



## The Capitol Report March 17th, 2006

Provided by The Georgia Railroad Association

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*Only seven legislative days remain in the 2006 session of the Georgia General Assembly. The lawmakers will be in session four days next week and, assuming there are no hang-ups with the budget, will adjourn sine die the following week.*

### **Railroad code revisions clear subcommittee.**

A House Transportation subcommittee this week approved a substitute version of SB 285, a bill to eliminate archaic and federally pre-empted sections of Georgia law relating to railroads. The full House Transportation Committee will hear the bill on Monday. Despite the innocuous nature of the bill, organized labor and plaintiff lawyers are opposing its passage.

Introduced by House Majority Whip Barry Fleming, the substitute language was added to the measure which cleared the Senate last year. As approved by the Rail Subcommittee, SB 285 would repeal:

- Railroad provisions now covered by the Uniform Corporate Code.
- Provisions related to vessels, bridges, and sales of railroads that are totally pre-empted by federal law.
- Archaic and pre-empted provisions related to rail lines, depots, cattle guards, and roads.
- Federally pre-empted provisions relating to train operations.
- Pre-empted provisions related to blowposts and the duty to stop trains at railroad crossings and to erect signs at grade crossings, bridges and stations.
- Archaic provisions relating to injury to livestock.
- Redundant and pre-empted language related to liens against railroad companies.
- Provisions relating to leases and sales of rolling stock that are now in the Uniform Corporate Code.
- Provisions relating to railroad insolvency and judicial seizure that are now in the Uniform Corporate Code.

Cleanup of Georgia code sections related to railroads is a primary objective of GRA this legislative session. Georgia's confusing and out-of-date railroad laws are an invitation to lawsuits, judicial mistakes, and unworkable legislation.

### **Senate panel approves cargo theft bill.**

The Senate Transportation Committee this week passed HB 1275, GRA's bill to toughen penalties for cargo theft. The bill provides for revocation of the commercial driver's license for up to three years for anyone convicted of stealing cargo from a railroad or other common carrier.

Introduced by House Transportation Chairman Vance Smith of Pine Mountain, HB 1275 must now clear the Senate Rules Committee before it can be heard by the full Senate. Senator Jim Whitehead of Evans will carry the bill on the Senate floor.

### **House approves high risk pool measure.**

The House this week passed legislation that would make fundamental changes in state policy regarding private health insurance. Only 35 of the 180 Representatives voted against HB 1359, which would require employers, including self-insured employers, to pay for coverage of high risk individuals who are not their employees. The bill is now in the Senate Insurance and Labor Committee.

Introduced by Rep. Ron Forster of Ringgold, HB 1359 would create the "Georgia Assignment Pool Underwriting Authority." To fund this pool, self-insured employers would be required to pay up to \$2.00 per employee per month. Employers who do not provide health coverage for their employees would pay nothing.

In a meeting with Georgia Chamber of Commerce members yesterday, House Insurance Committee Chairman Tom Knox vigorously defended the bill and chastised employers for terminating workers without providing extended health care coverage. Rep. Knox stressed that the approach in HB 1359 was better than a tax-based government program. Chamber members countered that HB 1359 is a tax-based government program. The assessment against employers, they contend, is a tax, and the program would be run by a new state authority under the direction of the Commissioner of Insurance.

Senate Insurance and Labor Chairman Ralph Hudgens also defended the bill, noting that per head costs could be as low as 65 cents per employee. Chamber members noted that experience in other states indicates that such programs routinely run large deficits, and the \$2 per head "cap" could be exceeded under the provisions of the bill. Moreover, they stressed that the measure would enhance the competitive advantage already enjoyed by companies that do not provide health care coverage.

While the bill clearly has support in the Senate, it also has some formidable opposition. Senate Rules Chairman Don Balfour calls the bill "worse than the Wal-Mart bill" which would force the largest employers to provide health benefits equal to at least six percent of payroll. Senator Balfour also dislikes the competitive inequities the bill would create.

While no hearing has been set for the bill, it will likely be taken up on Tuesday in the Senate Insurance and Labor Committee.

### **Bill Status Report...**

Monday was the deadline for all bills to pass out of their House of origin. Those bills which failed to meet this crossover deadline are ineligible for further consideration.

**HB 998 – Guns at Work** – Would give employees the right to keep guns in vehicles in company parking lots, regardless of any company rules against firearms on the property. Favorably reported by the House Public Safety Committee, but remained on the House General Calendar after the crossover deadline.

**HB 1106 – Axle Weights** -- Would exempt trucks hauling construction aggregates from penalties for exceeding axle weights. The exemption would not apply to trucks exceeding the 80,000 pound gross weight limit. Passed House and favorably reported by Senate Transportation Committee.

**HB 1313 – Eminent Domain** – Administration bill to limit the authority of local governments to employ eminent domain has passed the House and is now in the Senate Judiciary Committee. GRA is working to ensure that railroad property cannot be defined as "blighted" under the bill and thus subject to condemnation. The primary focus of the

Administration appears to be to eliminate the ability of local governments to use their condemnation power for purely economic development reasons.

**HB 1326 – Unemployment Compensation** – Introduced by Rep. Mike Coan to suspend 75% surcharge on employers that would be triggered by a drop in the reserve ratio of the Employment Security Trust Fund. Passed House and referred to Senate Insurance and Labor Committee.

**HB 1588 – Adverse Possession** - GRA proposed legislation that would prohibit anyone from adversely possessing property from a railroad company. Introduced to initiate dialog and determine any sources of opposition. GRA will work during the off-session to meet any objections and build support for a new bill in 2007..

**HR 1464 – Tax Reform** – A Resolution by Rep. Larry O'Neal to create the House Comprehensive Tax Reform Study Committee. Passed House. Needs no further consideration as this is a House Resolution only.

**SB 529 – Immigration** – Introduced by Senator Chip Rogers to regulate illegal aliens. Would deny deductibility of wages paid to illegal aliens who did not present valid documentation from the federal I-9 form. Passed Senate and now in House Judiciary

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