



The Capitol Report February 22, 2010

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The Georgia General Assembly passed the half-way mark last Thursday, and have now recessed until March 8. The long recess will give House and Senate leaders much needed time to balance the budget in the face of continued revenue declines. Committees are expected to continue meeting during the recess.

Transportation bill introduced

The long awaited Administration bill on transportation funding was introduced last week. As expected, [HB 1218](#) would create special transportation districts corresponding to the boundaries of existing regional commissions. Citizens within each district could decide by referendum whether to levy a one cent sales tax to fund transportation projects in their districts. The tax would be imposed within that district for a period of eight years.

They types of transportation projects that would be available for the funds are new or existing roads, bridges, bus and rail mass transit systems, freight and passenger rail, airports, and ports.

Currently, Georgia freight rail companies pay a sales tax on diesel fuel that ultimately goes toward funding road and bridge projects. GRA would be opposed to any additional tax that the freight rail industry can see no benefit from and more importantly put them at a further competitive disadvantage. The first hearing in committee for HB 1218 is this Wednesday morning.

Senate amends and passes medical network bill

The Senate passed [SB 50](#), the bill to restrict application of provider network discounts in health plans. Senator Seth Harp added two damaging amendments to increase penalties and encourage lawsuits.

SB 50 would restrict the ability of "contracting entities" to "grant access to a provider's health care services and contractual discounts." Contracting entities, which apparently would include self-insured employers and third party administrators, would be required to register with Commissioner of Insurance and maintain a web site where providers can obtain a listing of parties granted access to the network and contractual discounts. As passed by the Senate, SB 50 also appears to include medical plans under workers compensation.

Despite the 50- 1 vote in the Senate, SB 50 is expected face much greater scrutiny in the House Insurance Committee.

2010 Georgia Logistics Summit

Please plan to attend the 2010 Logistics Summit at the Cobb Galleria Centre April 29th. Guest speakers are Governor Perdue (invited), Victor Mendez FHA (invited), Todd Long, GA DOT, Page Sipplon, Georgia Center of Innovation for Logistics, and private industry speakers. This event sold out early so please reserve your seat soon. Full event information is available on our website www.georgiarailroad.org

Bills of Interest: (click on the bill number to see the bill in it's entirety)

[HB 204](#) Sims 169th amend Part 1 of Article 1 of Chapter 8 of Title 48 relating to general provisions regarding sales and use taxation, so as to change certain provisions regarding applicability of sales and use tax to motor fuel sales; to **provide for an exemption from state sales and use tax on the sale or use of diesel fuel used to propel locomotives.**

[HB 887](#) Levitas 82nd to amend Chapter 1 of Title 34 , relating to general provisions relating to labor, so as to change provisions relating to an **employer's immunity for disclosing job performance information;** to provide for civil immunity under certain circumstances; to provide for related matters. *House Industrial Relations*

[HB 1023](#) Graves 12th an Act to enact the Jobs, Opportunity, and Business Success Act of 2010; to amend Title 14 , relating to corporations, partnerships, and associations, so as to provide for a period of time for the waiver of certain filing fees otherwise charged in connection with such entities; to amend Title 34, **relating to labor and industrial relations, so as to provide that, for a period of time, employers who hire persons receiving employment security benefits shall be entitled to a credit against employer contributions;** to amend Title 48, the "Georgia Public Revenue Code," so as to provide that a portion of net long-term capital gains shall be excluded from state taxable income of corporations and individuals. *Special Committee on Small Business Development and Job Creation*

[HB 1024](#) Scott 2nd an Act to enact the Jobs, Opportunity, and Business Success Refund Act of 2010; **to amend and enact provisions intended to provide for tax relief and encourage employment opportunities and business stimulation;** to amend Title 48, the "Georgia Public Revenue Code," so as to eliminate the requirement for dealers to make returns and remittances with respect to estimated sales and use tax liability. *House Ways & Means*

[HB 1029](#) Scott 153rd an Act to amend Article 2 of Chapter 7 of Title 48, relating to imposition, rate, computation, and exemptions regarding income taxes, so as to **abolish state income tax for corporations;** to provide for the collection of prior income taxes; to provide that this Act shall not abate or affect prosecutions, punishments, penalties, administrative proceedings or remedies, or civil actions related to certain violation. *Ways & Means*

[HB 1060](#) Stephens 164th BILL to be entitled an Act to amend Chapter 2 of Title 52, relating to the Georgia Ports Authority, so as to provide for the comprehensive revision of provisions regarding such authority; to change certain provisions regarding definitions; to change certain provisions regarding projects and facilities; to change certain provisions regarding powers of such authority; to change certain provisions regarding revenue bonds; to change certain provision regarding fees, rentals, and charges; to change certain provisions regarding operational duties; to change certain provision regarding status, investment, sale, and reinvestment of moneys. *House Ways & Means*

[HB 1077](#) Fludd 66th an Act to amend Title 48, relating to revenue and taxation, so as to increase the excise tax on motor fuel; to provide for an income tax credit for qualified motor fuel expenses; to provide for a definition; to provide for conditions and limitations; to provide for powers, duties, and authority of the state revenue commissioner with respect to the foregoing. *Ways & Means*

[HB 1099](#) Porter 143rd an Act to amend Chapter 8 of Title 48, relating to sales and use taxes, so as to provide for a **phase in on the dedication of a portion of the state sales and use tax on motor fuels to transportation purposes**; to provide for an exemption from the cap on the imposition of local sales and use taxes. *House Ways & Means*

[HB 1135](#) Roberts 154th an Act to amend, relating to contracting powers of the Department of Transportation, so as to authorize **the department to enter into multiyear contracts subject to certain terms and conditions**; to provide that any such contract shall terminate at the close of each fiscal year and may be renewed only by positive action of the department. *House Ways & Means*

[HB 1143](#) Setzler 35th an Act to amend Title 48, relating to revenue and taxation, so as to change certain provisions **relating to sales and use tax exemptions as to motor fuels**; to define transportation purposes; to provide for an increase in the motor fuel tax; to provide for related matters; to provide for a conditional effective date. *House Transportation*

[HB 1145](#) Stephens 164th an Act to amend Article 2 of Chapter 7 of Title 48, relating to the imposition, rate, and computation of income tax, so as to provide for an income tax credit for **new qualified freight rail infrastructure property and qualified locomotive property**; to provide for definitions; to provide for conditions and limitations; to provide for powers, duties, and authority of the state revenue commissioner with respect to the foregoing. *House Ways & Means*

[HB 1186](#) Roberts 154th an Act to amend Chapter 5 of Title 48 relating to ad valorem taxation of property, so as to **provide for an ad valorem tax exemption for certain public-private transportation projects**; to provide that certain public-private transportation projects shall not constitute special franchises; to provide for a referendum, applicability, and effective dates; to provide for automatic repeal under certain circumstances; to repeal conflicting laws. *House Ways and Means*

[HB 1218](#) Cole 125th an Act to enact **the "Transportation Investment Act of 2010"** to amend Title 32 relating to highways, bridges, and ferries, so as to provide for certain powers and duties of the Department of Transportation; to amend Title 48 **relating to revenue and taxation**, so as to provide for legislative findings and intent; to provide for the creation of special districts; to provide for a referendum; to provide for annual reporting; to provide for Citizens Review Panels; to amend Title 50 relating to state government, so as to revise certain provisions relative to the Department of Transportation's allocation of funds. *House Transportation*

[HB 1234](#) Hamilton 23rd an Act to amend Code Section 32-2-20 , relating to the membership of the **State Transportation Board, so as to limit the term of office of members to two years**. *House Transportation*

[HB 1242](#) Hamilton 23rd an Act to amend Code Section 21-5-3 relating to definitions regarding ethics in government, so as to provide that members of the State Transportation Board are public officers for the purposes of Chapter 5 of Title 5, relating to ethics in government. *House Governmental Affairs*

[HR 1300](#) Porter 143rd A RESOLUTION proposing an amendment to the Constitution so as to provide that an amount equal to the state sales and use tax collected on sales of motor fuels for the purpose of propelling motor vehicles on the public roads of this state not otherwise exempted by general law shall be appropriated for transportation purposes; to authorize the General Assembly to appropriate and direct the use of such funds by general law; to provide

for the formation of special transportation districts and authorize the levy of a regional local option transportation sales and use tax if approved by referendum. *House Ways & Means*

[HR 1358](#) Setzler 35th A RESOLUTION proposing an amendment to the Constitution so as to provide for the dedication of 25 percent of the revenue received by the state from the levy of the state sales and use tax to be used for transportation purposes; to provide for submission of this amendment for ratification or rejection. *House Transportation*

[SB 305](#) Mullis 53rd an Act to amend Code Section 32-2-81 relating to use of the design-build method of implementation of transportation projects, so as to increase the percentage of projects that may be contracted for using the design-build method. *Passed House Transportation*

[SB323](#) Pearson 51st an Act relating to the evaluation of private participation in the financing of transportation projects, so as to require local and small business participation in such projects. *Senate Transportation*

[SB 365](#) Thomas 54th an Act to amend Part 2 of Article 6 of Chapter 6 of Title 32, relating to railroads, so as to provide for the installation of active warning devices following a collision at any unmarked railroad grade crossing. *Senate Transportation*

[SB 366](#) Stoner 6th an Act to amend Chapter 8 of Title 48, relating to sales and use taxes, so as to provide for a phase in on the dedication of a portion of the state sales and use tax on motor fuels to transportation purposes; to provide for an exemption from the cap on the imposition of local sales and use taxes; to provide for definitions; to provide for an up to 1 percent sales and use tax to be used to fund transportation purposes in special transportation districts within the state; to provide for exemptions. *Senate Transportation*

[SB 401](#) Seabaugh 28th an Act to amend Chapter 9 of Title 12 relating to air pollution control, so as to **permit the Governor to delay implementation of the requirements of any federal program to implement a cap and trade system or any other program to address greenhouse gas emissions or motor vehicle fuel economy** until a comprehensive assessment of such program can be made and the Governor finds that the implementation will benefit the citizens of Georgia. *Senate Natural Resources & Environment*

[SB 408](#) Hill 32nd an Act to amend Title 33, relating to insurance, so as to provide definitions; **to provide for small employer health group cooperatives**; to provide for the requirements, powers, duties, and restrictions of a small employer health group cooperative. *Senate Insurance & Labor*

[SR 821](#) Shafer 48th A RESOLUTION proposing an amendment to the Constitution so as to authorize the General Assembly to allow the Georgia Department of Transportation to enter into multiyear construction agreements without obligating present funds for the full obligation to the state under the full term of such agreements; to provide for procedures, conditions, and limitations; to provide for the submission of this amendment for ratification or rejection; and for other purposes. *Senate Transportation*

[SR 930](#) Douglas 17th recognizing and commending CSX Transportation, Inc.; and for other purposes.

[SR 972](#) Stoner 6th RESOLUTION proposing an amendment to the Constitution so as to provide that an amount equal to the state sales and use tax collected on sales of motor fuels for the purpose of propelling motor vehicles on the public roads of this state not otherwise

exempted by general law shall be appropriated for transportation purposes; to authorize the General Assembly to appropriate and direct the use of such funds by general law; to provide for the formation of special transportation districts and authorize the levy of a regional local option transportation sales and use tax if approved by referendum; to provide for submission of this amendment for ratification or rejection; *Senate Transportation*