

Senate Debates Georgia Power Financing Bill

By Raegan Weber and Hayley Howell

Senate Chamber Day 17 brought much excitement as many senators took center stage for devotions, resolutions, and a spirited debate over the Georgia Power financing bill. The excitement began with the former President Pro Tempore Sen. Eric Johnson (R-Savannah) having the honor and pleasure of introducing his son, Marcus Johnson, as the Chaplain of the Day to lead the Senate in the morning devotion.

The main focus of Day 17 was the debate and passage of Sen. Don Balfour's (R-Snellville) Georgia Nuclear Energy Financing Act, Senate Bill 31.



Sens. Balfour and Adelman express their thoughts on the Georgia Nuclear Energy Financing Act.

The bill allows recovering of financing costs during the construction of two nuclear power generators rather than have the financing costs compounded at the end of the project. It ultimately passed by 38-16, but not without intense questions and speeches from the Well.

Balfour opened the discussion by presenting evidence and charts demonstrating the money savings to Georgia Power customers as well as the economic development benefits. He urged his colleagues to pass the bill and

Continued on page 2



Upper Chamber Report

FEBRUARY 12, 2009 — DAY 18

Raegan Weber, Press Director
Kallarin Richards, Editor in Chief

Inside this issue:

Senate Debates Georgia Power Financing Bill	1-2
Key Bills and Resolutions	1,4
Georgia Power Financing Bill Passes in the Senate	3
Adelman Introduces Renewable Energy Bill	3
Sen. Pearson Urges Congress to Build Reservoirs, Increasing Georgia's Water Supply	4
Banking Committee Holds Public Hearing on Fair Lending Act Revisions	5
Agriculture Committee Passes Food Testing Bill	5
Higher Education Initiatives Pass Committee	6
Transportation Committee Passes MARTA Bill	6
Legislative Process Dates	7

Other Key Bills and Resolutions Introduced in the Senate

- **Senate Bill 132** enacts the "Dropout Deterrent Act" for school attendance in elementary and secondary education which will revise the age of mandatory education.
- **Senate Bill 133** provides compensation that may be received by a health care provider for purposes of sovereign immunity protection in the "Health Share Volunteers in Medicine Act."
- **Senate Bill 134** enacts the Agreement Among the States to Elect the President by National Popular Vote for elections which allows states to join together to establish an interstate compact to elect the president by national popular vote.
- **Senate Bill 135** states that a religious nonprofit organization which enters into a health care cost sharing arrangement with its members shall not be considered an insurance company, health maintenance organization, or health benefit plan of any class, kind, or character.
- **Senate Bill 136** requires the Department of Corrections and the State Board of Pardons and Paroles to participate in the United States Immigration and Customs Enforcement Rapid Removal of Eligible Paroles Accepted for Transfer (REPAT) Program or a similar federal deportation program.
- **Senate Bill 137** adopts the Interstate Compact on Educational Opportunity for Military Children which will remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents.

TOP STORY, cont'd

said that by doing so it would lower financing costs by nearly \$300 million. In addition, the funds would accelerate the projects and bring approximately 3,500 jobs over the next eight years to Georgia. (More details on this story on pg. 3.)

Opposition to the bill included questions of who will receive the benefits of paying now for units that will be built in the future, especially for senior citizens and more transient citizens. Others were concerned if the funds from the slight rate increase would go only toward the generators or be pooled with Georgia Power's general revenues, if there could be any future increases to customer power rates, and if the bill was stepping over legislative boundaries.

Sen. David Adelman (D-Decatur) ardently expressed the negatives of the bill, especially when crossing into jurisdiction of Georgia's Public Service Commission (PSC). "The Public Service Commission regulates the balance between rate payers and shareholders," professed Adelman. "This bill suggests the Georgia Senate should eject itself in a regulatory compact on an issue the Georgia Public Service Commission controls."

Sen. Robert Brown (D-Macon) stepped up to profess his opposition to the bill. "This bill is essentially an accelerated tax increase," Brown alleged. "It doesn't belong here. This is the Public Service Commission's decision."

Balfour closed the debate by stating, "The demand for Georgia Power is going through the roof. This bill is not establishing rates but is providing the ability to pay the interest of the construction of these units ahead of time."

Prior to the discussion of SB 31, other senators had the opportunity to express

their thoughts on issues important to them and their constituents.

Sen. John Douglas (R-Social Circle) took the well to explain the cost of illegal immigration in Georgia. Douglas presented the results of the Gwinnett County prison population of illegal immigrants in which they found a significant number were guilty or suspected of murder, armed robbery, kidnapping, and other crimes. He pointed out that the cities that adopt a sanctuary policy actually ignore the crimes illegal immigrants commit. A "sanctuary policy" is any regulation which prevents local officials from reporting a person's immigration status, effectively ignoring illegal immigration.

After months of poor economic news, Majority Leader Chip Rogers (R-Woodstock) presented a success story about the Georgia Tech Research Institute, an organization that started with a \$5,000 investment which they have turned into \$2 billion in research grants. Last year the state money that went into this organization was returned with an 18-1 ratio. The institute has been an incredible success for the state. Just last year they hired 122 people and their annual economic impact is nearly \$500 million. The institute's director, Dr. Stephen Cross, and all its members were recognized today by Sen. Rogers and the Senate.

Sen. Greg Goggans (R-Douglas) introduced a bill that will place a trauma charge of \$10 per year for each passenger vehicle licensed in Georgia. This will be a Designated Fund Source for the Georgia Trauma Network. Goggans expressed that his bill would help make Georgia a safer place to live and will improve Georgians' quality of life. He advised the Senate "it's time for a little less talk and a lot more action" and to support this bill that so many Georgians need.

Sen. Ed Harbison (D-Columbus) rose to speak about last year's Senate Bill 345,

an interstate compact of education opportunities for military children and their families. Harbison explained that military children encounter significant school challenges when dealing with enrollment, eligibility, placement, and graduation while their parents defend our country. Harbison appealed to the Senate to perfect legislation this year and move it forward once again for Georgia's military families.

Sen. Valencia Seay (D-Riverdale) passionately expressed her concerns for veterans making a smoother transition into civilian lives. She mentioned upcoming legislation that will offer an improved and smoother process for veterans. She offered five points that Georgia could do to improve veterans' lives after service. They include guaranteeing veterans benefit by expanding the term "veteran" to include those serving after 1972, hiring preferences for veterans and spouses, creating an interstate compact allowing interstate college transfers, enabling veterans to pursue a quality college education by providing tuition and deadline waivers, supporting soldiers and their families with spousal leave for wounded veterans, tax deductible marriage counseling, and property tax relief for the disabled and spouses of the deceased. As a wife of a veteran, she believes that the treatment for veterans is in need of improvement and could be achieved through her legislation.

Sen. Chip Pearson (R-Dawsonville) presented and passed Senate Resolution 107, urging Congress to facilitate the building of reservoirs in north Georgia to ensure the state has an adequate water supply. The resolution recommends that reservoirs be built upstream from Lake Sydney Lanier. Over five million people depend on Lanier and the Chattahoochee River for their water supply. The metro Atlanta area alone relies on the Chattahoochee for 75 percent of its water, the smallest river in the nation providing a main water source to a city the size of Atlanta. (more on pg. 4.)

□

Senate Drives Energy Initiatives

Georgia Power Financing Bill Passes in the Senate

By Raegan Weber



ATLANTA (Feb. 11, 2009) – Today the Senate took great strides in saving taxpayers and Georgia Power customers significant money by passing the Georgia Nuclear Energy

Financing Act, Senate Bill 31. The bill allows recovering of financing costs during the construction of two nuclear power generators rather than have the financing costs compounded at the end of the project. Sen. Don Balfour (R-Snellville), chairman of the Rules Committee, sponsored the bill.

“The beauty of the bill is that it prevents the capitalization of financing costs at the end of the project, lowering the cost by \$300 million,” said Balfour. “The reality is that these generators will be built with or without this legislation. So why not save customers and taxpayers as much money up front as we can? This is purely good business practice.”

Traditionally, utilities are allowed to recover the costs of investments, such as power generators, after the generators begin to operate and serve customers. Construction, utility and many other costs are incurred during this time as well as compounding interest.

As an alternative, Balfour’s legislation allows for recovery of financing costs during construction period- and therefore avoids the “interest on interest” expenses. The Public Service Commission (PSC) can allow recovery of financing costs during the construction period by including the on-going construction costs related to the new units in the rate base of customer power bills. Customers may see a raise in their power bills of approximately \$1.30 per month starting in 2011. Construction on the projects begins in 2010.

Balfour has also noted that by passing this legislation, funding for the projects will accelerate the development of the generators and bring significant economic growth to the local areas. Building the nuclear generators will create over 3,500 jobs over the next eight years. The generators also produce tremendous energy savings for companies, which will make Georgia more competitive with neighboring states in attracting new businesses.

The Energy Independence and Security Act of 2007 provides approximately \$80 billion in Federally backed monies for the creation of nuclear power generators across the U.S. The creation of the two new facilities by Georgia Power will be the first in 30 years. Nuclear energy accounts for about 20 percent of U.S. electricity supply. Georgia is already harnessing the benefits of nuclear energy. As of 2006, one-fifth of Georgia’s electricity was powered by nuclear energy. Georgia is home to two nuclear generators – Plant Vogtle near Waynesboro, and Plant Hatch near Baxley in southeastern Georgia. In an effort to increase the state’s nuclear output, Georgia Power is seeking federal funding to build two new 1,100 megawatt nuclear reactors at Plant Vogtle along with two partners, Georgia EMC’s and the Municipal Electric Authority of Georgia.

The nation’s nuclear generators are among the safest and most secure industrial facilities. Every nuclear plant has a detailed plan for responding in the event of an emergency. Nuclear energy will add needed diversity to Georgia’s fuel mix at a time when fuel prices are increasingly significantly and represents the only technology that does not produce greenhouse gas emissions.

For more information on SB 31, go to www.legis.ga.gov.

□

Adelman Introduces Renewable Energy Bill

By Raegan Weber

ATLANTA (Feb. 11, 2009) - Sen. David Adelman (D-Decatur) wants Georgia to be in a strong position to take advantage of the more than \$70 billion for renewable energy initiatives in the Federal economic stimulus plan. To meet this objective, Adelman today introduced a renewable energy bill requiring electric service providers to

gradually increase the amount of renewable and recoverable energy generation in their portfolios. Renewable energy sources include biomass, solar and wind energy, geothermal, and hydrogen.

“Renewable energy development gives us a three-for-one opportunity: it will create jobs, promote energy security and independence, and reduce greenhouse gas emissions,” said Adelman.

“This is a first step to long-term, sustainable energy independence.”

Specifically, the bill requires electric service providers to gradually increase renewable and recoverable energy generation with an ultimate requirement that 20 percent of annual net electricity sales come from renewable energy sources by the end of 2030. Measures that make energy usage more efficient, thereby conserving energy, can be counted toward that percentage.

□

Sen. Pearson Urges Congress to Build Reservoirs, Increasing Georgia's Water Supply

By Kallarin Richards



A T L A N T A (February 12, 2009) — As Georgia continues to suffer a record-breaking drought, Sen. Chip Pearson (R-Dawsonville) yesterday passed a resolution in the Senate urging Congress to facilitate the building of reservoirs in north Georgia to ensure the state has an adequate water supply.

“The drought has threatened Georgians’ health and quality of life while also endangering our animal and plant life,” stressed Pearson. “The state has worked hard to better

manage our water resources and increase conservation by developing a statewide water plan. Now is the time to turn our attention to additional solutions that will help us meet the growing demand for this essential resource.”

To provide more water storage, the resolution recommends that reservoirs be built upstream from Lake Sydney Lanier including in the Chattahoochee National Forest. Over five million people depend on Lanier and the Chattahoochee River for their water supply. The metro Atlanta area alone relies on the Chattahoochee for 75 percent of its water, the smallest river in the nation providing a main water source to a city the size of Atlanta.

Georgia already faces limited water resources with small headwater riv-

ers, no large natural lakes, and almost no groundwater. Building reservoirs upstream from Lake Lanier will allow for the control of water levels, also protecting downstream areas by increasing river flow in times of drought. This will help ensure that agriculture, much of which is located in the southern part of the state, is provided with the necessary amount of water to sustain the state’s largest industry.

Issues arising from Georgia’s already small watershed have been compounded by a severe drought. Lanier’s lake level has continuously dropped since 2006, with the current level more than 14 feet below full. On average, Georgia’s annual rainfall is 50 inches, but by December, the state had only received 37 inches for the whole of 2008.

□

Other Key Bills, cont’d

- **Senate Bill 138** is the “Transparency in Lawsuits Protection Act” which provides that legislative enactments do not create a private right of action.
- **Senate Bill 139** uses parole evidence to prove an apparent deed is a mortgage, to delineate the factors to be considered in determining when an instrument of conveyance can be held as an equitable mortgage.
- **Senate Bill 140** provides that a tenant with a valid lease can stay in a foreclosed property for 60 days and receive a notice of an impending sale of the property if it is under foreclosure.
- **Senate Bill 141** requires fees to be collected by clerks of the superior court to provide for fees for filing documents and other instruments pertaining to a deed under power more than 30 days.
- **Senate Resolution 184** creates the Senate Study Committee on Boating Safety.
- **Senate Resolution 187** urges Congress to adopt the “United States National Health Insurance Act” (or the “Expanded and Improved Medicare for All Act”).
- **Senate Resolution 255** requests that the President of the United States and his administration continue the uninterrupted production of the F-22 Raptor.
- **Senate Resolution 260** urges the President and the Congress of the United States to support legislative efforts amending the United States Constitution to incorporate the Voting Rights Act of 1965.

In Committee News...

Senate Banking & Financial Institutions Committee Holds Public Hearing on Fair Lending Act Revisions

By Matt Colvin

ATLANTA (February 11, 2009) – A bill that would revise the Georgia Fair Lending Act is now four pieces of legislation aimed at addressing current and future foreclosure issues in Georgia. Senate Banking and Financial Institutions Committee Chairman Sen. Bill Hamrick (R – Carrollton) introduced the new legislation package during his committee's scheduled meeting Wednesday at the Capitol. Hamrick noted the three new measures were originally included in Senate Bill 57, the Georgia Fair Lending Act, and are now complementary bills as part of a legislative package.

Hamrick introduced a substitute to SB 57 which was drafted after the initial public hearing on the bill took place last week. The substitute narrows down its mortgage broker definition and will exclude Federal home loans as considered non-traditional loans. SB 57 targets revising the code on two mortgage loans that have caused massive amounts of foreclosures and decreasing home values: the option adjustable rate mortgage (ARM) and sub-prime credit loans. He stated during the first meeting that this measure is aimed at properly defining these two loan structures and to set standards for how lenders can operate under those categories.

Hamrick summarized the three new bills that were originally part of SB 57 and will now stand alone as separate legislation:

Senate Bill 139 - SB 139 will essentially make foreclosure scams easier to undo by law.

Senate Bill 140 – SB 140 will allow tenants with a valid lease to remain in a foreclosed property for 60 days. The lender must also provide written notice to the tenant informing them of the pending foreclosure.

Senate Bill 141 – SB 141 imposes a time limit of 30 days for purchasers of foreclosed properties to file deeds to the courts. Failure to comply would result in fines being imposed on the purchaser of up to \$7,500 for late filing.

Hamrick announced that all four Senate bills will be considered and taken up for a vote at a future committee meeting date yet to be determined. □

Agriculture Committee Passes Food Testing Bill

By Ravae Graham

The Senate Agriculture and Consumer Affairs Committee unanimously passed Senate Bill 80, the Food Safety Testing, Reporting & Record Keeping bill. The legislation, authored by Chairman John Bulloch (R-Ochlocknee), imposes stricter guidelines on food testing for processing plants in response to the nationwide salmonella outbreak that was linked to a south Georgia peanut butter plant in Blakely, GA.

Bulloch's legislation requires that food processing facilities report suspicions of contaminated food, food testing and retention of testing results to the Department of Agricul-

ture (Department). This legislation provides the Department access to any food processor's testing records for the presence of contaminants. The Commissioner of Agriculture is also directed to establish requirements for regular food testing. Processors are to report positive finds of contaminants within one business day of the discovery directly to the state.

The bill gives the commissioner the right to test any food if there are reasonable grounds to suspect contamination. Financial responsibility for the cost of testing lies solely with the food establishment, not the department.



Georgia is the number one peanut producer in the nation. In 2008, peanut production in Georgia was 2.3 billion pounds, compared to the previous year's 1.6 billion pounds according to the USDA National Agriculture Statistics Service. Georgia produces 45 percent of the United States' peanuts. Georgia has 14,160 farms with peanuts and over 4,800 active farms. Georgia has approximately 250 peanut related businesses. The peanut industry contributes more than 50,000 jobs in Georgia. □

Higher Education Initiatives Pass Committee

By Hayley Howell

ATLANTA (Feb. 11, 2009)—Sen. Seth Harp (R- Midland) began Wednesday's Higher Education Committee meeting by tabling Senate Resolution 84 which urges the Board of Regents of the University System of Georgia to merge Savannah State University with Armstrong Atlantic State University and Albany State University with Darton College. Harp declared the resolution would more than likely come up again in the next Legislative Session.

The resolution was tabled in order to research and discuss with the colleges to find the most appropriate solution for the merger. Sen. Emanuel Jones (D- Decatur) proposed Senate Resolution 140 which creates the Senate Study Committee on Consolidation of Institutions of Higher Education. The study committee

will consist of three Senate members and four members of the public appointed by the President of the Senate. One of these members must be a member of the Georgia Legislative Black Caucus' committee on education. The Chairman of the Senate Committee on Higher Education is to serve as chairperson of the study committee. The resolution passed unanimously among the committee.

Lastly, Harp proposed House Bill 157 on behalf of Rep.

Ben Harbin (R- Evans) which extends certain benefits of the HOPE scholarship should we reach economic shortfalls. Current law provides for certain HOPE scholarship benefits to be reduced or eliminated if one fiscal year-end balance of the Lottery for Education Account is lower than the prior fiscal year. Under this bill, such reductions



or eliminations could only occur in the following circumstances:

- If a year-end balance is less than 92 percent of the highest year-end balance since Fiscal Year 2004 ("highest year-end balance"), then book allowances must be reduced to no more than \$150 per year.
- If the year-end balance of any subsequent fiscal year is less than 84 percent of the highest year-end balance, then book allowances must be eliminated.
- If the year-end balance of any further subsequent fiscal year is less than 75 percent of the highest year-end balance, then scholarships or grants for mandatory fees must be eliminated.

The bill passed with a unanimous vote from the committee.

□

Transportation Committee Passes MARTA Bill

By Raegan Weber

ATLANTA (Feb. 12, 2009) – Yesterday the Senate Transportation Committee unanimously passed Sen. Doug Stoner's (D-Smyrna) MARTA use of Tax Proceeds bill. Senate Bill 120 allows MARTA to utilize its capital funds to offset the operation and maintenance deficit.

In late 2008, MARTA General

Manager and CEO Dr. Beverly Scott appealed to the state to roll back a requirement that sales tax revenues be split 50-50 between operations and capital costs. The transit agency has a large capital account it could tap into to help manage the downturn.

MARTA's Fiscal Year 2009 deficit is approximately \$67 million. Projections for FY 2010 show a possible \$94 million deficit. Since MARTA is not investing in new trains or other new



equipment, these funds could be used to offset the deficits in maintenance with the passage SB 120. The bill now goes to the Senate Rules Committee for consideration on the Senate Floor.

□

Legislative Process Dates

Important Dates in the Legislative Process

Introduction - Last day to file and/or 1st Read in Senate.

30th day - last day to introduce General Senate bills and resolutions (even year). [Rule 3-1.2 (b)]

30th day - last day to accept General House bills and resolutions. [Rule 3-1.2 (b)]

39th day - last day to introduce General Senate bills and resolutions (odd year). [Rule 3-1.2 (b)]

**Note: Senate bills and resolutions must be filed with the Secretary before 4:00 p.m. to be 1st read on the next legislative day.*

Deadlines for passage in current year

Committee Report Deadlines - Last day to read report. Report submitted to Secretary by convening.

28th day - General Senate bills and resolutions.

38th day - Local Senate bills and resolutions.

38th day - General House bills and resolutions.

40th day - Local House bills and resolutions.

Calendar Management

Calendar in numerical order after 2nd reading of legislation; days 1-5. [Rule 4-2.10 (a)]

Rules Committee sets the calendar for days 6 - 40. [Rule 4-2.10 (b)]

General Senate Bills and Resolutions

26th day - File with Secretary of the Senate. [Rule 3-1.2 (a)]

27th day - 1st Reading and referral to committee. [Rule 3-1.2 (b)]

28th day - Committee report read upon convening. (A recommitted bill already 2nd read - report day 29.)

29th day - 2nd Reading. [Rule 4-2.6]

30th day - Passage [Rule 4-2.10 (a)] and immediate transmittal to House. [Rule 4-2.14]

Local Senate Bills and Resolutions

35th day - File with Secretary of the Senate. [3-1.2 (a)]

36th day - 1st Reading and referral to committee. (Cannot pass for 2 days.) [Rule 4-2.4 (c)]

38th day - Favorable report by committee, passage and immediate transmittal to the House. [Rule 4-2.14]

39th day - 2nd Reading in House.

40th day - Favorable report and passage in House.

General House Bills and Resolutions

30th day - Transmitted from House and received by Secretary.

31st day - 1st Reading and referral to committee. [Rule 3-1.2 (b)]

38th day - Favorable report upon convening and 2nd reading. (Applies to days 36 - 38) [Rule 4-2.6]

39th day - Passage. [Rule 4-2.10 (a)]

40th day - Passage of bills or resolutions tabled day 39; removed from the table on day 40. [Rule 4-2.10 (a)]

Local House Bills and Resolutions

39th day - 1st Reading and referral to committee.

40th day - Favorable report by committee and passage.

** Note: On the 30th day and on the last three days of session, bills and resolutions needing action from the House are automatically immediately transmitted. [Rule 4-2.14]*