



The Capitol Report February 4th, 2005

Provided by The Georgia Railroad Association

P.O. Box 2363

Woodstock, GA 30188

770-516-4636

The Georgia General Assembly is in recess today, having completed 12 days of the 40-day legislative session. It was "tort reform week" in the Capitol, as SB 3 passed the Senate and a special House committee opened hearings on the Senate bill and several House tort reform bills.

Income tax apportionment change proposed.

House Ways & Means Chairman Larry O'Neal has introduced a bill to change the "method and manner of allocating and apportioning income" for corporate income tax purposes. HB 191 would decrease the property and payroll factors from 25% to 10%, and increase the gross receipts factor from 50% to 80%. The bill is now in the in the Ways & Means Committee.

Truck weight variance bill introduced.

Legislation introduced in the House would amend current truck weight laws to provide a 10 % weight variance for trucks hauling farm or forest products from the farm or forest to the first point of marketing or processing. HB 279 is sponsored by Reps. Johnny Floyd, Jay Roberts, Richard Royal, Mack Crawford, and others. The bill is now in the House Transportation Committee.

A similar bill introduced last year came from an association of timber haulers, and did not have the backing of the Georgia Motor Truckers Association. However, the list of sponsors on HB 279 indicates that the bill may have a stronger push this year.

Timber haulers contend that the variance is needed because of the difficulties associated with getting accurate weights in the woods.

A look at rail transport of hazardous materials.

Members of the Georgia Railroad Association have been providing information on the rail transport of hazardous materials to key officials in the state. Our message is that safety and security are the major considerations in rail movements of hazardous materials. While the Federal Railroad Safety Act and the Interstate Commerce Termination Act preclude state and local regulation of railroad safety, members of the Georgia Railroad Association give top priority to safety and security in their local areas. Below are pertinent facts about hazardous material transport.

- As common carriers, railroads are obligated by federal law to carry all hazardous materials packaged according to U.S. DOT regulations.
- Railroads carry approximately 20 % of all chemical tonnage and virtually all chlorine in the United States.
- Railroads carry about 1.7 million tons of chemical tonnage annually, including about 45,000 carloads of chlorine.

- The shipment of hazardous materials, such as chlorine, is essential to the public well-being.
- Chlorine is used to purify more than half of the nation's water supply.
- Chlorine is used in the manufacture of 85 % of all pharmaceuticals, as well as the Kevlar vests used by our armed forces and police.
- Chlorine is used in the manufacture of many everyday products, including plastic and glass.
- 99.998 percent of hazardous material rail carloads arrive at their destination without accidental release.
- Accident rates for rail shipments of hazardous materials have declined 87 % since 1980, and 34 % since 1990.
- The potential for a hazard incident is 16 times greater on the highways than on the rails.
- Based on our best information, between 1981 and 2004, there were 10 deaths related to hazardous materials shipped by rail, and 274 deaths involving hazardous materials transported by truck.
- Rail tank cars are owned by shippers, not railroads, and are built to U.S. DOT specifications.

Following September 11, 2001, freight railroads developed a self-initiated comprehensive security plan with the assistance of counter-terrorism experts. The industry continues to work closely with the federal government to enhance its safety and security plan.

Tort reform battle shifts to the House.

The Senate this week overwhelmingly approved SB 3, the comprehensive civil justice reform bill. SB 3 would provide for apportioning damages among defendants according to their degree of fault, thus eliminating joint & several liability. It also makes important changes in venue and expert witness provisions, and caps non-economic damages in medical malpractice cases.

SB 3 is now in a special House committee on civil justice reform, along with several House bills on the same subject. The House bills break the key provisions included in SB 3 into separate bills. While changes are likely in the House, prospects for passage of a meaningful tort reform bill this year are excellent.

The Georgia Chamber of Commerce is leading the fight for tort reform, and is encouraging its members to contact their State Representatives in support of the provisions in SB 3.

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. Passed Senate and referred to special House Committee on Civil Justice Reform.

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 Senate Economic Development 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.

SB 86: Chapman of the 3rd – would provide for a limitation on the public purposes for which eminent domain may be exercised. Referred to Senate 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. Referred to House Transportation Committee.

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 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.

HB 194: Martin of the 47th – would provide income tax credits for tele-working. Referred to House Ways & Means Committee.

HB 202: McCall of the 30th – would provide for a sales and use tax exemption for materials used in the quarrying and manufacturing of granite into items for sale at retail. Referred to House Ways & Means Committee.

HB 230: Bruce of the 64th – to provide that an employer shall not discharge or penalize an employee for taking reasonable time – up to eight hours per year – to attend a parent-child conference or school program. Referred to House Industrial Relations Committee.

HB 279: Floyd of the 147th – to allow weight variances for trucks hauling timber out of the forest. Referred to House Transportation Committee.

HB 281: Vance Smith – to give Georgia Regional Transportation Authority additional powers to enter upon certain lands; to provide for a sales and use tax exemption for property purchased or used by the Authority. Referred to House 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.

GRA website gaining popularity

Data show that the GRA website is serving the membership well. Since the end of July there have been some 12,000 visits to the website. Over 8,000 of those visitors viewed the GRA Directory, and 336 downloaded the Directory. Over 1000 of the visitors viewed the GRA Capitol Report. The most visited single page during this period was Maintenance Contacts, with 450 hits.

The website should provide Georgia railroads with a user friendly way to evaluate and select providers of goods and services. It's GRA's goal to make the web page, by itself, worth the dues investment for associate members.

2005 Associate Members

The following companies have joined the Georgia Railroad Association or renewed their associate memberships for 2004.

Atlas Railroad Construction
APAC – Southeast, Inc.
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 left 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."