



The Capitol Report January 28th, 2005

Provided by The Georgia Railroad Association

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The Georgia General Assembly today completed the eighth day of the prescribed 40-day legislative session. New rules are in place to help legislative leaders meet their goal of a short and efficient session. In the past, the House worked off the general calendar until the third week of the session. Now, however, the House Rules Committee is setting a Rules Calendar from the beginning. In addition, the cutoff day for bills to clear their House of origin has been moved from the 33rd day to the 30th day.

Tax Study on the horizon.

House Majority Leader Jerry Keen has introduced a proposed Constitutional amendment that would fund education through a three percent increase in the sales and use tax, rather than the traditional ad valorem tax. HR 58, now in the Ways & Means Committee, is not expected to pass this year, but will be the impetus for a study committee.

The Georgia School Superintendents Association has voiced objections to the proposal, contending that sales tax revenues vary too much with economic conditions to be a reliable funding source for education. However, Rep. Keen says the three cent increase in the sales tax would raise considerably more than the \$5.5 billion in property taxes raised by local governments.

A potential downside for existing industry and economic development is that any study on this subject will likely include a review of existing sales and use tax exemptions. The sales and use tax exemption on manufacturing machinery and equipment is especially important to the competitiveness of Georgia industry.

Tort reform clears Senate committee.

Yesterday the Senate Judiciary Committee voted 6 to 2 in favor of SB 3, the comprehensive civil justice reform bill introduced by Senator Preston Smith of Rome. Perhaps the most important provision in the bill for business is the elimination of joint and several liability. Section 10 of the bill provides that "the plaintiff may recover damages...against only the defendant or defendants liable for the injury..." Any award may be reduced by the percentage of negligence attributable to the plaintiff, and damages would be apportioned among those liable according to their degree of fault.

The bill also caps non-economic damage in medical malpractice awards at \$750,000, sets standards for expert witnesses, sets venue in the home county of the defendant, and requires plaintiffs to pay defense attorney fees when the judgment is at least 25% less than any offer of settlement from the defendant. GRA members are encouraged to contact their Senators in support of SB 3.

Two new members elected to DOT Board.

Elections to the Department of Transportation board are officially non-partisan, but are in fact as intensely partisan as the members of the General Assembly who elect the Board members. Last week, two Republicans defeated Democrats for seats on the Board, and Republican Johnny Gresham was re-elected without opposition.

Roy Herrington, a Baxley seed and feed dealer and former county chairman, defeated incumbent Democrat Harry Dixon of Waycross for the seat representing the 1st Congressional District. Raybon Anderson, a Statesboro farmer, defeated former Democratic State Representative Ben Allen of Augusta for the 12th District seat.

Bill status report.

SB 3: Smith of the 52nd – would amend titles 9, 24, and 51 relating to civil justice, so as to change provisions relating to evidentiary matters and liability in tort actions; to change provisions relating to venue in actions with joint defendants; to change provisions relating to affidavits; to provide for defendants' access to plaintiff's health information in medical cases; to provide for offers for judgment, and other purposes. Favorably reported by Senate Judiciary Committee

SB 5: Moody of the 56th – to provide for comprehensive regulation of public-private infrastructure projects; to provide for property dedication, eminent domain, and the exercise of police powers. Referred to Economic Development Committee.

SB 10: Meyer von Bremen of the 12th – would amend Titles 21, 42, and 45 to provide for the comprehensive revision of provisions regarding ethics and conflicts of interest. Referred to Ethics Committee.

SB 18: Golden of the 8th – would amend Employment Security law to make persons who are discharged due to absenteeism ineligible for unemployment compensation. Referred to Senate Insurance and Labor Committee.

HB 8: Oliver of the 83rd -- relating to fraud, waste and abuse in state programs and operations, so as to provide for "whistle blower" protection. Referred to Judiciary Committee.

HB 16: Davis of the 109th – relating to the allocation of funds for public roads, so as to change the provisions regarding the balancing of federal and state funds.

HB 24: Royal of the 171st – would provide for gradual reduction and eventual repeal of the corporate income tax. The income tax on corporations would be abolished after January 1, 2011. Referred to Ways & Means Committee.

HB 52: Teilhet of the 40th – relating to labor and industrial relations, to provide that an employer shall allow an employee who is a victim of a crime to take unpaid leave to attend judicial proceedings related to the crime. Referred to Industrial Relations Committee.

HB 56: Powell of the 29th – to provide for comprehensive reform of civil justice statutes. Referred to House Judiciary Committee.

HB 83: Lunsford of the 110th – would provide that small businesses may select group health coverage plans without regard to mandated coverages. Referred to House Insurance Committee.

HB 94: Borders of the 175th – Similar to SB 18, would make employees discharged for absenteeism ineligible for unemployment compensation. Referred to House Industrial Relations Committee.

HB 137: Lunsford of the 110th – would create the Georgia Transportation Infrastructure Bank and provide for functions of the Bank, with respect to financing transportation projects with government units and private entities. Referred to Ways & Means Committee.

HR 1: Royal of the 171st – A RESOLUTION proposing an amendment to the Constitution so as to authorize the General Assembly to provide by general law for limitations upon the rate of increase of the ad valorem tax millage rate and value of property. Referred to Ways & Means Committee.

2005 Associate Members

The following companies have joined the Georgia Railroad Association or renewed their associate memberships for 2005.

Atlas Railroad Construction
APAC
Boatright Enterprises
Casey Gilson Leibel, P.C.
GE Capital Railcar
Georgia Rail Consultants
Lanier Steel Products
L. B. Foster
MBA of Maryland
Midway Railroad Construction Co.

Neel-Schaffer, Inc.
Palmer & Cay of Georgia, Inc.
Performance Railway Services
Progress Rail Service
Rail Training & Consulting
R. J. Corman Derailment
Southern Rail Leasing
Walden's Railroad Repair
Zurich North America

GRA Directory: New Members, Services and Categories!

Remember to use the GRA website when shopping for goods and services. It's fast and easy! Just go to www.georgiarailroad.org and click on "DIRECTORY" on the upper right navigation bar on the home page. Then click on "services" at the top of the directory page for a list of service providers from "bridges" to "welding."