

# Weekly Report

Week of March 29-April 2: Day 31-33

## In the Chamber...

The Senate worked diligently to pass the Hospital Processing Fee Bill (House Bill 307), which levies a 1.45 percent fee on hospital's net patient revenues. The fee will be used to fill Georgia's overwhelming Medicaid budget gap for the next three years. The measure is a key piece to balancing the Fiscal Year 2011 budget.

Senate sponsor President Pro Tempore Tommie Williams (R-Lyons) warned that if the bill was not passed, the governor would be forced to cut provider rates. Williams also presented an amendment that passed to allow the fee to count as a credit toward hospitals' payment to the Indigent Care Trust Fund, which provides Medicaid services to low income patients and supports rural health care providers. Sen. Greg Goggans (R-Douglas) noted that this bill is similar to one that created a fee for nursing homes, which he says has had successful results. Supporters of the bill also said the legislation would greatly improve the state of Grady Hospital. Sen. Dan Weber (R-Dunwoody) declared that a yes vote for the bill would help Fulton and DeKalb counties fund Grady, and that the bill was overwhelmingly supported by both Republicans and Democrats in the House.

Senate Majority Leader Chip Rogers (R-Woodstock) added an amendment to lower the cost of health insurance by eliminating the state premium tax. Unlike the provider fee that cuts off after three years, the elimination of the premium tax on Georgia insurance policies would become a permanent policy. Sen. Steve Henson (D-Tucker) countered that eliminating the premium tax is an extremely important issue that should be studied more thoroughly as a stand-alone bill, rather than tacking it on to this piece of legislation. He also felt that the fee is not in the best interest of Grady and additional revenues could be obtained from other sources. The amendment eventually passed with a 35 to 11 vote.

Senate Minority Leader Robert Brown (D-Macon) called the bill a "sick tax" that is being forced on hospitals and their patients. He said Democratic lawmakers were not part of the bill's planning process and would not be responsible for the fee. Sen. Vincent Fort (D-Atlanta) has Grady hospital in his district and said the General Assembly should create legislation that will assist the facility, and the tax would only put the hospital into a larger financial hole. He stated some of the General Assembly members are being contradictory because many of the bill supporters have produced some of the cuts Grady has seen in the recent past. Sen. Steve Thompson (D-Marietta) said the state should make hospital and the sick a priority and look to other agencies to meet budget needs.

After further debate, the bill passed with a 31 to 15 vote.

The Senate also passed the Jobs, Opportunity, and Business Success Act of 2010 (JOBS Act of

2010) by a 33 to 13 vote, which is designed to stimulate the state's economy by providing tax credits, cuts and incentives to create, expand and attract new businesses in Georgia. The bill provides tax cuts to businesses that hire unemployed workers, reduces the capital gains tax rate and extends sales tax exemptions for hospitals and job training organizations. Rogers worked with the bill's House sponsor, former Rep. Tom Graves (R-Ranger), to create legislation that gets Georgia on the road to economic recovery. The Senate Finance Committee added an amendment that contained language from the Hospital Processing Fee Bill, which was ultimately voted down.

Sen. Jack Murphy (R-Cumming) asked the Senate to amend legislation limiting drivers' license examinations to be offered only in English. SB 67 passed the Senate and House last year, and Murphy sought to reverse some of the changes the House made to the bill, which will require any driver's license examination given to a permanent Georgia resident to be written in English only. Sen. George Hooks (D-Americus) was concerned about the effect this legislation may have on seasonal workers as agriculture is such a large part of Georgia's industry. Murphy explained that no seasonal workers will be under the mandates of this legislation.

Sen. Nan Orrock (D-Atlanta) explained that she is against supporting her the measure because it may have a negative affect on Georgia's economic development. Murphy countered stating that, as English speakers, we could not go to France or Mexico and take a driver's license examination in our native language; we must take it in French or Spanish. Public safety is also his concern as all of our road signs and hazard signs are written in English. The Senate agreed to amend the measure with a vote of 39-11.

The Senate voted in favor of giving school boards more flexibility in class size, furlough days and expenditure controls. HB 908, sponsored by Weber, allows local school boards to waive expenditure controls for direct instructional costs over the next three years. The bill also allows local boards to waive the maximum class size as long as the system average does not exceed the mandated class size.

Goggans urged the Senate to support HB 1106, which requires animal shelters to scan animals for microchips within 24 hours. If a shelter finds that the animal has a microchip, they will be responsible for contacting the pet's owner. The Senate gave the legislation unanimous passage.

A strong message was sent to the federal government when the Senate passed Sen. Chip Pearson's (R-Dawsonville) resolution explaining any Cap and Trade legislation would be extremely detrimental to Georgians, potentially costing families \$6,800 by 2035. Senate Resolution 801 says that the alleged environmentally friendly legislation fails to consider that a large portion of carbon emissions resulting in global warming are produced from cropland and forest conversion, rather than by the production of energy such as natural gas, coal and oil.

A bill to extend the current capital outlay formula for the Quality Basic Education Act, HB 905, was sponsored by Sen. Dan Weber (R-Dunwoody). It is an effort to grant schools more flexibility as they face tremendous budget challenges. The bill received unanimous passage from the Senate.

The Interior Designer Bill, carried by Sen. Chip Rogers (R-Woodstock), passed unanimously out of the Senate. Senate Bill 231 is the result of a multi-year discussion to clearly define that an interior designer is able to draw and consult on drawings for construction permits for areas of a building that has been previously designed by an architect. However, they cannot change load bearing or mechanical construction. Interior designers will also not be able to change a building's outside shell without the approval of an architect. The bill preserves the practice of architecture while allowing interior designers to continue to practice trade.

A measure that will aid war veterans and disabled persons cleared the Senate Floor by a unanimous vote. HB 128, carried in the Senate by Sen. Ralph Hudgens (R-Hull), establishes a 10-year validation period for any disabled war veteran or blind person's eligibility certificates who operate a business or have a profession or semi-profession involving sales. They are currently exempt from any occupation taxes, administrative fees, or regulatory fees for any income they earn, and current Georgia law requires the exemption certificates to be renewed annually. The measure now heads to the governor's desk for his signature before going into law.

Sen. Don Thomas (R-Dalton) presented HB 194, noting that this bill would require every pharmacist in Georgia who substitutes a generic drug for a brand name drug to display the names of both drugs on the prescription label along with an explanation indicating that a substitution has occurred. Exemptions for this law are provided if the prescribing physician specified that the name of the drug may not appear on the label. This measure also does not apply to medication dispensed for in-patient hospital services or to medications in specialty packages for dosing purposes. The Senate passed HB 194 by a 46 to 0 vote, which would take effect October 1, 2010 if signed into law.

Other legislation that passed includes a bill that requires individuals to meet certain pre-licensure requirements before they can be employed as an armed detective agent. The bill's author, Sen. Johnny Grant (R-Milledgeville), asked the Senate to vote to remove language added by the House that requires \$1,000 surety bonds to be obtained for these individuals. The legislation (Senate Bill 162) passed unanimously. HB 984, which prohibits local governments from levying or collecting income taxes, and HB 916 that requires retired state employees to wait two months before returning to a state position as a contractor also passed.



The Senate welcomes Country Star Jennifer Nettles

Jennifer Nettles of the musical group Sugarland was recognized in the Senate Chamber with a resolution authored by Sen. Greg Goggans (R-Douglas). The resolution honored her contributions to the state as a leader in the music industry and an active participant in the 4-H program. Nettles spoke about the 4-H program with fond regard for the affect it had on her life. She learned to speak in front of a crowd and she took her first airplane ride as a result of her activities within the 4-H program.

## **Committee News**

### **Regulated Industry**

The Senate Regulated Industries and Utilities Committee voted to approve HB 1099 by Rep. Tom Knox (R-Cumming), which will close gas chambers at animal shelters and will require injection to euthanize dogs and cats instead. Representatives from numerous animal control shelters and veterinarian offices testified to the horrors they had experience when using gas chambers to euthanize these animals. Many representatives form animal control agencies in rural Georgia communities and Rep. Gene Maddox (R-Cairo), who is also a veterinarian, strongly opposed the passage of the bill. They testified about the dangers that ethuanization by injection can cause for the administrator if the animal is wild and/or rabid. They concluded that gas chambers were not only a safe way to put down an animal, but that it is also a more humane way for wild and feral animals. The bill passed out of committee unanimously and will be carried by Sen. Renee Unterman (R-Buford) in the Senate.

### **Health and Human Services**

Rep. John Lunsford (R-McDonough) testified during Health and Human Services Committee meeting that teens are getting more creative each year with the drugs they find to abuse, whether it is synthetic marijuana or salvia divinorum. The latter is a common plant often used for landscaping and aesthetic purposes. Kids have found the means to use it as a hallucinogenic and that because it is not regulated, a 12-year-old could walk into a tobacco shop and purchase it.

This is why Lunsford authored HB 1021, which regulates the sale of salvia divinorum. He explained that there is no medical purpose for salvia divinorum. This bill will stop the possession, planting, cultivating or growing of the plant, with the exception of landscaping purposes. HB 1021 also adds salvia divinorum to the list of dangerous drugs. It passed unanimously.

Rep. Jay Neal (R-LaFayette) presented another bill aimed at stopping certain drug abuses, particularly K2 or synthetic marijuana. He said that this drug, similar to salvia divinorum, is totally unregulated but it is addicting and dangerous. Additionally, it is not picked up by drug tests, which makes it even more appealing to teenagers. The bill passed unanimously and will be carried by Sen. Ed Harbison (D-Columbus), who introduced a similar measure in the Senate.

Finally, Rep. Sean Jerguson (R-Atlanta) presented his bill that simply revises and updates definitions relating to the influenza vaccine. The definition of the vaccine will now include the nasal spray version. Aligning with national standards, the bill will also prohibit the vaccine from being administered to those older than 49 years of age. Finally, it requires those receiving the vaccine to sign an informed consent in order to protect patients. The bill passed unanimously and Chairman Don Thomas (R-Dalton) will carry the bill in the Senate.

### Government Oversight

The Government Oversight Committee passed legislation requiring local governments to conduct an annual budget audit at the end of each fiscal year. Rep. Chuck Sims' (R-Ambrose) bill (HB 831) gives local governments 180 days following the end of the fiscal year to conduct the audit unless there are extenuating circumstances outside of the government's control. Sims said there are dozens of local governments in the state that have been out of compliance with audit requirements for years. The legislation also says that if the audit is not conducted, the Department of Revenue (DOR) will withhold funds as a penalty. Sen. Johnny Grant (R-Milledgeville) presented an amendment that would set the penalty amount at 50 percent of the cost of the audit and the DOR will not be allowed to withhold SPLOST funds. The committee unanimously passed the bill as amended.

Local governments will submit a copy of their budgets to the Carl Vision Institute of Government of the University of Georgia thanks to Rep. Edward Lindsey (R-Atlanta). Under HB 122, any local government with an excess of \$1 million in their annual budget will fall under this legislation, which was supported by GEMA and ACCG.

Three bills cleaning up previous legislation also passed unanimously. Rep. Wendell Willard's (R-Sandy Springs) legislation to eliminate requirements to distribute court reports (HB 1236) and the Legislative Counsel's Georgia Laws pamphlets (HB 1279) to specific state agencies were created to reduce spending. Rep. Mark Butler (R-Carrollton) drafted HB 1324 to clarify and correct language in the Health and Humans Services' HB 228, which passed last year.

### Insurance and Labor

Legislation aimed to enhance Georgia's Worker Compensation Program overwhelmingly passed the Senate Insurance and Labor Committee as the Senate begins to evaluate bills and resolutions

from the House of Representatives. Rep. Mike Coan (R-Lawrenceville) presented HB 1101 to committee members, which would add several key improvements to the state Worker's Comp program and the Self-Insurers Guaranty Trust Fund. Coan said the changes stem from recommendations by the Georgia Worker's Compensation Advisory Committee, a statewide panel of doctors, lawyers, pharmacists and administrators seeking solutions to enhance the worker's comp system in Georgia. Coan noted the main elements of the bill include increased openness and transparency in the worker's comp process and increased penalties for noncompliance with state laws. The bill was overwhelmingly passed and now heads to the Senate Rules Committee.

Another House bill that would make significant changes to the state Insurers Insolvency Pool was heard by the committee but ultimately failed to pass after no motion was taken. Rep. Carl Rogers (R-Gainesville) presented HB 1364, which would allow worker's comp benefits that ended to be covered by the state insolvency pool, which protects the insured from liability as a result of their insurer becoming insolvent, retroactively from passage of the bill. Concerns were raised by insurance representatives on the Constitutionality of the bill which led to non-action on the part of the committee.

### Special Judiciary

After a Hustler Magazine writer placed an open records request last month for crime scene photos of the brutally murdered hiker Meredith Emerson, legislators reacted quickly by drafting legislation that puts protections in place for gruesome crime scene photos. HB 1322, authored by Rep. Jill Chambers (R-Dekalb), exempts crime scene photos and video recordings from open records requirements that depict a deceased person in a state of nudity, dismemberment, or decapitation. Chambers noted that protecting the dignity and privacy of victims is of the utmost importance and the impetus for the bill. She also noted that the House gave careful consideration to avoid impeding 1<sup>st</sup> Amendment rights and that the bill is carefully crafted to achieve that goal.

In order to simplify the measure and make the provision easier to find it within the code, Chairman Preston Smith (R-Rome) worked with the author and committee members to place the measure within the open records section of the Georgia Code, rather than under the coroner's statute as it had been originally written. The committee was careful to ensure that 1<sup>st</sup> Amendment rights are still protected and carved out a section of the original language that outlines how lawyers can use such material in trial. The bill passed unanimously.

The committee also passed three other bills, the first of which includes businesses as potential identity fraud victims. Currently under Georgia law, only individuals can prosecute for identity fraud, but HB 1016 makes it possible to prosecute those who commit identity fraud against businesses.

HB 1085 creates new requirements for what must be contained in a family reunification plan, which is created when a child is removed from home under court order. Bill author Rep. Katie Dempsey (R-Rome) noted that this bill simply brings Georgia in line with federal code, and that not passing the measure could jeopardize \$80 million in federal funding. Finally, the committee passed House Resolution 178, a Constitutional Amendment that allows the General Assembly to amend contracts that restrict or regulate competitive activities between parties such as employers

and employees or distributors and manufacturers. The legislature passed enabling legislation last year, and if the resolution receives final passage this year it will go on the November ballot for approval by voters.