



**AIA**  
Georgia

**PGR** | PEACHTREE  
GOVERNMENT  
RELATIONS

Legislators took Monday off to observe Presidents' Day and returned Tuesday ready to work! In finishing Days 23-25 this week, we are only 2 days away from Crossover Day – the critical point when all bills must have passed one Chamber in order to remain eligible for the Session. With Crossover Day looming, legislators were in for long days in the Chambers and committee meetings with packed agendas.

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## **STATE OF THE JUDICIARY**

On Thursday, Chief Justice Harris Hines of the Supreme Court of Georgia delivered his last State of the Judiciary address to a joint session of the legislature. Justice Hines focused on the extraordinary achievements of Georgia's criminal justice reform. This is a legacy of Governor Deal. Justice Hines pointed out that in 2017 Georgia had the lowest number of prison commitments in Georgia since 2002. Additionally, Georgia's crime rate is down 6%.

Judge Hines made note that there will be changes to the judicial branch in 2018. Many new judges will be elected in Georgia as well as, for the first time in years, citizens will elect a new justice to the state Supreme Court.

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## **Tax Cuts**

On Tuesday, Governor Deal and other state leaders including the Lt. Governor and the Speaker announced plans for what supporters are calling one of the biggest income tax cuts in Georgia history. The tax savings in the bill are to offset what would have amounted to an almost \$5 billion tax windfall over the next five years in Georgia due to the changes in federal tax laws approved in December 2017. The federal changes limited or eliminated deductions that some Georgia taxpayers have used in the past.

Some provisions of the bill include:

- Doubling the standard deduction for all taxpayers - For a married couple filing jointly, the standard deduction would go from \$3,000 to \$6,000
- Reducing the top income tax rate from 6% to 5.75%
- Eliminates Georgia's sales tax on jet fuel
- Goes into effect on January 1, 2019
- Will be cut again, to 5.5% on January 1, 2020

This tax cut is found in HB 918. It is carried by Representative Chuck Efration, one of the Governor's floor leaders in the House. HB 918 passed the House on Thursday with a vote of 134-46 and was transmitted immediately to the Senate. We expect it to move just as quickly through the Senate.

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## Transit on the Move

The two transit bills are gaining traction! In the minds of many in the business and economic development community, this is long overdue.

**SB 386**, by Chairman Brandon Beach, does two main things:

- Creates the Atlanta-Region Transit Link (ATL) Commission. The purpose of this Commission would be to coordinate the funding and construction of transit facilities in the metro-Atlanta area. It would serve as a division of GRTA.
- Creates an optional T-SPLOST for counties that are a part of the system to adopt through a referendum. The money would be used to fund public transit expansion within the local jurisdiction. The jurisdictions are encouraged to enter into an intergovernmental agreement with MARTA for their rail services and bus service could go out to bid with MARTA having the option to bid.

This bill has passed out of the Senate Transportation Committee and is now in the Senate Rules Committee awaiting passage to the floor.

**HB 930**, carried by Chairman Kevin Tanner, also addresses transit governance and funding for the metro-Atlanta region. It is slightly different than the Senate bill. It does the following:

- Creates the Atlanta-Region Transit Link (ATL) Commission. This is similar to the Commission created in SB 386
- Identifies two new funding revenues to support transit: (1.) Adds a 50-cent charge per trip on rideshare, taxi and limo providers and (2.) Creates a 1% airport tax on concessions at the Atlanta airport.

- It also allows counties to call for a referendum to levy a 1% transit SPLOST.

This bill passed the House Transportation Transit Subcommittee and is now in the House Transportation Committee. We expect a vote out of Committee to

Leadership in both Chambers agree that metro Atlanta needs well-networked, efficient transit and both are committed to passing framework legislation. What that final piece of legislation will look like remains to be seen. Tanner and Beach have both indicated that House and Senate transit groups have been working together but differences remain.

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## Hands Free Georgia

HB 673, dealing with the issue of distracted driving, passed the full House Judiciary Committee on Wednesday of this week. The bill would make it illegal to use a cell phone on anything other than a hands-free basis.

The current version of the bill penalizes drivers with a \$150 fine plus a \$300 distracted driving fine. The money collected from the distracted driving fine would go to local courts to be used at the judge's discretion.

This bill is now in the Rules Committee. Bill sponsor, Representative John Carson, has indicated he believes the bill will get a floor vote. He said he has done polling that shows 72% of Republicans and 62% of Democrats favor the law. Additionally, an increasing number of local jurisdictions are looking at adopting their own hands-free ordinance if the state does not act.

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## Upcoming Schedule

Wednesday, February 28 – Legislative Day 28 – CROSSOVER DAY

Thursday, March 1 – Legislative Day 29

Monday, March 5 – Legislative Day 30

Wednesday, March 7 – Legislative Day 31

Friday, March 9 – Legislative Day 32

Monday, March 12 – Legislative Day 33

Wednesday, March 14 – Legislative Day 34  
Thursday, March 15 – Legislative Day 35  
Monday, March 19 – Legislative Day 36  
Wednesday, March 21 – Legislative Day 37  
Friday, March 23 – Legislative Day 38  
Tuesday, March 27 – Legislative Day 39  
Thursday, March 29 – Legislative Day 40 – SINE DIE

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## AIA – Specific Issues and Legislation of Interest

Below are the bills we are watching closely. You can also find an attached spreadsheet with a comprehensive list of bills we are following.

**SB 2:** By Senator Mike Dugan. This bill mandates that cities and counties that charge license or permit fees establish a schedule of such fees and requirements including timelines for processing completed applications. They are also required to provide a list of all documentation needed by applicants to meet these requirements.

It creates financial penalties for the local government if these timelines are not met. The bill requires local governments to set up a second, expedited process and also to look into sharing applicant information with other municipalities to relieve applicants of duplicate filings. This bill was moving in 2017 and got caught up in a political battle at the end of the 2017 legislative session.

Earlier this Session, we met with GMA in regards to this bill and they believe this issue does not need to be solved through legislation. They have produced a pamphlet of best practice guidelines that they will be distributing to their members.

The bill previously did not appear to have momentum but at the last minute, SB 2 was added to a committee agenda. AIA is watching this bill as we believe the intent of the bill is positive but some members are opposed to certain measures in the bill. The bill will be heard on the House floor on Wednesday, Crossover Day.

You can find this bill here: <http://www.legis.ga.gov/Legislation/20172018/169751.pdf>

**SB 319:** By Senator John Albers. The legislation provides for the creation of the Department of Fire Safety and transfers the State Fire Marshall's Office, the Firefighter's Standards and Training Council and all other activities related to fire service to the newly created department. AIA is watching this bill. The bill passed the Senate and is now in the House Insurance Committee.

**SB 328:** By Senator John Albers. This bill sunsets three tax credits. 1. Relating to transit benefits. 2. Relating to private driver education courses. 3. Relating to diesel particulate emission reduction technology.

During the summer, AIA worked with Senator Albers' study committee to develop a tool for the state to evaluate and determine the return on investment for the multitude of tax credits, incentives and subsidies in Georgia. The Historic Building Tax Credit received a passing grade from the evaluation tool that was developed. This bill identifies and seeks to sunset three tax credits that did not perform well with the tool. Note that two are programs intended to improve air quality in Georgia's cities.

AIA is watching this bill as it relates to other tax credits that are important to architects. This bill passed the Senate and is now in the House Ways and Means Committee.

**SB 378:** By Senator John Albers. This bill is entitled the "Georgia Measuring Success Act." The bill outlines the process for a new tax credit in Georgia. It requires an economic analysis prior to introduction or amendment of legislation containing tax incentives. SB 378 is a direct result of the study committee Senator Albers held over the summer having to do with measuring the impact of tax incentives.

As mentioned previously, AIA worked with Senator Albers study committee to develop a tool for the state to evaluate and determine the return on investment for the multitude of tax credits, incentives and subsidies. The Historic Building Tax Credit, of great interest to architects, received a passing grade from the evaluation tool that was developed. This bill intended to adopt this evaluation tool into law, and apply it to any new tax incentives, subsidies and credits. AIA is in support of evaluating these tax incentives. This bill passed the Senate and is now in the House Ways and Means Committee.

**SB 404:** By Senator Matt Brass. This bill states that no county, municipality, or other public water system shall charge or assess a separate fee for standby water service for fire or sprinkler connections. AIA members have expressed concern that this may have an impact on fire sprinklers and safety in buildings. The bill passed the Senate Natural Resources Committee on February 23rd and it is now in the Senate Rules Committee.

**SB 469:** By Senator Matt Brass. This legislation preempts local governments from enacting zoning ordinances regulating “building design elements” so long as these elements meet minimum standard codes. Exceptions are made for historic landmarks and districts. AIA is still evaluating this topic, however, this bill was tabled in committee and will not be eligible for passage this year.

**SB 468:** By Senator Lee Anderson. This bill requires consultants who are preparing local government bids or RFPs to disclose any payments or compensation they have received by any potential vendor with regard to the bid. AIA is watching this bill. This bill was filed on February 21st and has been assigned to the Senate Local Governmental Operations committee. This bill is unlikely to pass this year given the late filing and time constraints with the volume of bills.

**HB 189:** By Representative Sheila Nelson. This was a 2017 bill titled the “Contract Cancellation Act.” The bill would require any service contract with a state agency or local government to contain specific performance and cost parameters. The service provider would be required to submit quarterly reports to the governing authority showing compliance. It also allows contracts to contain a provision allowing governing authorities to unilaterally terminate the contract if the contractor fails to comply with the performance criteria. We believe this can be done and is being done within contracts and legislation is not necessary. In 2017, the bill was placed into the Senate SLOGO Committee after passing the House on Crossover Day. With a new Chair in the Senate Committee, there is some uncertainty as to whether the bill will get a hearing. We are working with other stakeholders to identify the origin of the bill. There are a number of organizations opposed to the bill willing to work with the author to find a solution to the problem. This bill does not appear to be moving prior to Crossover Day.

**HB 876:** By Representative John Corbett. This bill preempts local governments from prohibiting the use of wood as a construction material so long as such use conforms to all applicable state minimum standard building codes and the Georgia State Fire Code. This is a national trend that we are seeing. AIA Georgia has been working with our colleagues at AIA National, which has in turn been working with various advocates of the wood construction industry to evaluate and reach agreement on the safety of tall wood structures. Without solid research and surety on the safety concerns, AIA Georgia is not ready to support this bill. This bill has passed the House and is now in the Senate Agricultural and Natural Resources Committee.

**HB 899:** By Dominic Larricia. This bill amends the public works bidding laws and mandates that no bidder can be disqualified from a competitive bidding contract because they lack previous experience with the construction delivery method to be used for the job being sought. Note that this strictly deals with the delivery method and not the type or size of the project. Currently, municipalities can automatically reject such

bids. HB 899 stems from a study committee over the summer that AIA participated. AIA is watching this bill . AIA believes that this bill would most directly impact construction of a project, rather than design. Architects would most likely be impacted only if their bid is part of an overall package that combines design and construction. This bill passed the House Governmental Affairs Committee and is now in the House Rules Committee.

We will keep you updated as legislation is dropped or moved that will affect AIA

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## Contact Us

Please contact your lobbying team if you have any questions or concerns.

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