

# Specialty Contractors Coalition Legislative Update

Week Number 5

Last week, the General Assembly completed the 15<sup>th</sup> day of 40 legislative days. That means we only have 15 more legislative days until Day 30 “Crossover Day”. Crossover Day is extremely important for legislators trying to pass their bills. It is the last day that House and Senate bills can move or “crossover” to the other chamber, and still have time to make their way through the “process” of committee hearings and a floor vote in the respected chambers. The General Assembly passed an adjournment schedule, setting April 2<sup>nd</sup> as the final legislative day.

The Capitol was full of activity last week, with the majority of debate surrounding the proposed Transportation Bill, which restructured state and local fuel taxes. Also, budget talks continued as the Senate passed their version of the amended FY 15 Budget. A conference committee will now be formed to debate the differences between the House and Senate versions. I was very busy attending a legislative reception and three committee meetings; one of which was the Industry and Labor Committee that is handling the Workers’ Comp Legislation; while working the remainder of the week on important legislation issues.



## **Bills of Interest:**

### **Transportation:**

[HB 120 - Additional Use of SPLOST](#) – Rep. Dale Rutledge – This bill would add an additional use for SPLOST projects within a special district to include a capital outlay project or projects that are owned, operated, or administered by the state and located, in part or in whole, within the special district.

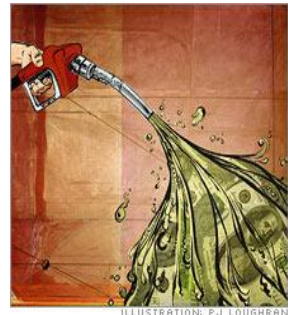
*Bill Status: House Second Readers*

[HB 123: Trailer Safety Chain](#) – Rep. John Yates – This bill would require that any vehicle towing a trailer utilize a safety chain, cable, or similar device to ensure the trailer remains attached and in tow should it become detached from the hitch.

*Bill Status: House Second Readers*

[HB 170 - Transportation Funding Act of 2015](#) – Rep. Jay Roberts – Transportation funding dominated last week’s legislative discussions. This bill would provide the following:

- Defines **Alternative Fuel** as electricity, natural gas, and propane.
- Alternative fuel vehicles shall pay a registration fee and all revenue from the fees shall be dedicated to funding public transit.
- License fees for alternative fueled vehicles for non commercial vehicles shall be \$200 and \$300 for commercial vehicles. Fees shall be adjusted annually according to the Construction Price Index.
- Sales and use taxes levied by a county, municipality, consolidated government or other political subdivision of this state shall be discontinued upon the expiration of the most recent authorization for the levy of such tax. No new or renewed local sales and use taxes on motor fuels shall be permitted.
- After the expiration of any local sales and use taxes on motor fuels, a county, municipality, consolidated government, or other political subdivision may each levy an excise tax of up to 3



cents per gallon on motor fuels by passage of an ordinance by their respective governing authorities.

- Any local government may levy an excise tax on motor fuels in excess of 3 cents per gallon if approved in a referendum of the qualified voters of such local government. No local government may levy an excise tax in excess of 6 cents per gallon.
- All local excise taxes levied shall be dedicated to transportation purposes.
- The state excise tax on motor fuel will be increased from 7.5 cents per gallon to 29.2 cents per gallon. An excise tax will be imposed at the rate of 33 cents per gallon on distributors who sell and use diesel fuel within this state.
- Beginning on Jan. 1, 2106, the amount of excise tax per gallon shall be automatically adjusted on an annual basis in accordance with the formula using 2014 as a base year. The department shall determine the average miles per gallon of all new vehicles registered in this state using the average of combined miles per gallon published in the US Department of Energy Fuel Economy Guide. Any percentage increase or decrease in fuel efficiency shall be multiplied by the excise tax rate to determine a preliminary excise tax rate. Such preliminary excise tax rate shall be multiplied by the annual percentage of increase or decrease in highway construction costs as measured by the Construction Price Index. The result of such calculation shall be the new excise tax rate for the next calendar year.

*Bill Status: House Second Readers*

[HB 175 - Taxes for Certain Jet Fuel](#) – Rep. Earl Ehrhart – This bill would remove sales and use tax limitations on air carriers which had aggregate sales and use tax liability for the immediately preceding taxable year of \$15 million or less.

*Bill Status: House Second Readers*



[SB 6 - Driver's License for Deferred Action Immigrants](#) – Sen. Joshua McKoon – This bill would prohibit persons granted deferred action by the Department of Homeland Security from obtaining a drivers license, permit, or card. Those found driving without a license may have their vehicle removed and impounded for 60 days. Also, the Department of Driver Services will be required to participate in the E-Verify initiative of DHS.

*Bill Status: Senate Read and Referred*

### **Taxes:**

[HB 49 - Electronic Service of certain notices](#) – Rep. Brett Harrell – This bill relates to revenue and taxation, so as to provide for electronic service of certain notices.

*Bill Status: House Second Readers*

[HB 60- Exempt Motor Fuels from State Sales Tax](#) – Rep. Ed Setzler – This bill would include the following:

- Provide a sales & use tax exemption for the federal government, the state government, and any county or municipality of this state on motor fuels.
- Phase-in increases in the state excise tax on motor fuel beginning on January 1, 2018 from 7.5 cents per gallon to 10.5 cents per gallon and increases 3 cents per gallon each year thereafter until the excise tax reaches 22.5 cents per gallon on January 1, 2022.
- On or after January 1, 2023, the excise tax shall be adjusted annually based on the inflation rate determined by the consumer price index published by the Bureau of labor Statistics.

- Reduce the individual income tax on or after January 1, 2018 to 5.9 percent. The reduction will continue each year at the rate of 1/10 of one percent until the rate is reduced to 5.5 percent on or after January 1, 2022.

*Bill Status: House Second Readers*

[SR 43 - Senate Special Tax Exemption Study Committee](#) – Sen. John Albers – This resolution would create a study committee to review the cost and benefit of all state tax exemptions and recommend any legislative action be taken to most effectively stimulate Georgia’s economy.

*Bill Status: Senate Committee Favorably Reported*

[SR 65 - Senate Special Tax Exemption Study Committee](#): Sen. Harold Jones II – The purpose of both SR 43 and SR 65 is to create a study committee to lead a comprehensive review of the cost and benefit of all state tax exemptions and recommend any legislative action be taken to most effectively stimulate Georgia's economy.

*Bill Status: Senate Read and Referred*

**Business:**

[HB 57 - Financing of Solar Technology by Retail Customers](#) – Rep. Mike Dudgeon – This bill would include the following:

- Allow for the financing of solar technology by retail electric customers for the generation of electric energy.
- Solar technology may be leased by the retail customer from a solar financing agent who may be an electric service provider or any person whose business includes the leasing, financing, or installation of solar technology.
- Residential application is limited to ten kilowatts for a customer or 125 per cent of the actual or expected maximum annual peak demand of the premises for a commercial customer.
- The intent of the legislation is to facilitate customers of electric service providers to invest in and install solar technology, to reduce upfront costs involved in solar technology investments, and not be considered as electric service providers.

*Bill Status: House Passed/Adopted; Senate Read and Referred*

[HB 255 - Equal Green Building Credits for Georgia](#) – Rep. Mike Cheokas – This bill would require that Georgia forest products receive equal certification credit when the state uses “green” building standards in state construction projects.

*Bill Status: House Second Readers*

**Human Resources:**

[HB 8 - Minimum Wage and Cost of Living Adjustments](#) – Rep. Tyrone Brooks – This bill would provide for a substantive and comprehensive reform of provisions regarding the minimum wage law; to provide for legislative findings; to provide for an increase in the minimum wage; to provide for annual minimum wage increases to match the rising cost of living; to provide a credit toward the minimum wage for employers of tipped workers; and to eliminate various eligibility exemptions from the minimum wage.

*Bill Status: House Second Readers*

[HB 9 - Unlawful Employer Questioning on Application](#) – Rep. Tyrone Brooks – This bill would provide that it shall be unlawful for any employer to include on an application for employment a question inquiring whether the applicant has ever been arrested for, charged with, or convicted of any crime; to provide for exceptions; to provide that such information may be sought during the first interview with the



applicant; and to provide that the criminal history records of an applicant may be sought after the first interview with the applicant.

*Bill Status: House Second Readers*

[HB 45 - Retirement Income received as Military Benefits not subject to State Tax](#) – Rep. Ernest Smith – This bill relates to computation of taxable net income, and provides that retirement income received as retirement benefits from military service shall not be subject to state income tax.

*Bill Status: House Second Readers*

[HB 63 - GA Employer GED Tax Credit Act of 2015](#) - Rep. Kevin Tanner – This bill would include the following:

- Allows an employer to provide or sponsor an approved adult basic education program.
- The program shall comply with standards as designated by the Technical College System of Georgia, Office of Adult Education.
- The employer may not require employees to make any payment either directly or indirectly
- Employees must be residents of the state, are employed for at least 24 hours per week, and have been continuously employed for a minimum of 16 consecutive weeks
- Employer shall be eligible for an income tax credit in the amount of \$400.00 for each employee who passes the basic skills education test which was paid for by the employer or \$1200.00 for each employee who successfully completes an approved adult basic skills education program consisting of at least 40 hours of training while the employee is being compensated at his or her normal rate of pay and passes the basic skills education test which was paid for the employer.
- The income tax credit granted to any employer shall not exceed that employer’s income tax liability for the taxable year.
- The aggregate amount of state income tax credits granted shall not exceed \$2 million per calendar year.

*Bill Status: House Second Readers*

[HB 92 - Labor; Allow employees to use sick leave for care of immediate family](#) – Rep. Tommy Benton – This bill would allow employees to use sick leave for the care of immediate family members.

*Bill Status: House Second Readers*



[HB 117 - Employment Security; modify definition of most recent employer](#) – Rep. Mark Hamilton – This bill would modify the definition of the term “most recent employer”, and would provide a method for such verification of lawful presence that may be utilized in conjunction with the electronic filing of an application for unemployment insurance with the Department of Labor.

*Bill Status: House Committee Favorably Reported*

[SB 15 - Minimum Wage and Cost of Living Adjustments](#) – Sen. Donzella James - This bill would provide for an increase and raise the minimum wage to \$10.10; to provide for cost of living adjustments; and provide a credit toward the minimum wage for employers of tipped workers.

*Bill Status: Senate Read and Referred*

[SB 29 - Compensation for Occupational Diseases; Firefighters](#) – Sen. John Albers – This bill would provide for a rebuttable presumption that any firefighter’s occupational disease was contracted in the line of duty with certain exceptions, and define “disability”, “Firefighter”, and “Firefighters Occupational Disease”.

*Bill Status: Senate Read and Referred*



[SB 88 - Payment of Wages by Payroll Card](#) – Sen. Burt Jones – Georgia law currently does not allow for paying employees through a payroll debit card program for most businesses. SB88 would allow that. We have been working with a coalition of several other business interests to provide the option to use debit cards for payroll for all Georgia businesses. This option is available in most other states and could certainly prove beneficial to employers and employees. The bill would allow an employer to enroll employees in a payroll debit card program if, after giving the option to choose direct deposit, the employee does not select direct deposit as his/her preference.  
*Bill Status: Senate Read and Referred*

**Other:**

[HB 1 - Haleigh's Hope Act](#) – Rep. Allen Peake – This bill would provide immunity from criminal prosecution for persons who possess cannabis oil, a derivative of marijuana which has been effective in the treatment of certain conditions, including children's seizures.

*Bill Status: House Second Readers*



[HB 5 - Unmanned Aircraft](#) – Rep. Harry Geisinger – This bill would make capturing images of individual or private property illegal, if such images are gathered for the purposes of surveillance. This bill would also prohibit the use of UAV's in excess of 1,000 feet above ground or within a horizontal radius of five miles from the center of an airport. Rules and regulations will be developed by the Department of Safety.

*Bill Status: House Second Readers*

[HB 122 - Low-emission Vehicle State Income Tax Credit Removed](#) – Rep. Chuck Martin - This bill would remove the income tax credit for low emission vehicles on or after July 1, 2015.

*Bill Status: House Second Readers*

[HB 195 - Substitutions of Interchangeable Biological Products](#) – Rep. Sharon Cooper – This bill relates to pharmacists and pharmacies, and would provide for substitutions of interchangeable biological products, define certain terms, and provide for requirements and limitations.

*Bill Status: House Withdrawn, Recommitted*

[HB 200 - Changes to Tax Credit for Electric Vehicle Chargers](#) – Rep. Don Parsons – This bill would increase the state tax credit for the purchase or lease of electric vehicle charging stations to 20% of cost, or \$2,500, whichever is less, with a sunset date of July 2018. From July 2018- July 2020, the credit would be 10% of cost or \$2,500, whichever is less. The total amount of income tax credits would be capped at \$750,000 in any year.

*Bill Status: House Second Readers*



[SB 1 - Insurance Coverage for Autism Spectrum Disorders](#) – Sen. Charlie Bethel – This bill would provide for certain insurance coverage of autism spectrum disorders, definitions, and to provide for limitations, premium cap and other conditions; and to provide for applicability.

*Bill Status: Senate Passed/Adopted by Substitute; House Second Readers*

[SB 2: Competencies and Core Curriculum in Elementary and Secondary Education](#) – Sen. Lindsey Tippins – This bill would provide that a student who completes certain requirements relating to postsecondary coursework may be awarded a high school diploma.

*Bill Status: Senate Passed/Adopted by Substitute; House Second Readers*