



Fiscal Year 2019 Budget

We completed our constitutional obligation by successfully passing House Bill 684, the 2019 Fiscal Year Budget, which totals approximately \$26.2 billion. The largest budget allocations for the coming fiscal year are education (\$743m); healthcare (\$359.7m); public safety and infrastructure.

Tax Reform

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.

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.

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.

Senate District 15 — Session Wrap-Up — 2018

Student Scholarship Organization 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.

Charter Schools and Needs-Based Scholarships

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.

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.

Public Safety

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.

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.

Human Trafficking

House Bill 732 clarifies that any person who solicits or patronizes sexually explicit conduct from a sex trafficking victim will be charged with a felony.

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.

Leasing Agreements

House Bill 834 allows a tenant to terminate a residential rental agreement without being penalized 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 on or after July 1, 2018.

Senate District 15 — Session Wrap-Up — 2018

Health Care Surprise Billing

House Bill 678/Senate Bill 8 addresses the issue of surprise medical billing, which occurs when a patient receives care, unknowingly, from an out-of-network provider. Often, these bills result from emergency situations where the patient is unable to choose the emergency facility or physician. SB 8 outlines requirements for providers, insurers and patients in order to avoid surprise billing.

Prenatal Care Facilities

House Bill 909 bill instructs the Department of Public Health to designate perinatal facilities of excellence based off criteria developed by the department on or before December 31, 2019.

Elder Care Provisions

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.

Military Measures

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.

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.

Rural Revitalization

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.

Rural Health Care 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,
- limited-liability company members, and married couples filing a joint return to contribute
- \$10,000 per taxable year, and single or head of household filers to contribute \$5,000 per taxable year.

Senate District 15 – Session Wrap-Up – 2018

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.

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.

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.

Miscellaneous

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.

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.

Adoption

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.

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.