As we continue to work through this COVID-19 pandemic situation, everything is changing by the hour. We will continue to update you and stay up to date on all the resources available to you and your business and keep you apprised of legislative actions.

Executive Presentations

Governor Kemp held a press conference on Thursday, May 7th to address the position of the State in the fight against COVID-19. Most of the information presented dealt with the increase of testing offered across the state. Governor Kemp said that, thanks to numerous partnerships around the state, Georgia has jumped to 29th out of 50 states for testing per capita. Previously, Georgia was in the bottom ten. These partnerships include Augusta University, the University System of Georgia, the Georgia National Guard and other public and private health facilities.

Kemp also announced a new partner - the Peach Bowl, Inc. The Peach Bowl has provided more than $1M in support of Georgia’s efforts to make coronavirus screening available statewide.

Joining the Governor at the press conference was Augusta University President Brooks Keel. President Keel spoke about Augusta University’s role in assisting the state with increased testing and research.

Kemp continued to emphasize that the goal is to protect the lives and livelihoods of all Georgians. He indicated that even with the increased testing and the flattening of the curve that the fight isn’t over. Georgia needs greater lab capacity. He also reiterated that the danger to the medically fragile and elderly population is clear and imminent.
There were no new executive orders presented nor was there any mention of expiring orders. Currently bars and nightclubs are closed through May 13th. The public health emergency is in place until June 12th.

**State Budget**

Appropriation meetings began virtually yesterday as the Senate and the House Appropriation Committees heard presentations from Doctor Dorfman, one of the state’s fiscal economists. He touched on many topics but reiterated that “getting back to normal” is dependent on consumers and when they feel safe enough to go back to their normal consuming habits. To date, there have been 1.4 million unemployment claims. 28% of those claims are from the restaurant or accommodation industry. In fact, from the accommodation industry, the amount of state and local tax collection is down 56%. General merchandise is down 50%. Restaurants, bars, and food service is down 27%. The only increase in tax collection is in online retail, which is up 18%. Here are a few other statistics from the presentation:

- Toll revenue is down 90%
- There is a lag in TAVT payments, but car sales for April will likely have decreased 52%
- As for corporate earnings, first quarter profit growth moved from an initially predicted +4% to -13%
- Second quarter forecasts right now are for -36% profit

The Georgia Department of Revenue’s presentation was even more sobering. Georgia’s net tax collection for April saw a 37.9% decrease ($1.03 billion) compared to April 2019. Year-to-date net tax is down 3.4% ($680 million) compared to the previous fiscal year. Here is an outline of changes for each tax category comparing net tax revenue of April 2019 to April 2020:

- Individual income tax collection declined 46.2% ($732 million)
- Sales and use tax decreased 14.3% ($82.4 million)
- Corporate income tax is down 70.6% ($219.1 million)

**Covid-19 Testing Updates**

Testing continues to increase for our state. Dr. Toomey said they are increasing test processing capability at the Georgia Health Lab to a thousand per day and are also working with universities and private labs to provide sufficient testing capacity. Effective today, free COVID-19 testing is available to all Georgians who request it, regardless if they have symptoms or not. Georgians are asked to contact their local healthcare providers or any Georgia public health department to schedule a test. To find a local public health department, visit [https://dph.georgia.gov/](https://dph.georgia.gov/).

**National Guard Aid**
The Georgia National Guard shared they have 3,255 personnel helping with the COVID-19 relief effort. The group has alone administered over 23,700 COVID-19 tests. They formed the following mission teams throughout the state:

**Infection Control Teams:** 52 teams, have continued to offer disinfecting services to 790 long-term care facilities

**Medical Support Teams:** 19 teams deployed to 19 different hospitals

**Hospital Entry Control Teams:** 6 teams of 166 people to pre-screen patients upon arrival

**Food Bank Support:** Supporting 10 food banks

Fulton County School Lunch Delivery: Have delivered over 552,000 meals to children in Fulton County

### Return of the State Legislature

Virtual committee meetings began this week and will continue next week. So far, the intention is still to have the House staff report to work on May 18th and for in-person committee meetings to begin again May 19th. Session is still set to resume June 11th. We will let you know if this changes.

### Legislative Updates

State Representative Bill Werkheiser has introduced legislation to name a state park after the late State Senator Jack Hill. The legislation proposes the renaming of the Gordonia-Alatamaha State Park Reidsville. This has the support of Speaker David Ralston, Chairman Terry England, and Majority Leader Jon Burns.

State Representative Chuck Efstration released a press release pushing for the final passage of HB 426, known as the “Georgia Hate Crimes Act.” This comes with the recent news of the fatal shooting of Brunswick resident, Ahmaud Arbery. The legislation has passed the house but has not yet been heard in the Senate Judiciary Committee.

HB 276 was signed into law in January, but has played a significant role amid the Coronavirus outbreak. The state economist mentioned it in his presentation yesterday because it has successfully generated income for the state. The law creates a definition to tax platforms that facilitate retail, sales, deliveries and/or services in the State of Georgia. This captures third-party sellers on internet platforms who are subject to sales and use tax under Georgia law but may not have been paying sales tax. It is often referred to as the “facilitators bill” because it requires facilitators like Amazon, Uber and Lyft to collect and remit appropriate taxes. It is estimated that the bill will generate $15 million in the month of May. See the bill at [http://www.legis.ga.gov/Legislation/20192020/188085.pdf](http://www.legis.ga.gov/Legislation/20192020/188085.pdf).

### Business Updates

Businesses are continuing to face the decision of whether or not to open with the easing of restrictions. With opening, businesses are still required to follow strict guidelines to

Even Governor Kemp took advantage of the reopening by getting his haircut yesterday!

Some larger companies are hiring to keep up with the increased demand of their products. Amazon, Publix, and Kroger all announced they were hiring, with Amazon building a distribution center near Augusta that will have 800 jobs to fill.
Two large companies have announced they are permanently closing due to the virus. Earlier this week, Neiman Marcus announced they were filing for bankruptcy and last night, the Sweet Tomatoes’ chain said they would not reopen due to the coronavirus.

**White House Coronavirus Briefing**

The Office of The President offered a briefing on their efforts to help mend the coronavirus outbreak. Kellyanne Conway, counselor to The President, discussed steps President Trump is taking to protect the elderly. The Coronavirus Nursing Home Commission was formed and will deliver PPE to over 15k nursing homes. A new ruling was made requiring all COVID-19 info from nursing homes be directly communicated to the CDC. According to Conway, seniors are prioritized in the “Opening Up America” guidelines, instructing states to take additional measures to protect seniors. HHS has also announced $1B in grants to assist seniors. She also said President Trump recently visited Arizona and is taking steps to protect Native American communities.

**Thank you!**

As we navigate this situation into the next phases, we will not stop working to protect your interests at the state and local level. While we see light at the end of the tunnel, it is clear that we will not return to normalcy for some time. We will continue to meet remotely and social distance but we will get things done!