



The Capitol Report February 25th, 2005

Provided by The Georgia Railroad Association

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The Georgia General Assembly will be in recess Monday and Tuesday of next week, and will reconvene on Wednesday for the 26th legislative day. Under the new rules, bills must clear their House of origin by the 30th calendar day to be eligible for further consideration this year. That means that bills must be out of their committee of reference by Friday, the 28th legislative day, and then out of the Rules Committee on the 29th day if they are to pass this legislative session. Bills which do not pass this year will carry over to the 2006 legislative session.

Panel approves bill to limit employer surcharge.

The House Industrial Relations Committee has approved legislation that will limit the surcharge on unemployment taxes for another year. The surcharge provision was added to the Employment Security Law several years ago when the legislature suspended employer contributions to the Trust Fund.

Sponsored by Rep. Mike Coan, HB 520 will allow the Commissioner of Labor to apply a surcharge of up to 35%, but will eliminate the possibility of the 100% surcharge automatically triggered by the decline of the State-wide Reserve Ratio. The bill is expected to have high priority in the Rules Committee for consideration by the full House of Representatives.

HB 520 will also increase unemployment benefits by \$10 in each of the next two years.

Tax bill needs review.

Ways & Means Chairman Larry O'Neal may move to pass his HB 488 through the committee next week. This bill appears to go well beyond mere conformity with federal tax law, and should be carefully reviewed by GPPA members.

HB 488 is a Department of Revenue bill. Section 12 of the bill includes all new language on the treatment of corporate net operating losses. The bill also amends the definition of "taxable nonresident" and makes numerous other changes, including changes in:

- Subtraction from taxable income of dividends received from sources outside the United States.
- Subtraction from taxable income of dividends received from affiliated corporations within the United States.

Copies of HB 488 are available online at www.legis.state.ga.us. Enter the bill number and click on the LC number at the bottom to call up the full text.

Crossing signal bill in the works?

Indications are that Rep. Sheila Jones of Atlanta will introduce legislation to require railroads to install signals at all grade crossings used by school buses. Rep. Jones is a member of the House Transportation Committee.

Any bill introduced during the next few legislative days will have little chance of serious consideration this year, but would carry over to the 2006 legislative session.

Bill would require employers, insurers to fund risk pool.

Legislation that would require health insurers and self-insured employers to pay \$2 per covered individual to fund a health coverage risk pool may be getting new life. HB 320 has been stalled in the House Insurance Committee, but a similar bill, SB 218, was recently introduced in the Senate, and may be considered by the Senate Insurance and Labor Committee.

The sponsor of the SB 218, Senator Chip Rogers of Woodstock, has told GRA that the \$2 per head fee on employers and insurers will be dropped from the bill.

Truck weight variance still in House Rules.

The bill to provide a weight variance for hauling farm or forest products from the field or forest remains in the House Rules Committee, but could be sent to the House floor next week. As introduced, HB 279 would have provided a 10 % weight variance for trucks traveling up to 150 miles after leaving the field or forest. As amended in the Committee, the bill provides a 5% weight variance and a 100-mile travel distance.

The Georgia Department of Transportation and GRA continue to oppose the bill. DOT is making a good case for lowering the weight variance to 2%, and has said that enforcement and penalties will become more stringent if the bill becomes law.

Bill status report.

SB 3: Smith of the 52nd – amends code sections 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. Passed Senate and House. Signed by the Governor Feb. 16.

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. Held in Senate Economic Development Committee and will not be considered further.

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

SB 19: Johnson of the 1st – relating to class action law suits, would provide for immediate appeal of class certification. Favorably reported by Senate Judiciary Committee Feb. 16.

SB 86: Chapman of the 3rd – would provide for a limitation on the public purposes for which eminent domain may be exercised. Passed Senate Judiciary Committee Feb. 24.

SB 107: Williams of the 19th – would add a section of SR 15 to the Developmental Highway System. Passed Senate Feb. 16.

SB 143: Mullis of the 53rd – to create the Georgia Rural Development Council. Still in Senate Economic Development Committee.

SB 144: Mullis of the 53rd – relating to the creation of the State Advisory Committee on Rural Development. Favorably reported by Senate Economic Development Comm. Feb 16.

SB 160: Pearson of the 51st – removes references to national highways and to federal-aid primary roads. Favorably reported by Senate Transportation Committee Feb 17.

SB 231: Whitehead of the 24th -- would allow DOT to pay stipends in certain design-build contracts. Similar to HB 530. Referred to Senate Transportation 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. Still in 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. Still in 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. Still in House Industrial Relations Committee.

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

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

HB 137: Lunsford of the 110th – would create the Georgia Transportation Infrastructure Bank which would be authorized to make loans to qualified borrowers to finance eligible costs of qualified transportation projects by government units and private entities. Still in Ways & Means Committee.

HB 191: O'Neal of the 146th – would change the current three-factor formula for apportioning corporate income tax to a single factor formula based on gross receipts. Passed House and referred to Senate Finance 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. Still in 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. Tabled in a House Industrial Relations sub-committee.

HB 279: Floyd of the 147th – to allow weight variances for trucks hauling timber out of the forest. Amended and favorably reported by House Transportation Committee. Now in House Rules Committee.

HB 281: Vance Smith – to give Georgia Regional Transportation Authority additional powers to enter any upon any lands for the purpose of making surveys, drillings, and examinations; to provide for a sales and use tax exemption for property purchased or used by the Authority. Favorably reported by House Ways & Means Committee.

HB 361: Smith of the 13th – to change provisions regarding collections and expenditures regarding roads; to change provision regarding priority of expenditures from the State Public Transportation Fund; to change provisions regarding allocation of state and federal road funds; to change applicability of sales and use tax to motor fuel sales. Still in Ways & Means Committee.

HB 389: Roberts of the 154th – to provide for an additional tax credit for creation of manufacturing, processing, distribution or telecommunications jobs in less developed counties of the state. Favorably reported by House Ways & Means Committee Feb 24.

HB 416: Ralston of the 7th – to limit asbestos related claims to those individuals with related physical impairments. Passed House Feb. 24.

HB 436: Lunsford of the 110th – would create an infrastructure funding authority for financing economic development projects, including rail infrastructure. Still in House Ways & Means.

HB 458: Smith of the 129th – relating to the Department of Motor Vehicle Safety, to create the Commercial Transportation Advisory Committee. Favorably reported by House Transportation Committee Feb 24.

HB 523: Davis of the 109th – would prohibit public expenditures on passenger rail projects under certain circumstances; would require signed agreements before public expenditures are made on rail projects. Referred to House Transportation Committee.

HB 530: Smith of the 129th – would allow DOT to pay stipends in certain design-build contracts. Favorably reported by House Transportation Committee Feb. 24.

HB 551: Orrock of the 58th – to ensure that the award of economic development subsidies generates improvements in wage levels and access to health insurance for working families. Referred to House Ways & Means.

HR 254: Smith of the 129th – A resolution requesting that before any state funds are committed to the Lovejoy to Atlanta rail project that all local governments served by the project agree, by local referendum or other binding document, to subsidize the difference between operating costs and income. Tabled in House Transportation Committee Feb 24.

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