



LEGISLATIVE Update

January 17, 2020

The General Assembly kicked off the 2020 legislative session this week, convening for the first four days of the legislative calendar. The legislature will not convene next week so that the House and Senate Appropriations Committees can review the Governor's budget recommendations in a series of hearings with the Governor and agency leaders.

The opening week of session does not usually see significant legislative action, but the first day saw sudden movement on HB 276, the marketplace facilitator bill, which would consider a marketplace facilitator to be a "dealer" and would require it to collect sales tax if it makes at least \$100,000 in Georgia per year. The Speaker and Lieutenant Governor appointed a conference committee to resolve differences between the House and Senate versions of the bill, and both chambers adopted the conference committee report on Thursday afternoon. The bill heads to the Governor's desk with an April effective date and is expected to produce state tax revenue immediately.

Several traditional events took place during the first week of session, including the Georgia Chamber's annual Eggs and Issues breakfast and the Governor's State of the State Address, and offered some insight into the legislative priorities of our state's leaders. During Wednesday morning's Eggs and Issues, Governor Kemp emphasized his focus on improving many of the glaring issues facing Georgia's foster care and adoption systems, a priority which he reinforced during his State of the State Address the following day.

The Lieutenant Governor rolled out the Georgia Innovates Task Force, which includes Senator Johnny Isakson, former Georgia Tech president Bud Peterson, and others, and is tasked with looking for ways to encourage public innovation, education and training, entrepreneurship, and startups. The creation of this task force is part of Duncan's plan to secure Georgia's place as the technology capital of the east coast.

Speaker David Ralston, in his remarks, largely spoke about the legislature's focus on the budget this session, noting that, in creating the budget, one legislator's waste could be another's viable expenditure.

Governor Kemp's Thursday morning State of the State Address, which provided a significant amount of insight into his legislative priorities for this session, focused on education, healthcare, criminal street gangs, human trafficking, and adoption. The governor plans to fully fund public schools for the third year and plans to provide the additional \$2000 for all public-school

educators, which, he noted, not only helps to attract and retain quality educators, but also helps to improve educational outcomes. If the legislature agrees, the proposal will satisfy the Governor's campaign promise to provide a \$5000 raise for every Georgia teacher.

Following the unveiling of Georgia Access and Georgia Pathways a few months ago, the governor plans to continue to tackle the high costs of healthcare by reducing surprise medical billing. To work to improve Georgia's adoption system, Kemp plans to triple the adoption tax credit from \$2000 to \$6000 and to lower the adoption age from 25 to 21.

The 2020 session is shaping up to be a busy one, with all eyes on the budget. Agencies have been asked to cut 4% from their budgets this year, and 6% next year. The governor released his budget late in the week, which we are closely examining, and we look forward to seeing the budget recommendations from the House and Senate as they meet next week to take up the legislature's top priority. The legislature will convene for legislative day 5 the following week, on January 27.