

Specialty Contractors Coalition Legislative Update

Week Number 8

The Georgia Legislation adjourned Friday, March 6th for Legislative Day 27 of 40. With Crossover Day looming around the corner on Friday, March 13th, Legislators continue to work feverishly to pass their bills. The current schedule has set to “Sine Die” (Day 40) and end the 2015 Georgia General Assembly on April 2, 2015.

Bills of Interest:

Budget:

The Senate held hearing last week on the House passed version of the FY16 Big Budget. Concerns still exist on the budget shift that moves the Soil and Water Conservation Commission under the administrative role of the Department of Agriculture.

Transportation:

[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 Committee Favorably Reported by Substitute

[HB 170 - Transportation Funding Act of 2015](#) – Rep. Jay Roberts – On Thursday, March 5th, with a vote of 123-46, the Georgia House passed HB 170. HB 170 now advances to the Senate where more change is the only certain thing.

The House passed version includes the following, but limited too:

- Calls for the conversion of the sales tax on motor fuel, currently at 4% to an excise tax, adjusted annual to keep pace with fuel efficiency of vehicles to \$0.29 a gallon.
- MOST will stay at the proposed 1.25% but will not be collected on motor fuel
- Transportation projects will not be considered Level 1 projects
- Expands the definition of transportation purposes to include roads, bridges, public transit, rails, airports, buses, seaports and all related infrastructure and services necessary to provide access to transportation facilities.
- Extension to July 1, 2016 for collection of taxes on motor fuel for LOST, ELOST and HOST taxes (From July 1, 2015)
- Allowance for collection of taxes on diesel fuel
- Repeals the \$5,000 tax credit for the purchase of electric vehicles

Bill Status: House Passed/Adopted by Substitute

[HB 411 - Increase Truck Weight for Hauling Unprocessed Wood](#) – Rep. Sam Watson – This bill would increase the truck weight for trucks hauling unprocessed wood to 84,000 lbs with a 5% variance on state and local roads; and expand the radius from 100 to 150 miles. This bill was amended in committee to require a \$250 permit in order for the trucks to run at a higher weight.

Bill Status: House Second Readers





[SB 4 - Surface Transportation Projects in Urban Redevelopment Areas](#) – Sen. Steve Gooch – This bill would allow for surface transportation projects in Urban Redevelopment Areas. It also expands the projects that fall under the urban redevelopment provisions to include transit facilities and improvements, sidewalks, streetscapes, trails and bicycle facilities.

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

Taxes:

[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 Passed/Adopted by Substitute

[HB 415 - Sales Tax Exemption for Research and Development Equipment](#) – Rep. Ben Harbin – This bill relates to sales and use taxes, so as to provide that machinery and equipment used in research and development is exempt from sales and use taxes.

Bill Status: House Second Readers

[HB 445 - More Take Home Pay Act of 2015](#) – Rep. John Carson – The “More Take Home Pay Act” would create a single income tax rate of 4%, down from the current 6%, increase the state sales tax from 4% to 5%, and eliminate from the tax code of a number of current exemptions and would bring back the grocery tax over a three year phase in period, while eliminating certain tax credits. The 81 page bill seeks to reform Georgia’s tax system, allowing taxpayers to keep more of their income and preserving Georgia’s status as the number one state to do business. Under the proposed bill, families could keep more of their income by lowering the personal and business tax rate. Middle-class Georgia households making \$29,500 or more will see an increase in take home pay. Further, tiered income tax brackets and certain tax loopholes will be eliminated, whereas income tax deductions and exemptions will remain unaffected.



Highlights of the Bill include:

- Households making \$29,500 or more will see an increase in take home pay
- Households bringing in \$48,000 (the median GA household income) will keep \$400 extra annually
- Reduces income tax rate to 4% over a period of 3 years (2016: 4.5%, 2017: 4.25%, 2018: 4.0%)
- Keeps itemized deductions and personal tax exemptions
- Raises general state sales tax by 1% on January 1, 2017, which will raise the current tax of 4% to 5%
- Phases in grocery state sales tax over a 4 year period (2016: 0%, 2017: 3%, 2018: 4%, 2019: 5%) with each 1% contributing \$130 million to the state budget
- Food stamp purchases will be exempt from the grocery tax

Bill Status: House Second Readers

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 461 - Metal Theft – Rep. Jason Shaw – This bill seeks to clarify some issues that have come to pass since this law was originally passed. The bill includes batteries on the list of regulated metals that were previously excluded.

Bill Status: House Committee Favorably Reported by Substitute

SB 59 - "Partnership for Public Facilities and Infrastructure Act" – Sen. Hunter Hill – This bill would amend Georgia law to allow for public agencies to engage with private-sector parties in public-private partnerships to meet current and future needs for government facilities and infrastructure. This would allow private firms to submit unsolicited proposals for projects that have been identified as a public needs.

Bill Status: Senate Read Second Time

SB 142 - Permits for Infrastructure – Sen. Brandon Beach – This bill would regulate procedures governing applications for zoning and permits for critical infrastructure projects. This addresses local governments and specifically states that “no local government shall provide for a moratorium with respect to any critical infrastructure projects” defined as:

- Electrical power transmissions lines;
- Electrical power substations;
- Water and sewage treatment facilities;
- Water reservoirs, water storage facilities, and sewer lines;
- Cellular telephone towers and emergency 911 system facilities;
- Natural gas transmission pipelines and power stations; or
- In-ground fiber optics systems

Bill Status: Senate Committee Favorably Reported by Substitute

SB 191 - Blasting and Excavating Near Utility Facilities – Sen. Lindsey Tippins – This bill relates to blasting or excavating near utility facilities, so as to prohibit local governing authorities from adopting or enforcing ordinances which mandate marking requirements or standards which are different from those contained in state law or the rules and regulations of certain departments of this state.

Bill Status: Senate Read and Referred



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

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

Section 1 of House Bill 412 is designed to make it clear that the workers' compensation exclusive remedy defense applies to all claims, regardless of whether they are based in contract, tort, or some other legal theory for civil liability. Specifically, it adds a few words to O.C.G.A. § 34-9-11(a) to make it clear that the rights and remedies created by the Georgia workers' compensation statute shall exclude ***"and be in place of"*** all other rights and remedies ***"and all other civil liabilities whatsoever"***. The Bill goes on to say that an employer may, if it chooses, assume greater liability to employees, but only ***"by expressly agreeing in writing to specific additional rights and remedies; provided, further, however, that the use of contractual provisions generally relating to workplace safety, generally relating to compliance with laws or regulations, or generally relating to liability insurance requirements shall not be construed to create rights and remedies beyond those provided in this chapter."***

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





[HB 443 - Voluntary Veterans' Preference Employment Policy Act](#) – Rep. Katie Dempsey - This bill permit employers to create and use a policy that provides preferential hiring, promoting, or retention to veterans of the armed forces of the United States.

Bill Status: House Committee Favorably Reported

[HB 500 - Employment Security; Services Performed for Wages](#) – Rep. Ronnie Mabra – This bill relates to employment security, so as to change certain provisions of a definition in order to provide that services performed by an individual for wages shall be deemed to be employment unless the Department of Labor makes a contrary determination based upon evidence submitted of certain factors demonstrating that such individual has been and will continue to be free from control or direction over the performance of such services; to provide that the Department of Labor shall maintain a web based system of notifying the department of employment that is improperly reported; and to provide for investigation of reports of misclassification.

Bill Status: House Committee Favorably Reported

[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 Passed/Adopted by Substitute; House Second Readers



Education:

[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 Committee Favorably Reported

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 Passed/Adopted by Substitute; Senate Read and Referred

- **FIRST READING**
 - Is the Introduction of the Bill and Bill is assigned to a standing committee.
- **SECOND READING**
 - In the House only, on next legislative day
 - In Senate, second reading comes after bill is reported favorably from committee.
- **COMMITTEE ACTION**
 - Recommend Bill or Resolution Do Pass; or
 - Recommend Do NOT Pass; or
 - Recommend Do Pass with changes (amendments or substitutes);or
 - Hold Bill.
- **THIRD READING AND PASSAGE**
 - House Clerk or Senate Secretary prepares a General Calendar of bills favorably reported from committee, one of the following happens:
 - Legislation which was second read the day before is placed on a calendar in numeric order for floor action prior to the Rules Committee meeting to choose bills for consideration.
 - After a certain point, set by rule, the Rules Committee meets and prepares a Rules Calendar for the next day's floor consideration from bills on General Calendar.
 - The presiding officer calls up bills from the Rules Calendar for floor action in order as they appear on this calendar.
 - Once presiding officer calls bill up from Rules Calendar, Clerk or Secretary reads bill's title (third reading). Bill is now ready for floor debate, amendments, and voting. After debate, main question is called and members vote. if bill is approved by majority of total membership of that house , it is sent to the other house.
- **TRANSMITTAL TO OTHER CHAMBER** Bill is passed if:
 - If second chamber passes bill, it is returned to chamber where bill was introduced.
 - If first chamber rejects changes and second chamber insists, a conference committee may be appointed. Committee report is accepted by both chambers.
- Bill is enrolled and sent to the Governor (if requested). Otherwise, all enrolled bills sent to Governor following adjournment sine die.
- **GOVERNOR'S SIGNATURE/VETO** Governor may sign bill or do nothing, and bill becomes law. Governor may veto bill, which requires two-thirds of members of each house to override.
- **ACT:** Act and other laws enacted at the session are printed in the Georgia Laws series. Also, act is incorporated into the Official Code of Georgia Annotated. Act becomes effective the following July 1, unless a different effective date is provided in act.

