



## 2020 LEGISLATIVE SUMMARY

2020 was a one-of-a-kind legislative session in Georgia. It was both historic as it lasted nearly 6 months and challenging with an immediate 10% reduction to the state budget brought on by the COVID-19 pandemic. Through it all, Georgia's many great elected officials, business champions, and civic leaders worked together to move our state forward.

Good policy, as well as the defeat of misguided initiatives, comes from quality engagement with lawmakers. There was no clearer example of this than in the Senate where a late attempt to generate state tax revenue would have cost agriculture and agribusiness interests aplenty. An effort by some lawmakers to alter [HB 1035](#) initially sought to eliminate several sales tax exemptions, including one for sod sales direct from the farm. Doing so would have put Georgia sod growers at a severe disadvantage to sod farms in adjacent states. It was later amended to reduce the size of current sales tax exemptions and tax credit programs which would have impacted all Georgia Agriculture Tax Exemption (GATE) purchases for ag inputs and energy used for agribusinesses (lines 51-55). While scheduled for a vote on the Senate floor, it was the push-back of industry interests that finally killed the bill. Advocacy is already underway to help prevent this from surfacing again next year.



The final budget for FY 2021, which began July 1, was of course a major obstacle and, in the end, was navigated very well by lawmakers and Governor Kemp. In a matter of weeks, \$2.2 billion was equitably and strategically shaved from the budget. Advocating for programs that enhance agriculture and the environment are key to our client interests and we are thankful for the support these areas received. Lawmakers also voted for a 10% cut to their own state salaries to help offset furlough days that would have otherwise been implemented. The \$26 billion budget still needs to be supported by state sales tax collections and job growth or we could see further cuts in the next few months. You may recall April tax revenues were down 15.9%, followed by May with a 10.1% drop. June numbers also recently showed a 8.8% decline from the same period one year ago. That must improve. Consumer confidence is key to an economic rebound, but the lingering impact of the COVID-19 is still holding us back.

Here's a quick look at other legislative issues where Tolar Capitol Partners engaged on behalf of clients and industry interests:

[SR 931 by Senator Ellis Black](#) will soon deliver a direct message to Congress that we need to improve the federal H-2A and H-2B guest worker visa programs for landscaping, agriculture, forestry, and other related fields. This issue was highlighted during the [Senate Study Committee on Ag Workforce for the landscape and ag sectors in 2019](#).

[HB 894 by Rep. Steven Meeks](#) will restructure the appointment timing of members to the Georgia Seed Development Commission (GSD) to help ensure continuity for the board over time. GSD provides an important role for many ag sectors including peanuts, turfgrass, and horticulture. They are responsible for overseeing the foundation plant material production in Georgia. Since 1997, this effort has resulted in over \$15 million of additional support for UGA cultivar development.

HB 847 by Rep. John Corbett and Sen. Tyler Harper strengthens Georgia's industrial hemp law for enforcement and production licensing. It points to USDA for establishing allowable THC limits, which currently rests at .3%. The GA Department of Agriculture received \$200,000 to administer the program, plus they will receive funds from processors registered in the state. Farm operations would pay \$50 per acre with a \$5000 maximum. We're told nine hemp processors have now been licensed and some have already set up facilities in Georgia. Processors pay \$25,000 for the first year and \$50,000 each year thereafter to help the Georgia Department of Agriculture oversee the program.

SB 359 was cobbled together by a variety of lawyer and business interests late in the session. We joined other allies in teaming up with the Georgia Chamber of Commerce to get the best possible protections against liability lawsuits related to COVID-19. It provides facilities, except for gross negligence, willful and wanton misconduct, reckless infliction of harm, or intentional infliction of harm, in an action involving a COVID-19 with immunity from any civil liability for injuries or death alleged to have been sustained because of actions taken by the business. Thousands of such lawsuits have been filed across the country over the past few months. This law will provide some much-needed protections for Georgia businesses for at least the next year.

HB 545, the "Right to Farm Act of 2020," sought to strengthen Georgia's existing law with improved nuisance lawsuit protections. While this bill ultimately did not pass, we take solace in that Georgia's current Right to Farm statute continues to provide adequate protections for the vast majority of farm operations. With lawyers looking for a payday at the expense of agriculture and forestry here in Georgia and in neighboring states, work to further strengthen current protections will carry on.

Tolar serves as Principal of Tolar Capitol Partners, Inc. For more information, go to [www.TolarCapitolPartners.com](http://www.TolarCapitolPartners.com) or contact [info@TolarCapitolPartners.com](mailto:info@TolarCapitolPartners.com).

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