



LEGISLATIVE Update

January 24, 2020

Following an active first week of the Georgia General Assembly, this week the House and Senate continued their work in joint Appropriations Committees budget hearings, as the legislature works to develop its budget following the release of Governor Kemp's budget recommendations late last week.

Generally, the House and Senate do not convene for legislative days during budget week in order to focus its efforts entirely on fiscal planning. With all eyes on the budget this session following the governor's call for budget reductions from state agencies, it was not at all surprising to see the legislature focus on budget hearings this week and plan to reconvene for Legislative Day 5 next week on Monday, January 27. Senate Appropriations Chairman Jack Hill and House Appropriations Chairman Terry England led their committees this week in three full days of committee hearings, during which Governor Kemp and state agency heads presented their proposed budgets to the committees.

The Appropriations committees have their work cut out for them this year because, despite record-low unemployment and unprecedented economic growth in some sectors, 2019 state tax revenues seem to indicate to some economists a looming economic slowdown. Various factors have been pointed out as possible causes of a slowdown, including generous tax incentives and Hurricane Michael's impact on agriculture. When the troubling trends were first noted in 2019, Governor Kemp directed state agencies to cut their budgets by 4 percent for the current fiscal year and to develop plans for a 6 percent cut for the next fiscal year that begins this coming July. It remains to be seen whether the legislature will further reduce the state income tax rate from 5.75 percent to 5.5 percent following its 2018 decrease from 6 percent to 5.75 percent, especially in light of Governor Kemp's recommendation to fund an additional \$2,000 in public school teacher pay raises, which will fulfill his campaign promise of a \$5,000 teacher pay raise, should the legislature agree.

When the legislature reconvenes next week for Legislative Days 5 through 9, we anticipate a significant uptick in the number of pieces of legislation introduced, as legislators work to get their bills started through the legislative process. Among those bills, we expect several pieces of legislation combating human trafficking, led by the governor's office through the GRACE (Georgians for Refuge, Action, Compassion, and Education) Commission. First Lady Marty Kemp has led efforts to fight human trafficking, and Governor Kemp has made it a priority of the administration. This week, the GRACE Commission announced several bills it plans to roll out including creating new pathways for record restriction and vacatur for survivors of sex trafficking; closing loopholes in sex offender registry; and imposing a lifetime commercial driver's license ban if convicted of trafficking.

The Governor, in his State of the State Address last week, laid out several other legislative priorities, which we expect to see brought to the House and Senate floors in coming weeks with legislation. These priorities include continuing to tackle the high costs of healthcare following his unveiling of Georgia Access and Georgia Pathways, specifically by addressing surprise medical billing. To work to improve

Georgia's adoption system, Kemp plans to triple the adoption tax credit from \$2,000 to \$6,000 and to lower the adoption age from 25 to 21.

The General Assembly typically sets its legislative calendar in sections, and last week scheduled the calendar through day 14 on February 10. The remaining 26 legislative days will be set in the coming weeks, and conventional wisdom generally suggests that an election year yields a relatively short session, as House and Senate members are not allowed to fundraise for their campaigns during the session. The coming weeks will see a great deal of new legislation, as House and Senate members work to get their bills through the committee process and passed over to the other chamber for consideration ahead of Crossover Day, which is Legislative Day 28.

GRA Legislative Update

We are continuing to keep an eye on several pieces of legislation that did not pass last session, but are still in play for this session. Though there has not yet been movement this session on any of the bills listed below, we are closely watching them, and will update you should any of these bills begin to move.

HB 190, Two Man Crew: GRA opposes HB 190, introduced by Representative Rick Williams, which seeks to require a train that is in use for the movement of freight to operate with at least two crew members. The bill also seeks to require railroad companies to provide automated external defibrillators on trains and provides for monetary penalties for failure to comply with the proposed provisions in the bill. There has not been any movement on this piece of legislation yet this session.

HB 375, Rail Crossings: GRA opposes HB 375, introduced by Representative Joseph Gullett. The proposed legislation would prevent a railroad common carrier from authorizing the operation of a train that causes a road to be blocked for longer than 15 minutes, except under certain circumstances. There has not been any movement on this piece of legislation yet this session.

SB 96, Whistle Posts: GRA opposes SB 96, introduced by Senator Randy Robertson last session, which would require railroad companies to put up and maintain whistle posts at least 0.25 miles ahead of an approaching private grade crossing. There has not been any movement on this piece of legislation yet this session.

Truck Size and Weight: Oppose any legislation that increases the allowable size and weight of truck carrying freight. Typically, advocates seek to revise O.C.G.A. 32-6-26 (g) (1), which allows for a weight increase and various radius distance increases for forest products, live poultry, cotton, feed, granite, raw ore or minerals, solid waste concrete or poultry. Though there has not been legislation introduced relating to truck weights, we are keeping a close eye on this issue following a recommendation by the Senate Study Committee on Reducing Georgia's Cost of Doing Business during the interim to address truck weights.

Protecting Railroad Right of Way: In 2019, the General Assembly passed SB 2, designed to facilitate Electric Membership Corporations (EMCs) to provide broadband services to rural Georgia. One provision allows the EMCs to add additional facilities on existing electric easements without additional consideration or safety measures. GRA is helping to develop legislation that would exempt rail easements from the newly established provisions.