

**2018**



# *Legislative Session*

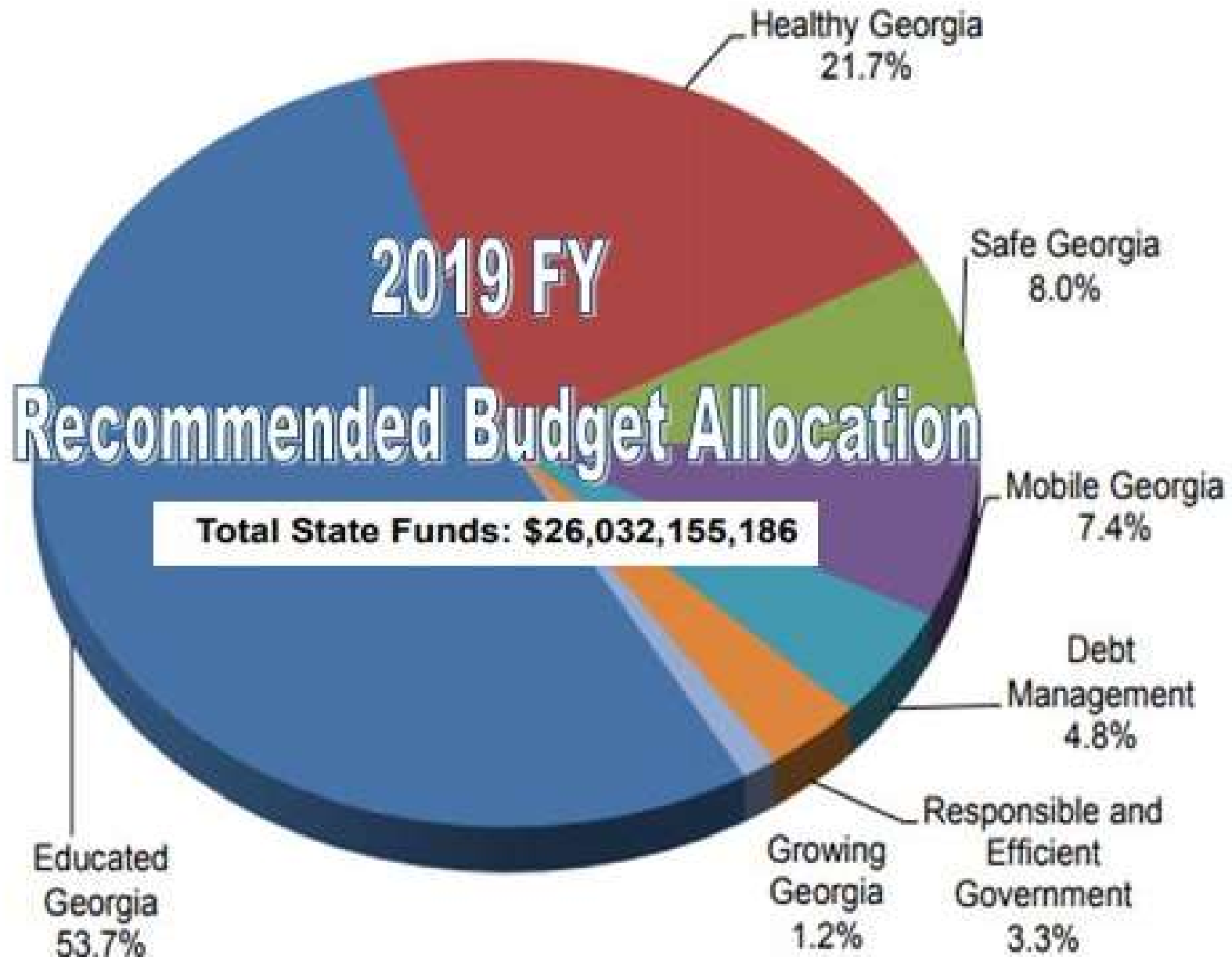
**ISSUE OVERVIEW**



# 2019 Budget

WHERE DOES THE MONEY GO?

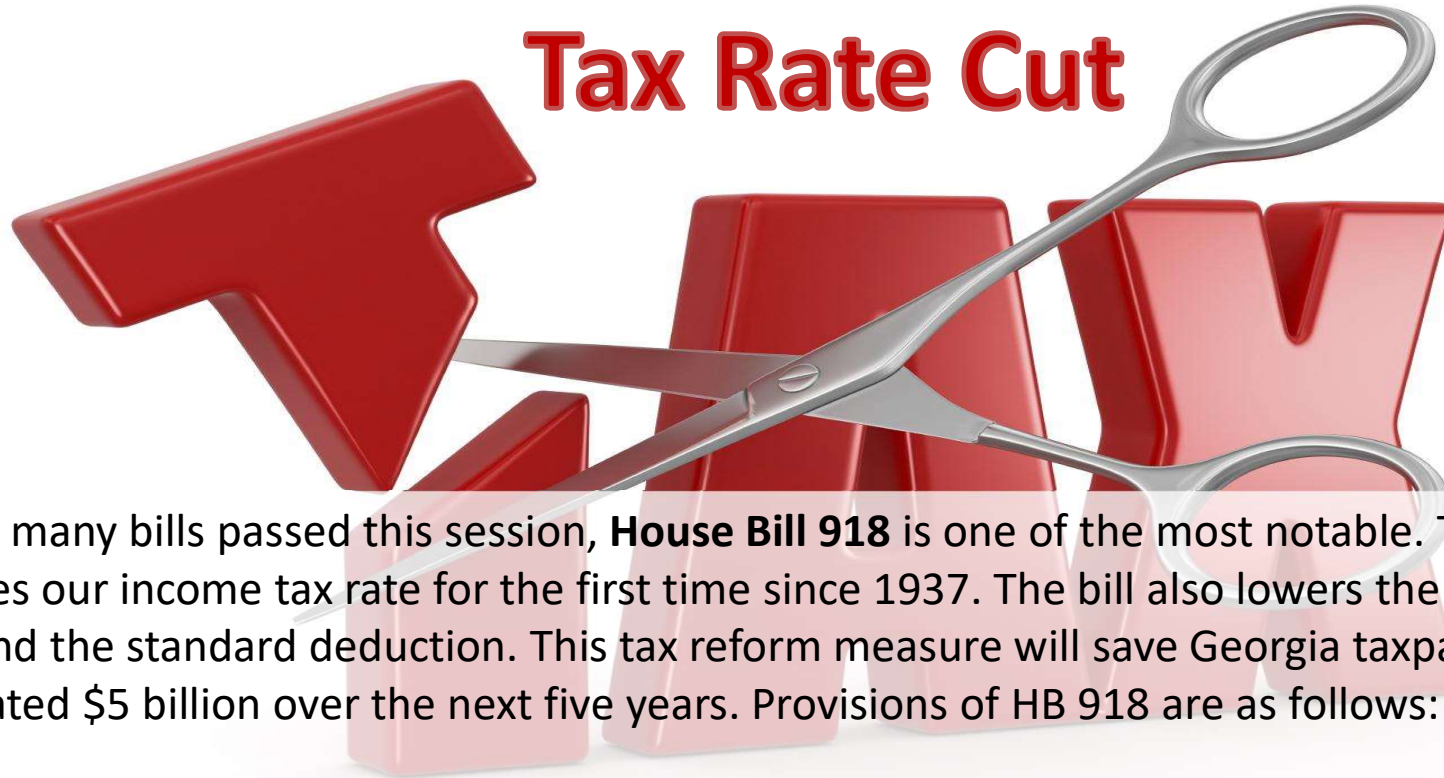
## Components of the State Funds Budget: FY19





# 2018 Initiatives

# Tax Rate Cut



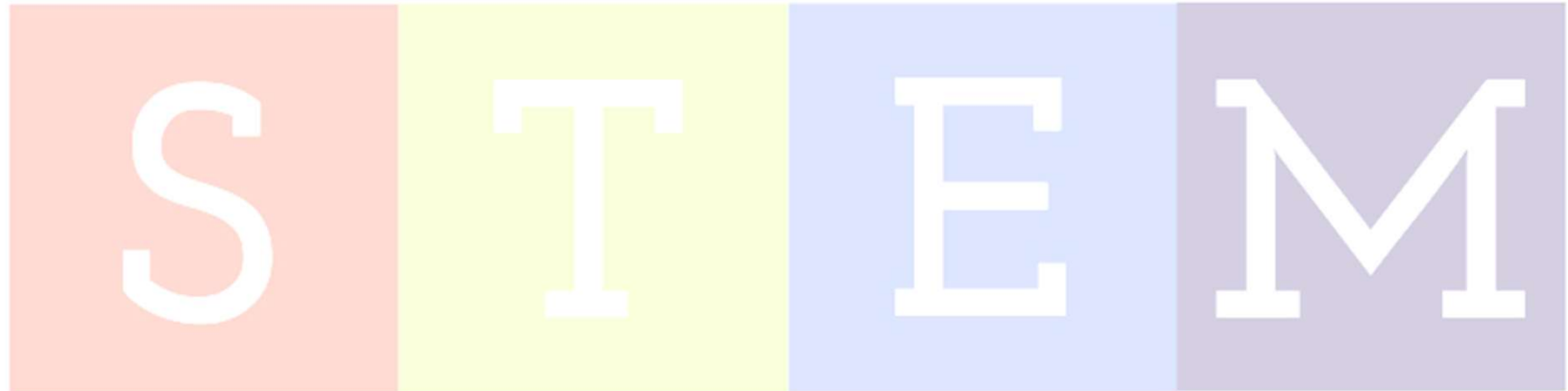
Of the many bills passed this session, **House Bill 918** is one of the most notable. This bill reduces our income tax rate for the first time since 1937. The bill also lowers the corporate tax rate and the standard deduction. This tax reform measure will save Georgia taxpayers an estimated \$5 billion over the next five years. Provisions of HB 918 are as follows:

- Doubles the standard deduction for Georgia taxpayers to \$4600 for a single taxpayer
- \$3000 for a married taxpayer filing a separate return
- \$6000 for a married couple filing a joint return effective tax year 2018
- Decreases the income tax rate from 6% to 5.75% effective tax year 2019 and adjusts the Georgia corporate tax rate to 5.75% beginning tax year 2019.
- Includes a provision to decrease the individual and corporate income tax rate further to 5.5% subject to approval by the General Assembly and the Governor effective tax year 2020.

## House Bill 918



# Promoting STEM Tax Credit



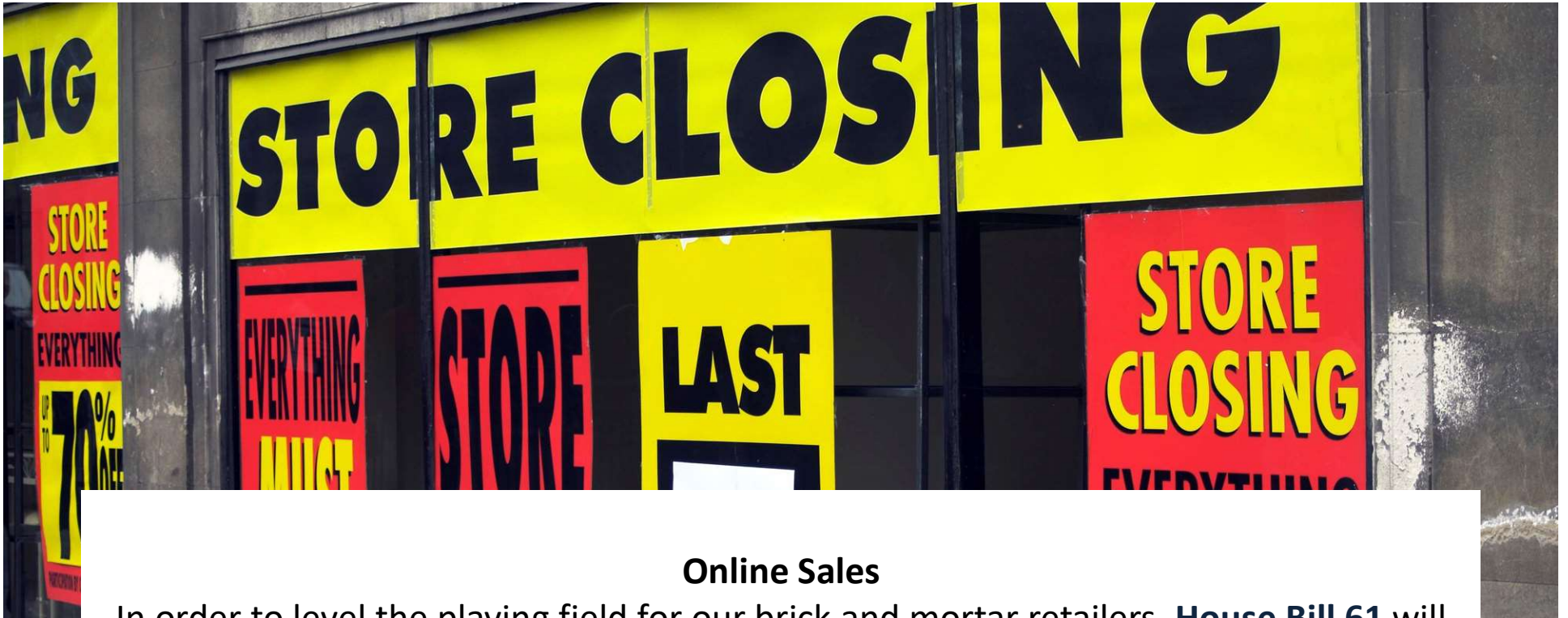
science • technology • engineering • math

## Data Center Tax Credit

**House Bill 696** addresses the importance of driving growth in STEM employment opportunities throughout our state. This bill provides a sales and use tax exemption, under certain conditions, for high-technology data center equipment incorporated into a high-technology data center.

## House Bill 696

# Protection of Brick & Mortar Retailers



## Online Sales

In order to level the playing field for our brick and mortar retailers, **House Bill 61** will require certain online retailers to collect and remit sales tax. The bill also outlines penalties for not doing so.

## House Bill 61

# School Choice & Scholarships



SCHOOL  
CHOICE

**House Bill 787** provides additional funding and flexibility for our state charter schools. State supplements provided to charter schools will be changed from a calculation based on the lowest five school systems, to the state-wide average of all school systems. The bill also establishes a grant program, that will be used to replicate high-performing state charter schools. Grants would primarily be provided for schools serving rural areas, special needs students and economically-disadvantaged students.

## House Bill 787



# Freedom of Speech



## **Free Speech Policy**

**Senate Bill 339** will require the Board of Regents to develop a free speech policy to be implemented across the University System of Georgia. This bill outlines seven principles that the board shall address when adopting policies regarding free speech. The bill also requires the board to establish disciplinary sanctions for anyone under the jurisdiction of any state institution who has violated the board's policies on free speech.


## **Senate Bill 339**

# Rural Revitalization



## 2018 Initiatives

# Rural Development Council



## **Rural Development Councils**

Last year, the Senate and House leadership implemented the Rural Development Councils. Council members studied ways of improving our rural economy by focusing on education, infrastructure needs, access to health care and economic growth incentives. Much of the legislation that we considered this session came directly from the recommendations of Rural Development Councils.

# 2018



# Rural Broadband Access



## **Rural Broadband**

**Senate Bill 402** lays the groundwork for expanding broadband access to rural Georgia by promoting public-private partnerships. This legislation also gives oversight to the Georgia Technology Authority to evaluate communities and create plans for broadband expansion. Under the legislation, local communities will receive incentives such as a new designation of “broadband ready,” allowing designees to qualify for grant programs and tax exemptions in their areas.

## **Senate Bill 402**

# Rural Healthcare Access

**House Bill 769** works to improve quality rural health care access. Health care provisions under the bill are as follows:

- Allows for remote pharmacy orders, updating credentialing and billing practices under the direction of the Department of Community Health.
- Establishes the Rural Center for Health Care Innovation and Sustainability which will provide training and health data analysis focused on rural health.
- Allows for micro-hospitals, defined as a hospital in a rural county that has two to seven inpatient beds and provides 24/7 emergency services.
- Creates a grant program for physicians practicing in medically underserved rural areas of the state.
- Expands the Rural Hospital Tax Credit to allow 'S' corporation shareholders

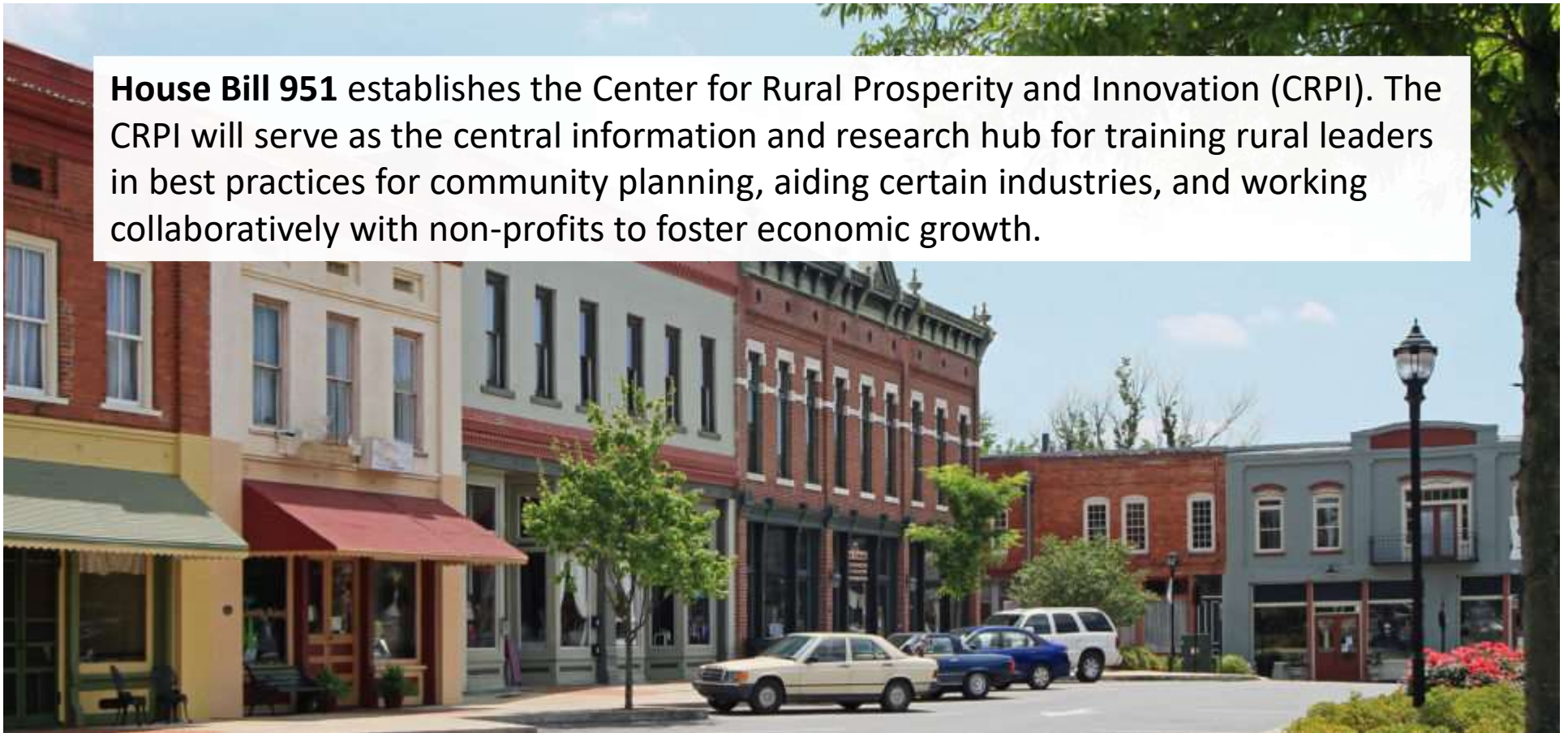


## House Bill 769



# Center for Rural Prosperity and Innovation

**House Bill 951** establishes the Center for Rural Prosperity and Innovation (CRPI). The CRPI will serve as the central information and research hub for training rural leaders in best practices for community planning, aiding certain industries, and working collaboratively with non-profits to foster economic growth.



## House Bill 951

# Rural Business Protection



## Sawmill Protection

**House Bill 876** prohibits counties and municipalities from banning the use of wood products as construction material, if the products meet the state minimum standard codes, including the Georgia State Fire Code.

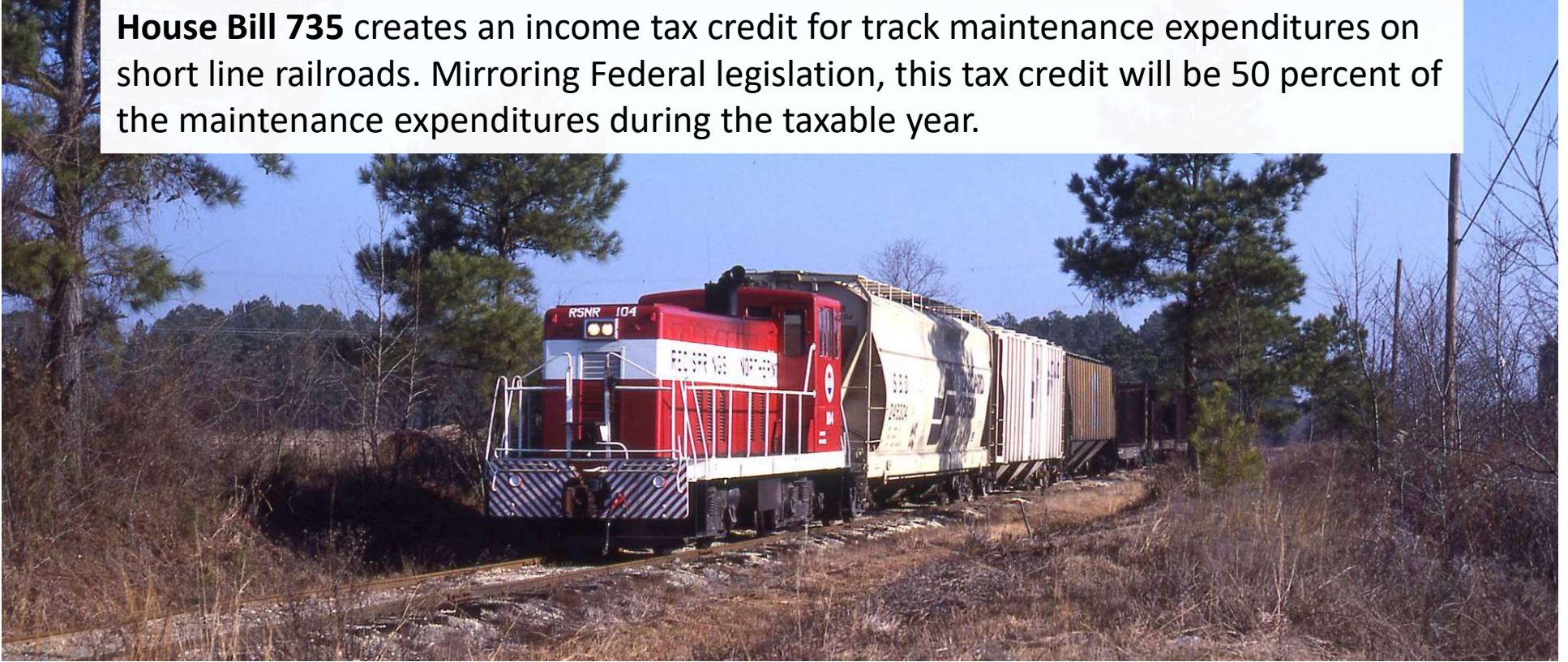
# House Bill 876



# Railroad Credits

## Short Line Railroad Credits

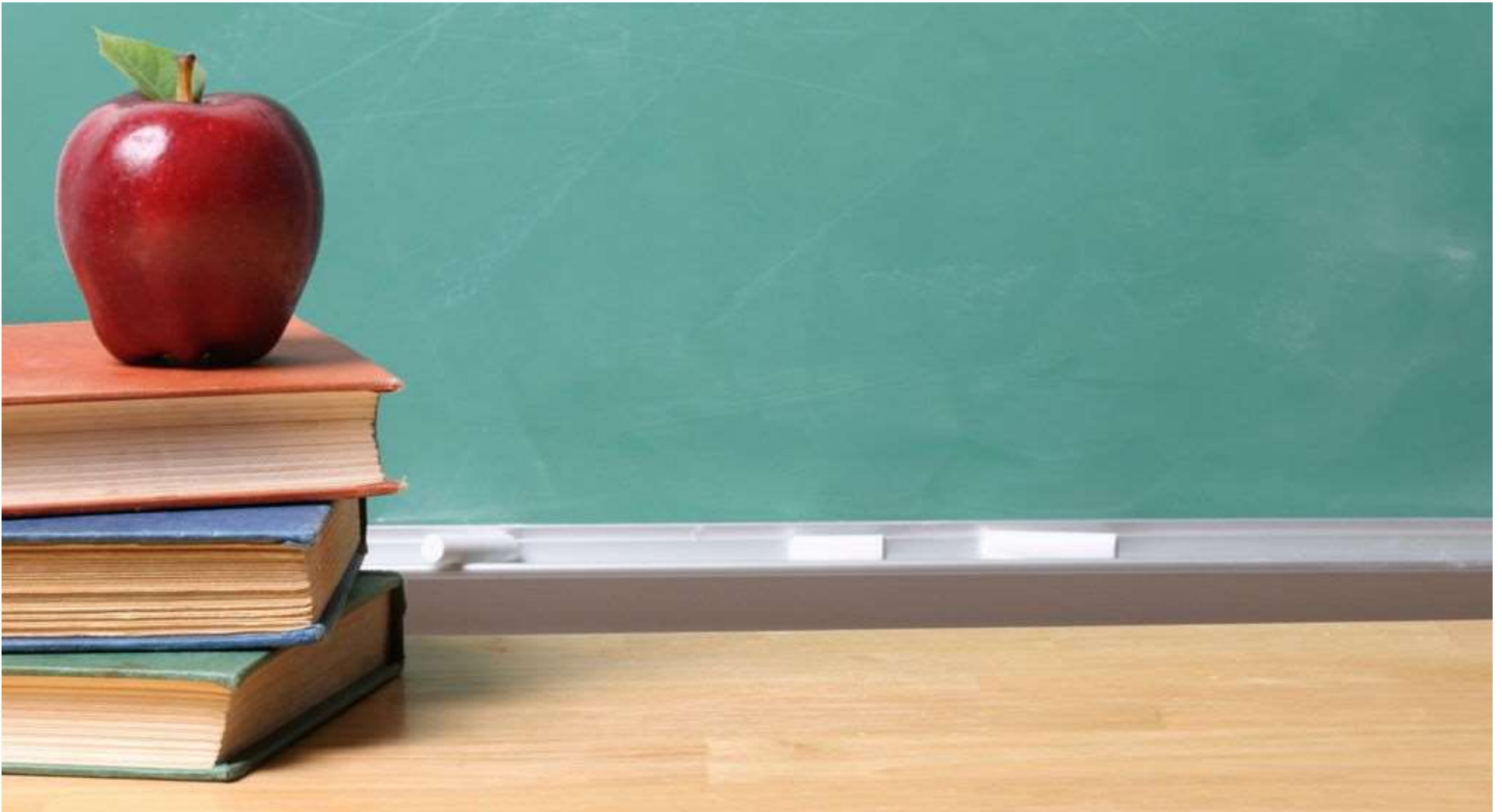
**House Bill 735** creates an income tax credit for track maintenance expenditures on short line railroads. Mirroring Federal legislation, this tax credit will be 50 percent of the maintenance expenditures during the taxable year.



# House Bill 735

# EDUCATION ISSUES

**What was Accomplished?**



# Quality Basic Education



## Quality Basic Education Funding

For the first time since the recession, the fiscal year 2019 budget will fully fund the Quality Basic Education (QBE) formula. QBE is the formula used to determine proper funding for our public schools. This is the second time, since the formula was created in the mid 1980's, that QBE has been fully funded.

# Fully Funded



# Student Scholarship Tax Credit



**House Bill 217** raises the annual cap on state income tax credits for donations to an approved student scholarship organization from \$58 million to \$100 million.

The program allows taxpayers to receive a dollar for dollar tax credit on their state income tax return.

## House Bill 217

# **Public Safety**



## **2018 Initiatives**

# Safe Schools

## School Security Study Committee

**House Resolution 1414** was introduced in response to the number of recent school shootings across the nation. This resolution creates a study committee to explore what is needed to provide more school security while facilitating life-saving procedure responses. The committee will be composed of nine members from the House of Representatives.



## House Resolution 1414

# Safe Roadways

## Distracted Driving

**House Bill 673**, prohibits an individual from physically holding or supporting a wireless telecommunication device, sending any text-based communication, watching a video or movie, or recording a video while driving.

**Drivers will be allowed to use:** voice text, use for navigation with a GPS system, and dash camera recordings. Certain exemptions apply to law enforcement, utility workers and first responders.



## House Bill 673

# Safe Homes

## Leasing Agreements

**House Bill 834** allows a tenant to terminate a residential rental agreement without being penalty when the tenant or his/her minor child is a victim of family violence.

The bill also outlines tenant documentation requirements of terminating such lease. This Code section only applies to rental or lease agreements entered into on or after July 1, 2018.



## House Bill 834



# Safe Care



## Elder Protection

**Senate Bill 406** creates the Georgia Long-term Care Background Check Program, requiring elder care providers in personal care homes or other assisted living facilities to undergo a comprehensive, fingerprint-based criminal background check. Further, the bill implements a central caregiver registry so that those looking to hire a personal caregiver could access information on eligible and ineligible applicants.

## Senate Bill 406

# Safe Georgia



## HOMELAND SECURITY

**House Bill 779** creates the Board of Homeland Security. The 16-member board will be responsible for: advising the governor on the implementation of homeland security strategy by state and local agencies; developing a statewide homeland security strategy; and coordinating activities among and between local, state, and federal agencies.

## House Bill 779

A photograph showing five soldiers in silhouette, standing on a beach and holding a large American flag. The sun is low on the horizon, creating a strong backlight effect and long shadows. The soldiers are wearing helmets and carrying gear. The flag is held taut across the frame.

# **Military & Veteran Support**

# Military HOPE

## Hope Scholarship Eligibility

**Senate Bill 82** allows a member of the Georgia National Guard or a member the reserves located in Georgia to be classified as a legal resident under eligibility requirements for HOPE scholarships and grants.

## Senate Bill 82

# Joint Defense Commission

## Georgia Joint Defense Commission

**Senate Bill 395** establishes the 18-member Georgia Joint Defense Commission, responsible for advising the governor and the General Assembly on state and national military issues. Further, this bill establishes the Defense Community Economic Development Grant Program which will assist military communities with projects, events and activities promoting our military installations.



## Senate Bill 395

# Retirement Exemption



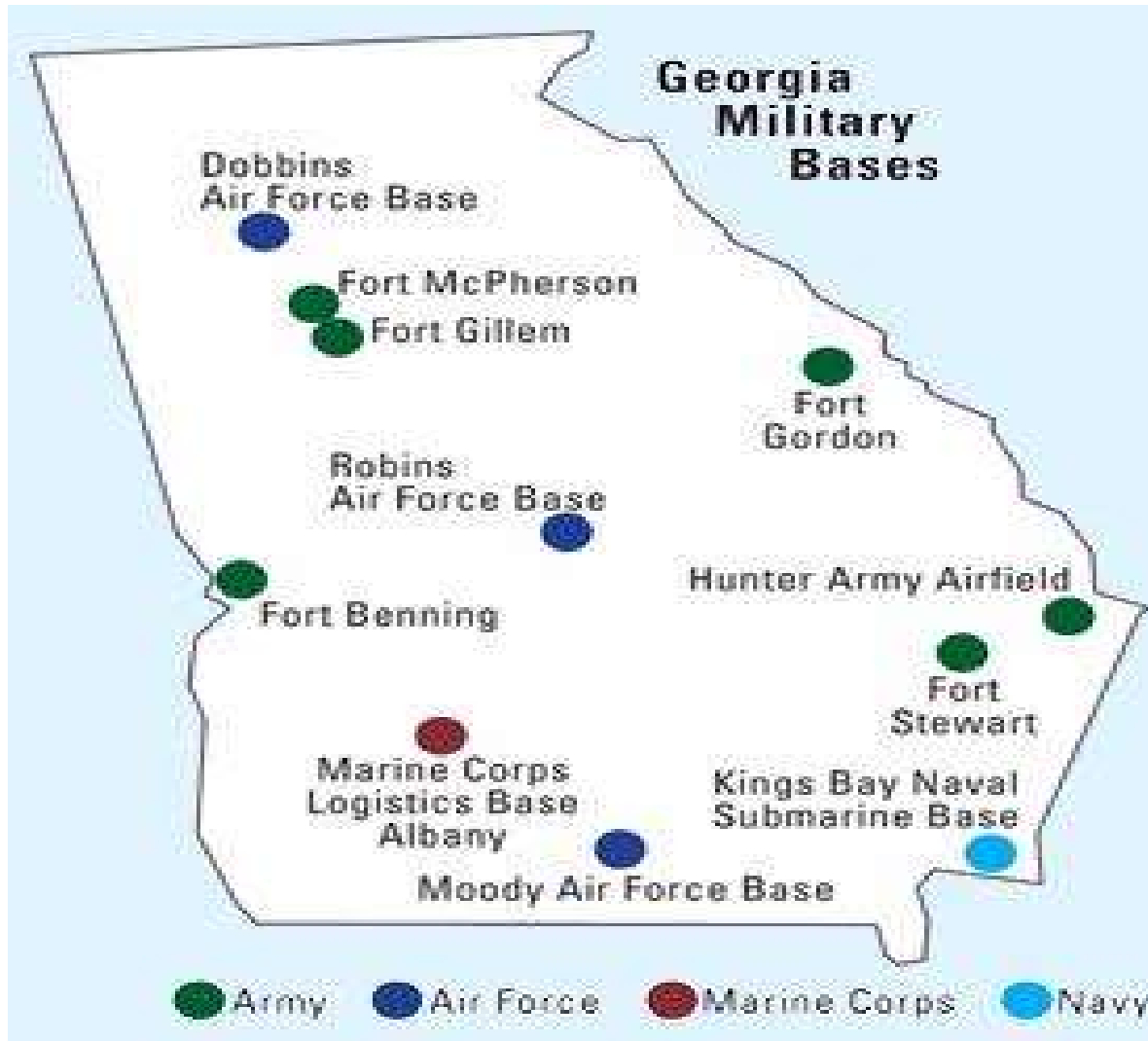
## **Military Retirement Exemption**

**House Bill 749**, which exempts compensation benefits of spouses and dependents of deceased veterans from state income tax, further shows our military families how much we value their service and sacrifice.

## House Bill 749



# Community Tax Credits



**Military Community Tax Credit**  
**House Bill 843** further supports of our military communities by allowing counties which contain a federal military installation qualify for tax credits that apply to business enterprises in less developed areas. Certain conditions apply. The installation must employ at least 5,000 federal or military personnel, and contain a government owned and operated industrial park.

## House Bill 843

# Bills of Interest



**2018**

# The Great Outdoors

## **Georgia Outdoor Stewardship Act**

**House Bill 322** and **House Resolution 238** work in conjunction towards the Georgia Outdoor Stewardship Act (GOSA). This legislation will dedicate a portion of state sales and use tax collected on sporting goods equipment to state conservation efforts. HB 332, provides that 40% of the state portion of sales and use tax collected on sporting goods equipment may be dedicated to the Outdoor Stewardship Fund at this time. Georgia voters will need to approve HR 238, a constitutional amendment, if they wish for more funding towards GOSA.

## **House Bill 322 & House Resolution 238**



# Agriculture



## **Georgia Agriculture Tax Exemption**

**House Bill 886** reforms the Georgia Agriculture Tax Exemption (GATE) Program, which provides qualified agricultural producers with a sale and use tax exemption on certain agricultural equipment and production inputs. This measure changes the qualifying agricultural production threshold, the review of GATE applicants' continued eligibility, and procedures for sharing information within certain state departments.

## **House Bill 886**



# Adoption Update

**House Bill 159** updates Georgia's adoption laws for the first time in nearly three decades. This legislation expedites the adoption process and expands jurisdictional options for both in state and out of state adoptions while eliminating the 6-month residency requirement. Additionally, the bill shortens a birth mothers revocation period from 10 days to 4 days. HB 159 will also allow birth mothers to receive reasonable living expenses in both private and agency adoptions.



## House Bill 159

# Foster Care



## Foster Care Updates

In an effort to resolve issues associated with Georgia's foster care system, the General Assembly passed **House Bill 982** which streamlines Department of Family and Child Services (DFCS) policy guidelines to ensure children are placed in permanent homes. House Bill 982 allows courts to excuse DFCS from continuing their search for relatives if, after six months the search has been unsuccessful, or removal of the child would be detrimental to his or her health. If the child has been in foster care for a cumulative period of 12 months and the parent has willfully neglected to remedy the situation, the court must order DFCS to file a petition to terminate their parental rights.

## House Bill 982