



**The American
Institute
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GOVERNMENT
RELATIONS

AIA- Week 24

This past week was full of unexpected twist and turns but we managed to keep up with it all! We all were still unsure when we would Sine Die up until the very moment, and it ended up being at 10:30 pm on Friday night. Even though it was an unusual session, we would call it a success and we thank you for trusting us.

White House Action

On Tuesday, June 16th President Trump signed an executive order focused on police reform. The order provides for federal incentives from the Justice Department to local police departments who are meeting higher standards in the use of force and de-escalation training. Among these standards, the order also calls for the banning of the use of chokeholds except when an officer feels their life may be at risk. The President's order also emphasizes the importance of mental health by incentivizing local departments to not only bring in experts on mental health, but also experts on addiction and homelessness. Lastly, the President's order will establish a database to track officers with multiple instances of misconduct.

Budget highlights

The big topic of 2020 from beginning to end was the budget. Prior to the COVID-19 suspension, Governor Kemp had asked departments to plan on a 4% cut to their budgets. After the suspension, the world had shifted. Georgia was now facing a budget situation in the midst of a steep revenue shortfall, high levels of unemployment, and ongoing public health crisis. Legislators faced a 14% cut to the budget. After May revenue reports, this number was adjusted to 11% and ultimately pared down to 10% which restored over \$400 million in cuts. While this is still an extreme cut in dealing with the budget of the entire state, legislators are somewhat optimistic about Georgia's ability to rebound.

Below are some of the key cuts and additions in the FY 2021 budget:

Education -

- \$950 million cut from the Quality Basic Education program
- \$142 million added for enrollment growth along with teacher training and experience

- \$25 million reduction in funding for school counselors
- \$8.8 million added to the Governor's Office of Student Achievement for certain programs
- \$927,000 added to pupil transportation for enrollment growth

Higher Education -

- \$242 million cut to schools in the University System of Georgia
- \$36 million cut to schools in the Technical College System of Georgia
- 12% cut to adult education
- 11% cut to agricultural programs like the Cooperative Extension Service, which largely serves rural Georgians
- \$11 million in cuts to Dual Enrollment per HB 444 capping hours on the program
- 3 % cut to public libraries - this is better than the initial 11% in other versions
- \$1 million added to the REACH Georgia scholarship program

Behavioral Health and Developmental Disabilities

- \$91 million cut to the Department of Behavioral Health and Developmental Disabilities budget
- \$29 million cut to services for adults with developmental disabilities
- \$22.7 million cut to child and adolescent mental health services
- \$7.2 million cut to adult mental health services
- \$5.7 million cut to adult substance abuse services

Community Health

- Total funding increased by \$178 million accounting for higher projected growth for Medicaid
- \$19.7 million added to provide six months of Medicaid coverage for new mothers
- \$12 million added to increase funding to Rural Hospital Stabilization grants
- Restored many cuts to the Georgia Board of Health Care Workforce

Public Health

- \$8.2 million in cuts to the Department of Public Health budget
- Funding restored for grants to local health departments
- \$2.3 million reduction in funding for trauma center readiness and uncompensated care

Human Services

- \$34 million cut to the Department of Human Services (DHS) budget
- \$46 million in Temporary Assistance for Needy Families (TANF) funds the agency planned to use to fund foster care are no longer in the budget
- \$3.7 million in cuts to vacant positions in child welfare
- \$3 million in cuts to vacant positions at the state office for DHS
- \$1.6 million reduction to the Georgia Vocational Rehabilitation Agency in funds for Pre-Employment and Training Services for individuals with disabilities

Department of Corrections

- \$82.9 million cut to the Department of Corrections
- \$12.6 million cut from private prisons
- \$9 million icut to state prisons to reflect the governor's intent to eliminate 193 vacant non-security positions
- \$5.7 million cut from health contractual services
- \$3 million reduction in funds for inmate transportation

Elections Update

Georgia Senate Bill 463 which would have made significant changes to Georgia's election process has failed. The bill would have prohibited the Secretary of State and local election

officials from mailing out absentee ballot applications. Secretary of State Brad Raffensperger had already announced that he had no intention of mailing out absentee ballot applications for the August and November elections, but this would have codified his decision. The amended bill would have also required the Georgia Secretary of State to create an absentee ballot website, allowing voters a virtual process to apply and track their absentee application. The amended version also removed parts of the measure that would have required election officials to add precincts, poll workers or voting equipment if voters had to wait in line for more than an hour in the previous June 9th election.

Passing of Hate Crimes Legislation and Press conference

On Friday June 26th, Governor Kemp signed HB426 (the Hate Crimes Bill) into law. Among a bipartisan group of legislators, Governor Kemp, Lieutenant Governor Duncan, Speaker Ralston, Dean Smyre, and author-Chairman Chuck Efration each spoke at the historic signing. The bill goes into effect July 1st, 2020. Previous to the signing, Georgia was one of four states who did not have a Hate Crimes Bill in law. The bill provides sentencing guidelines for anyone found guilty of intentionally targeting a victim because of their race, color, religion, national origin, sexual orientation, gender, mental disability, or physical disability. Immediately following the death of Ahmaud Arbery in Brunswick, Georgia, Speaker Ralston and other lawmakers called for action to pass the bill. Among those pushing for the passage of the bill included nearly 500 business executives, former President Jimmy Carter, and former Governors Nathan Deal and Roy Barnes.

Elimination of Surprise Billing

The issue of patients being affected by “surprise” medical bills has been a hot topic under the gold dome for years. There have been efforts in the past for insurers and medical providers to compromise on a solution to ease the burden of these bills on Georgia patients, but this was the first time a bill garnered enough support from both sides and picked up steam. Additionally, Governor Kemp spoke of eliminating surprise bills in his State of the State address on the fourth day of the session indicating his office had an interest in a bill passing and that they would be involved in ensuring success. HB 888 by Representative Lee Hawkins passed the House 164-4 and the Senate 53-0. The bill is now on the Governor’s desk.

HB 888 does a number of things to eliminate the practice of surprise billing including the following:

- Sets the price that should be paid for out-of-network emergency care at the previously contracted rate of the 2017 median contracted rate adjusted annually according to the Consumer Price Index - whichever is greater.
- Allows that these bills be paid without the need for prior authorization and without retrospective payment denials
- Allows a patient to choose out-of-network elective care by consenting in writing and orally at least 48 hours in advance with knowledge of the estimated charges
- Establishes a “baseball style” arbitration system

General Bills of Interest

SB 359 - (Senator Chuck Hufstetler) Covid Liability: This bill provides liability coverage for a number of entities including municipalities, healthcare providers, and schools.

This bill passed the House and Senate and now goes to the Governor's desk for signature

SR 435 - (Senator Randy Robertson) In an effort to find revenue in a year when every dollar counts and budgets are being cut across the board, some legislators believe an increase in Georgia's tobacco tax could be helpful. Georgia's tobacco tax is currently set at .37 per pack. The national average is \$1.80 per pack. In the finance committee on Friday, Senator Randy Robertson amended a bill upping the cigarette tax in Georgia to \$1.35 per pack – still significantly below the national average. This could generate up to \$600 million in revenue. The bill will face an uphill battle in the House whose leadership has previously expressed opposition to raising the tax.

This resolution failed to pass this legislative session

SB 144 - (Senator Lee Anderson) This bill would grant permits to sell tobacco products off-site from a licensed location during special events.

This bill passed the House and Senate and now goes to the Governor's desk for signature

HB 823 - (Representative Houston Gaines) This bill would prohibit registered sex offenders to receive a commercial driver's license.

This bill passed the House and Senate and now goes to the Governor's desk for signature

SB 375 - (Representative Jeff Mullis) This bill provides additional penalties regarding any person under 21 years of age involved in the sale, distribution, or possession of any vapor and tobacco related products. It also adds at 7% tax to the sale of vapor or tobacco products.

This bill passed the House and Senate and now goes to the Governor's desk for signature.

HB 879 - (Representative Brett Harrell) This bill allows for alcohol to be delivered by grocery stores, restaurants, and liquor stores.

This bill passed the House and Senate and now goes to the Governor's desk for signature

HB 877 - (Representative Don Hogan) This bill provides standards for issuance of a Georgia certificate of title for certain motor vehicles converted from original manufacturer condition in order to comply with certain state and federal regulations.

This bill passed the House and Senate and now goes to the Governor's desk for signature

HB 1039 - (Representative Sam Watson) This bill provides additional protections for consumers who enter into service contracts that contain lengthy automatic renewal provisions.

This bill passed the House and Senate and now goes to the Governor's desk for signature

Governor Kemp and Department of Education - Joint Statement

On Thursday, June 18th Governor Kemp and State School Superintendent Richard Woods issued a joint statement concerning standardized testing requirements in the wake of COVID-19. Since March 16th, Georgia became one of the first states to suspend standardized testing requirements, and later received approval from the U.S. Department of Education to cancel all remaining standardized testing for the remainder of the 2019-2020 school year. The joint statement announced that Georgia would seek to gain approval from the U.S. Department of Education to suspend the Georgia Milestones, and CCRPI school and district ratings for the 2020-2021 school year. Additionally, the Georgia Department of Education is suspending the teacher evaluation of (TKES) summative rating for the 2020-2021 school year.

Relevant Legislation

HB 777- (Representative John Corbett) This bill deals with changing the standards for wood construction. The bill mandates that the State of Georgia review and update standards to the 2021 building codes as adopted by the International Code and Council.

This bill was sent to the Governor's desk for signature

HB 897- (Representative James Burchett) This bill requires the state forestry commission to provide a website that provides statewide notifications for people or organizations harvesting timber.

This bill passed the House and Senate and now goes to the Governor's desk for signature

SB 310 - (Senator Tyler Harper) This bill was presented in committee as a substitute with language creating the profession and licensure for structural engineers. The language in the bill was previously the language in HB 516. This is a bill interested parties led by ACEC have been trying to pass for two years - it was vetoed last year and went through the GORC process over the summer of 2019.

The bill was sent to the Governor's desk for signature

SB 315 - (Senator Lindsey Tippins) The bill makes clear when a lawsuit may be filed by a contractor performing work and provides that a waiver and release of lien and bond rights shall only be applicable to the issues of the waiver and release. It doesn't affect any other rights or remedies under the law.

The bill was sent to the Governor's desk for signature

SB 377 - (Senator Bert Jones) This bill codifies the executive order allowing private plan review and inspections for all buildings.

This bill was sent to the Governor's desk for signature