2/17/15.

**HB 4** – Representatives Geisinger of the 48<sup>th</sup>, McCall of the 33<sup>rd</sup>, Powell of the 32<sup>nd</sup>, Dudgeon of the 25<sup>th</sup>, and Tarvin of the 2<sup>nd</sup>

Amends Code Section 12-5-584 of the OCGA, relating to water supply and water conservation management plan and interbasin transfers relative to the Metropolitan North Georgia Water Planning District, so as to provide an exemption to the prohibition on interbasin transfers of certain rivers; and for other purposes.

The bill proposes to amend the restriction on interbasin transfer of water so as to allow the transfer of water from a river with an annual average flow of at least 15 billion gallons per day at the withdrawal point and which is approved by the county in which the withdrawal point is located.

Assigned to the Committee on Natural Resources and Environment

Read for the second time on 2/11/15

**HB 8** - Representatives Brooks of the 55<sup>th</sup>, McClain of the 100<sup>th</sup>, Dawkins-Haigler of the 91<sup>st</sup>, and Thomas of the 56<sup>th</sup>

Amends Chapter 4 of Title 34 of the OCGA, relating to the minimum wage, so as to provide for a substantive and comprehensive reform of provisions regarding the minimum wage law; and for other purposes.

The bill proposes to raise the minimum wage from the current minimum wage of \$5.15 per hour to \$6.20 per hour. Upon the effective date of this Code section, the minimum shall be not less than \$15.00 per hour. Beginning January 1, 2016, and each successive January thereafter the minimum wage will be adjusted for increases in the cost of living. The bill also provides that employees that work for tips can receive a credit toward satisfaction of up to 50 percent of the minimum wage requirements. The bill list certain employers and individuals that the minimum wage requirements do not apply.

Assigned to the Committee on Industry and Labor

The bill was read for the first time 1/14/15. No further action has been taken.

**HB 60** - Representative Setzler of the 35<sup>th</sup>

Amends Title 48 of the OCGA, relating to revenue and taxation, so as to exempt motor fuels from state sales and use taxes; to provide for increases in the second motor fuel tax and excise tax on motor fuel; to provide for the reduction of personal income taxes; to provide for a flat rate income tax structure; and for other purposes.

The bill proposes an annual incremental reduction of the state income tax to a rate of 5.5 percent for taxable years beginning on or after January 1, 2022. The bill proposes to impose an excise tax on distributors who sell or use motor fuel within the state. The excise tax would increase incrementally to a rate of 22 1/2 cents per gallon by 2022.

Assigned to the Committee on Transportation

The bill was read for the second time on 1/26/15.

**HB 97** - Representatives Turner of the 21<sup>st</sup>, Caldwell of the 20<sup>th</sup>, and Cantrell of the 22<sup>nd</sup>

Amends Article 4 of Chapter 18 of Title 50 of the OCGA, relating to inspection of public records, so as to provide that all public bodies shall disclose certain communications, terms and conditions of agreements, and incentives and offers made regarding certain matters; and for other purposes.

The bill would create the ‘Open Agreements Act’. It proposes to prohibit any agency from entering into a nondisclosure agreement that prohibits two or more parties from disclosing any communications, terms, conditions, interactions, or agreements between or among the parties to such contract or instrument. Unless exempted from this article, all agencies would have to fully disclose without delay any communications regarding and any terms and conditions of any agreement, incentive, or offer made or entered into by the agency. Any individual who, on behalf of an agency, enters into a nondisclosure agreement would be subject to sanctions. The Attorney General is designated to enforce the provisions of the bill. Any citizen of this state would be authorized to initiate civil action to enforce and compel the disclosure of those matters covered under a nondisclosure agreement entered into in violation of this code section.

Assigned to the Committee on Governmental Affairs

The bill was **withdrawn** from consideration by unanimous consent of the author on 2/9/15.

**HB 120** - Representatives Rutledge of the 109<sup>th</sup>, Welch of the 110<sup>th</sup>, Powell of the 171<sup>st</sup>, Knight of the 130<sup>th</sup>, Strickland of the 111<sup>th</sup>, and others

Amends Code Section 48-8-111 of the OCGA, relating to the procedure for implementing a special purpose local option sales tax, so as to provide for an additional purpose for the tax; and for other purposes.

The bill proposes to add ‘a capital outlay project or projects that are owned, operated, or administered by the state and located, in part or in whole, within the special district’ to the list of authorized SPLOST projects.

Assigned to the Committee on Ways and Means

The bill was favorably reported on 2/17/15.

**HB 122** - Representatives Martin of the 49<sup>th</sup>, Ramsey of the 72<sup>nd</sup>, Hamilton of the 24<sup>th</sup>, England of the 116<sup>th</sup>, Jones of the 47<sup>th</sup>, and others

Amends Code Section 48-7-40.16 of the OCGA, relating to state income tax credits for low-emission vehicles, so as to reduce to zero the amount of such credit; and for other purposes.

The bill proposes to remove the tax credit for the purchase of a new low-emission or new zero emission vehicles purchased on or after July 1, 2015. The bill states that the amount of the credit shall be \$0.00.

Assigned to the Committee on Ways and Means

The bill was read for the second time on 1/29/15. No further action has been taken.

**HB 175** – Representatives Ehrhart of the 36<sup>th</sup>, Maxwell of the 17<sup>th</sup>, Atwood of the 179<sup>th</sup>, Welch of the 110<sup>th</sup>, Gravely of the 67<sup>th</sup>, and others

Amends Part 1 of Article 1 of Chapter 8 of Title 48 of the OCGA, relating to general provisions regarding state sales and use taxes, so as to change the exemption from such taxes for certain jet fuel; and for other purposes.

The bill was amended to remove the sales and use tax exemption on certain jet fuel for all qualifying airlines.

Assigned to the Committee on Ways and Means

Read for the second time on 2/3/15.

**HB 208** – Representatives Kirby of the 114<sup>th</sup>, Caldwell of the 20<sup>th</sup>, Turner of the 21<sup>st</sup>, Battles of the 15<sup>th</sup>, Cantrell of the 22<sup>nd</sup>, and others

Amends Title 48 of the OCGA, relating to revenue and taxation, so as to eliminate the state income tax; to increase the rate of tax on the retail purchase, retail sale, rental, storage, use, or consumption of certain tangible property and on certain services; to provide for a sales tax rebate; to provide for conforming changes with respect to certain tax ceilings, imposition of taxes, collection from dealers, disposition of

certain taxes, compensation of dealers for reporting taxes, and payment of taxes by certain contractors; and for other purposes.

The bill proposes to amend Title 48 (33.1)(B) of Code Section 48-8-3, relating to exemptions from state sales and use tax on the sale or use of jet fuel to or by a qualifying airline at a qualifying airport will be exempt from 1 percent of the state sales and use tax of 7.5 percent (the bill increases the state sales and use tax from 4 percent to 7.5 percent). The aggregate amount of all excise taxes imposed under paragraph (5) of subsection (a) of Code Section 48-13-51 will increase from 14 percent to 17.5 percent. There are provisions for tax credits for persons or dealers under certain circumstances. The bill proposes to have the Department of Revenue provide monthly sales tax rebates to duly registered 'qualified families'. The bill would also amend three paragraphs of Code Section 48-13-51 (the Hotel Motel Tax Code) by increasing the aggregate amount of all excise taxes imposed, and all sales and use taxes, and other taxes imposed by a county or a municipality, or both. For paragraph (3.1) the maximum taxes allowed would be 16.5 percent (currently 13 percent), for paragraph (4.1) the maximum taxes would be 15.5 percent (currently 12 percent), and for paragraph (5.1) the maximum taxes would be 16.5 percent (currently 13 percent).

Assigned to the Committee on Ways and Means

Read for the second time on 2/9/15.

**HB 285** – Representatives Stephens of the 164<sup>th</sup> and England of the 116<sup>th</sup>

Amends Code Section 48-7-40.26 of the OCGA, relating an income tax credit for film, video, or digital production in Georgia, so as to change certain qualifications for such credit; and for other purposes.

The bill defines 'qualified production activities' and allows production or qualified interactive entertainment production companies that invest in a state certified production approved by DEcD to receive an income tax credit if the base investment equals or exceeds \$250,000 (currently \$500,000) for qualified production activities. The tax credit for qualifying companies is 20 percent of the base Georgia investment, and an additional 10 percent if the qualified production activity includes a qualified Georgia promotion.

Assigned to the Committee on Ways and Means

Read for the second time on 2/12/15.

**HB 318** – Representatives Stover of the 71<sup>st</sup>, Pezold of the 133<sup>rd</sup>, Allison of the 8<sup>th</sup>, Caldwell of the 20<sup>th</sup>, Kirby of the 114<sup>th</sup>, and others

Amends Titles 36 and 50 of the OCGA, relating to local government and state government, respectively, so as to provide that membership in regional commissions is optional for counties and municipalities; and for other purposes.

The bill proposes to make membership in Regional Commissions optional for municipalities and counties. The current law makes membership for municipalities and counties mandatory.

Assigned to the Committee on Governmental Affairs

The bill was read for the second time on 2/17/15.

**HB 433** – Representatives Cooke of the 18<sup>th</sup>, Hightower of the 68<sup>th</sup>, Smith of the 70<sup>th</sup>, and Nix of the 69<sup>th</sup>

Amends Chapter 8 of Title 50 of the OCGA, relating to the Department of Community Affairs, so as to provide for the formation of a metropolitan planning process for the Atlanta Urbanized Area and Atlanta Air Quality region; and for other purposes.

The bill proposes that contiguous local governments which lie within designated portions of the Atlanta Urbanized Area as defined in federal law, or air quality nonattainment areas, as identified under the Clean Air Act will participate in a metropolitan transportation planning process through a metropolitan planning organization established by one or more units of government; or through a metropolitan planning process established through a Regional Commission.

Assigned to the Committee on Governmental Affairs

The bill was read for the second time on 2/24/15.

**HB 444** – Representatives McCall of the 33<sup>rd</sup>, Taylor of the 79<sup>th</sup>, Stephens of the 164<sup>th</sup>, England of the 116<sup>th</sup>, Douglas of the 78<sup>th</sup>, and others

Amends Chapter 1 of Title 10 of the OCGA, relating to selling and other trade practices, so as to provide that any regulation regarding the use, disposition, or sale or any imposition of any prohibition, restriction, fee, imposition, or taxation of auxiliary containers shall be done only by general law; and for other purposes.

The bill defines ‘auxiliary container’ as reusable bags, disposable bags, boxes, cups, and bottles which are made of cloth, paper, plastic, extruded polystyrene, or similar materials which are designed as one-time use or for transporting merchandise or food and retail facilities. The bill proposes that any regulation of auxiliary containers shall be done only by general law.

Assigned to the Committee on Agriculture and Consumer Affairs

Read for the second time on 2/25/15.

**HB 445** – Representative Carson of the 46<sup>th</sup>

Amends certain titles of the OCGA, so as to provide for comprehensive changes to the nature of taxation in this state; to amend Titles 48, 36, and 46 of the OCGA, relating respectively to revenue and taxation, local government, and public utilities; and for other purposes.

The bill proposes to provide for a comprehensive revision of the tax code.

Assigned to the Committee on Ways and Means

The bill was read for the second time on 2/24/15.

**HB 462** – Representatives Powell of the 32<sup>nd</sup>, Williams of the 168<sup>th</sup>, Greene of the 151<sup>st</sup>, and Williamson of the 115<sup>th</sup>

Amends Part 1 of Article 2A of Title 11 of the OCGA, relating to general provisions relative to leases; and for other purposes.

The bill proposes to add a new code section that states a consumer lease, including a sale-leaseback transaction, shall not be considered a loan, extension of credit, sale, or security interest, so long as: (1) the consumer lessee has the contractual right to terminate the lease at any time without penalty by returning the leased property in the same condition received, reasonable wear and tear considered; (2) sales tax is paid on each lease payment of the leased property; and (3) the consumer lessee is given the right to cancel the transaction within three calendar days.

Assigned to the Committee on Banks and Banking

The bill was read for the second time on 2/25/15, and recommitted from Judiciary to Banks and Banking on 2/26/15.

**SB 16** - Senators Butler of the 55<sup>th</sup>, Tate of the 38<sup>th</sup>, Henson of the 41<sup>st</sup>, Fort of the 39<sup>th</sup>, Sims of the 12<sup>th</sup> and others

Amends Article 1 of Chapter 7 of Title 48 of the OCGA, relating to general provisions regarding income taxes, so as to require corporations that receive development subsidies to create new full-time jobs that provide livable wages and benefits; and for other purposes.

The bill proposes to create the 'Job Creation Standards of 2015'. The Act would require recipient corporations that receive a development subsidy to comply with the following standards in order to qualify for development subsidy:

- (1) The recipient corporation would have to create at least one new full-time job in this state for each \$35,000 of development subsidies it receives from the granting body;
- (2) The recipient corporation's obligation to maintain such newly created jobs in this state shall remain in effect for either the duration of the subsidy or five years, whichever is longer; and
- (3) The recipient corporation shall be allowed to count a job as a new if the same job previously existed outside Georgia in another facility controlled by the recipient corporation in the United States. If the job is not filled by hiring a Georgia resident, the job will only count as one-half of a job for purposes of meeting job creation standards.

To qualify for a subsidy, any jobs created would have to be new, full-time jobs and comply with the following:

Wages for project sites within a MSA, as defined by the federal OMB;

- (1) Wages for project sites located outside of a MSA;
- (2) Health insurance;
- (3) Hours worked per year; and
- (4) Paid leave.

Development Subsidy includes any expenditure of state funds including grants, loans, loan guarantees, enterprise zones, empowerment zones, tax increment financing, fee waivers, land price subsidies,

matching funds, tax abatements, tax exemptions, and tax credits. There are also provisions for recapture of the subsidy.

Assigned to the Committee on Finance

The bill was read for the first time on 1/13/15. No further action has been taken.

**SB 52** – Senators Fort of the 39<sup>th</sup>, Henson of the 41<sup>st</sup>, Jones II of the 22<sup>nd</sup>, Tate of the 38<sup>th</sup>, Seay of the 34<sup>th</sup> and others

Amends Section 50-18-72 of the OCGA, relating to disclosure of public records, so as to clarify that certain tax credits and exemptions are subject to disclosure; and for other purposes.

The bill states that records relating to tax credits or tax exemptions granted to individuals or businesses under state law shall be subject to disclosure. Disclosure documents shall include all documents relating to tax credits or tax exemptions.

The bill would also require the Department of Economic Development to post on its website, no later than five business days after securing a binding commitment that includes the commitment of One Georgia Authority or REBA funds, a notice that a binding commitment has been reached. DEcD would have to post the Department's records documenting the bidding commitment made in connection with the project and the negotiation relating thereto and by publishing notice of the project and participating parties in the legal organ of each county in which an economic development project located. 'Economic Development Project' is defined as a project that involves an expenditure of more than \$25 million by the business or the hiring of more than 50 employees.

Assigned to the Committee on Finance

The bill was first read on 1/27/15. No further action has been taken.