Week 6 Legislative Update 2024



This week General Assembly members reached the halfway point of the 40-day legislative session, convening Monday, Tuesday, Thursday, and Friday for Legislative Days 19 through 22. A number of House and Senate committees convened on Wednesday, including several House Appropriations subcommittees, which are hard at work crafting the House's Fiscal Year 2025 budget recommendations.

Legislators now have less than two weeks to successfully shepherd their bills through the committee process and get them passed out of at least one chamber to keep them alive this session. Bills not passed out of their chamber of origin by Crossover Day, which is slated for February 29th this year, are effectively dead and would need to be reintroduced in the 2025 Legislative Session. Of course, no bill is truly dead until the end of the 40-day session—later in the legislative process, multiple bills can be combined, or language from one bill can be substituted into another bill that is farther along in the process.

House and Senate members will be back in session next week following the Presidents' Day holiday Tuesday through Thursday for Legislative Days 23 through 25.

Tax Credits

At a press conference last week, Ways and Means Chairman Shaw Blackmon (R-Bonaire), Finance Committee Chairman Chuck Hufstetler (R-Rome), Speaker Jon Burns, and Lieutenant Governor Burt Jones rolled out proposed changes to several of Georgia's tax credits. These bills that were introduced last week have all been assigned to the Ways and Means Committee for consideration. Chairman Shaw Blackmon (R-Bonaire), who chairs the committee, requires each bill to be assigned to one of five subcommittees and receive two subcommittee hearings before it can be heard by the full Ways and Means Committee.

<u>House Bill 1180</u>, introduced last week by Creative Arts and Entertainment Committee Chairman Kasey Carpenter (R-Dalton), received its first of two required subcommittee hearings in the Income Tax Subcommittee, which is chaired by Representative Bruce Williamson (R-Monroe). The proposed measure would increase the minimum spend requirement for a production to be eligible to receive the film tax credit from \$500,000 to \$1 million; impose additional requirements for productions to receive the 10 percent uplift; and limit the amount of tax credits transferred per year to 2.5 percent of the Governor's revenue estimate for the corresponding fiscal year.

<u>House Bil 1192</u>, introduced last week by Chairman John Carson (R-Marietta), received its first hearing in the Sales Tax Subcommittee this week, which is chaired by Representative Chuck Martin (R-Alpharetta). Current law allows for the issuance of certificates of exemption on the sales and use tax of high-tech data center equipment that meets minimum investment thresholds. If passed, the proposed legislation would suspend the issuance of these certificates of exemption upon the governor's signature of the bill.

<u>House Bill 1181</u>, introduced last week by Chairman Chuck Martin (R-Alpharetta), would reduce the carryforward period for dozens of tax credits. It would also place a December 31, 2029 sunset on a number of tax credits. This week the measure got its first hearing in the Public Finance and Policy Subcommittee, which is chaired by Representative Ron Stephens (R-Savannah).

Each of these measures will need to have a second hearing in their respective subcommittees, receive a favorable recommendation from the subcommittee, and then go on to be heard and passed by the full Ways and Means Committee before they are eligible to be considered on the House floor.

Tort Reform

This week the Senate passed a measure that limits how individuals injured in accidents with big trucks can sue insurance companies. Under the bill, lawsuits could still be brought against an insurance company in some instances, for example, if the driver or the business is insolvent or bankrupt, or if the driver or company cannot be located to be served with the lawsuit. <u>Senate Bill 426</u>, sponsored by Appropriations Chairman Blake Tillery (R-Vidalia), is a legislative priority for Lieutenant Governor Burt Jones. The bill was passed 46 to 2 on the Senate floor and next heads to the House for consideration.

Another tort reform bill is continuing to make its way through the legislative process. This week the House Insurance Committee passed the 'Data Analysis for Tort Reform Act' by Representative Will Wade (R-Dawsonville). <u>House Bill 1114</u> states that "frivolous and excessive tort litigation hinders economic growth and job creation and makes goods and services more expensive for all Georgians." The measure would require the Insurance Commissioner to request data from insurers to make findings on the impact of tort lawsuits and the assessment of tort related risks. Data that the Insurance Commissioner could request includes the number of tort lawsuits filed against an insurer, the total attorneys' fees and court costs for such tort lawsuits, and the total value of the incurred claims from any tort lawsuits. The Insurance Commissioner would then be responsible for making certain determinations regarding the assessment of tort related risks by insurers, including the degree to which tort related risk is reflected in insurance premiums, the specific aspects of tort related risk that have the largest monetary impact on insurance premiums, and the potential impact of any changes to tort law

on insurance premiums. The measure is now eligible for selection by the Rules Committee to receive a vote on the House floor.

House Rules Chairmanship

On Thursday Speaker Jon Burns (R-Newington) named Representative Butch Parrish (R-Swainsboro) as the new chairman of the powerful House Rules Committee following the death of beloved Rules Chairman Richard Smith of Columbus last month. Chairman Parrish, who was first elected to the House in 1985, represents House District 158, which includes Candler, Emanuel, and Treutlen counties and a portion of Bulloch County. He has previously served as the Chairman of the Special Committee on Healthcare as well as the Chairman of the Appropriations Subcommittee on Health.

Border

After lengthy floor debates this week, both chambers passed resolutions expressing support for increased protection for America's borders in the pursuit of ending illegal immigration. <u>Senate</u> <u>Resolution 543</u>, sponsored by Senate Majority Leader Steve Gooch (R-Dahlonega) and <u>House</u> <u>Resolution 1019</u>, sponsored by Representative Steven Sainz (R-St. Marys) are identical measures that condemn President Joe Biden's handling of the border and urge for the reinstatement of several Trump-area executive orders relating to the border. The resolutions note that illicit fentanyl smuggling is increasing across the southern border, citing that that the amount of fentanyl seized has increased 480 percent since Fiscal Year 2020. They also urge Congress to close the southern border and reinstate funding for the construction of the border wall.

The Senate Resolution passed on Monday 31 to 15, and the House Resolution passed on Tuesday 98 to 71.

Following the passage of both chambers' resolutions, Governor Kemp held a press conference at the Capitol to announce that the Georgia National Guard will deploy additional troops to the U.S. southern border to provide additional support to the Texas Guard. The contingent of Georgia guardsmen are expected to deploy in the spring and will be comprised of those with engineering, mechanical, and general purpose skills.

"Parents and Children Protection Act of 2023"

On Tuesday the Senate Education and Youth Committee considered a measure that would prohibit the implementation of curriculum relating to "gender identity, queer theory, gender ideology, or gender transition" at private schools to students under 16 without written consent from a student's parent. The committee's chairman, Senator Clint Dixon (R-Buford) noted that Tuesday's hearing was the fourth time the bill had been heard in committee. The bill, <u>Senate Bill 88</u>, was introduced by Senator Carden Summers (R-Cordele) last session and is cosponsored by 10 additional Republican signers. After a debate amongst committee members, the measure was passed 6 to 3 among party lines. It is now eligible for selection by the Senate Rules Committee for floor consideration.

Gun Legislation

This week the Senate considered a measure by Senator Kay Kirkpatrick (R-Marietta) that would exempt firearm safe and firearm safety devices from sales and use tax. The measure, <u>Senate Bill</u> <u>340</u>, which had 17 bipartisan cosponsors, passed on the Senate floor 46 to 1 and next heads to the House for consideration.

A number of gun-related pieces of legislation have been introduced in both chambers this session, including <u>Senate Bill 344</u>, by Senator Jason Anavitarte, which passed the Senate earlier this month. Unlike Senator Kirkpatrick's bill, Senate Bill 344 would exempt guns and ammo from sales tax during a five-day tax holiday in October in addition to gun safes and gun safety devices. Senator Anavitarte's bill passed along party lines.

Another bill moving through the House, <u>House Bill 971</u> by Representative Mark Newton (R-Augusta), would allow individuals to use up to \$300 of their state income tax obligation to pay for an instructional course on safe firearm handling or to pay for a gun safe storage device. The measure was passed by the Ways and Means Subcommittee on Income Tax earlier in the week and is scheduled for a Friday morning hearing in the full Ways and Means Committee.

Elections This Week

This week there were two special elections—one to fill the west Georgia Senate seat of Mike Dugan, who resigned just ahead of the session to run for Congress; and another to fill the Augusta-area House seat of Barry Fleming, who was appointed as a superior court judge by Governor Kemp last month.

In the 30th State Senate district, former House Representative Tim Bearden got about 59 percent of the vote against three opponents. The 125th House District race will be going to a runoff—in a field of five, no one candidate received more than 50 percent of the vote. Former Columbia County Commissioner Gary Richardson will face off against 21-year-old political activist CJ Pearson on March 12.

The special election to fill the Columbus-area House seat of Chairman Richard Smith, who passed away last month, has been set for April 9.