

## Significant Legislation from the 2009 Session

### Agriculture



Food safety, agritourism and the right to farm dominated the 2009 Session for the Agriculture and Consumer Affairs Committee. As Session began, an unexpected and tragic food safety crisis resulting from an unscrupulous peanut processor in South Georgia occurred, which resulted in the passage of Senate Bill 80. Senate Bill 80 requires food processing facilities to report suspicions of contaminated food, food testing and retention of testing results to the Department of Agriculture (Department). This legislation provides the Department

free access to any food processor's testing records for the presence of contaminants.

The measure strengthens requirements for reporting contaminated products or the suspicions of contaminated products, requiring that a food processor report testing results by the next business day to the Department. This will ensure that any testing or suspicions are reported directly to the state. The bill gives the commissioner the right to test any food if there are reasonable grounds to suspect contamination. Although this legislation cannot absolutely prevent people with malicious intent and wanton disregard for the safety of consumers from causing harm, it is ground breaking legislation that has received national attention and similar legislation may be enacted in other states.

House Bill 529 prohibits ordinances relating to crop management or animal husbandry practices involved in the production of agricultural or farm products on private property. Although no such actions by

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### Banking

The foreclosure crisis overshadowed the work of the Banking and Financial Affairs Committee during the 2009 Session. Significant passed legislation includes Senate Bill 141, which requires the timely filing of foreclosure deeds. All deeds under the power of sale must be recorded with the respective county's clerk of superior court within 90 days. SB 141 will assist homeowners' associations, public safety officers and code enforcement officials with contacting a property owner when action needs to be taken to correct problems with derelict properties. Too often over the past couple of years, government officials and concerned citizens have not been able to find the actual owner of foreclosed property as the owners and servicers of loans have changed hands multiple times.

Another piece of legislation resulting from the foreclosure crisis, House Bill 312, incorporates provisions of the federal Secure and Fair Enforcement Mortgage Licensing Act. HB

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local government authorities have occurred in Georgia, in some instances responsible farmers in other states have encountered bizarre rules outlawing commonly accepted animal husbandry and crop management practices. Several other states have enacted similar right to farm legislation, which has been well received by the agriculture community. House Bill 529 also encompasses language from Senate Bill 75, providing limited liability for landowners who allow people to come onto their land for the purpose of hunting, fishing or agritourism, provided that there is a warning sign posted and the guests sign a waiver. A landowner engaging in agritourism activities on his property and who posts a notice containing specific disclaimer language will not be liable for any injuries caused by the inherent risk associated with agritourism, hunting, or fishing activity unless their actions constitute gross negligence or willful and wanton misconduct.

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312 received industry-wide support and seeks to eliminate bad actors by requiring individuals desiring to engage in the business of originating mortgage loans to register using relevant educational requirements and a unique numerical identifier. The identifying number must be displayed on all loan application forms, solicitations, advertisements, etc. Also, it clarifies that any education provider that offers mortgage industry related courses designed to satisfy education requirements must be approved by the Department of Banking. Most importantly, HB 312 authorizes the Department of Banking to conduct investigations and examinations of mortgage loan originators.

Senate Bill 57, which died in the House during the last week of Session, also received much attention in Committee. It would have defined the mortgage broker's duties as the representative of the borrower, defined subprime loans, placed limitations on subprime loans and prevented prepayment penalties for subprime loans. This legislation was strongly opposed by the banking industry.

## Education

The 2009 Legislative Session proved to be a busy year for the Senate Education and Youth Committee. Among the wide range of topics the committee considered were school choice, dual enrollment, school board ethics, and additional compensation for math and science teachers. Overall, 12 bills that were reported out of committee passed the General Assembly.

One of those bills, Senate Bill 14, which prohibits sex offenders from serving on a local school board. Senate Bill 114 also passed and will help military families who move to Georgia by waiving certain school requirements to allow a student to more easily enroll in a local school. Senate Bill 210 was passed so that home schooled students could be included in the Governor's Honors Program. House Bill 149, the "Move on When Ready Act," allows 11<sup>th</sup> and 12<sup>th</sup> graders to take high

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school classes at an eligible postsecondary school for high school course credit in order to meet their graduation needs.

Due to the passage of House Bill 251, parents will have the option of choosing to send their children to a school other than their assigned school within their local school district, if that school has the available space, until the student graduates. The bill also establishes a rule that will prohibit a person from serving on a local school board if there is an immediate family member serving on the board as a superintendent, principal or assistant principal, or administrative staff member in the system. The same provision applies to a person who wants to serve as a county superintendent.



New middle and high school math and science teachers can look forward to higher pay with the passing of House Bill 280. A teacher who becomes certified by the Professional Standards Commission in math or science will automatically be granted six years of creditable teacher service (unless they are already on or above the salary step) and be placed on the salary schedule accordingly. Teachers who receive the same endorsements for kindergarten or elementary math or science will receive a \$1000 stipend each year for five years. The purpose of the legislation was to encourage college students to teach math or science to fill Georgia's growing need for educators in these fields.

## Ethics



In the wake of ethics scandals that received prominent coverage in the national and local media, the Senate considered a variety of measures aimed at increasing transparency and accountability in government. Senate Bill 70, introduced by Senator George Hooks and inspired by recent "pay to play" legislation in Illinois, would have required state contractors

to specially disclose campaign contributions to candidates for public offices having supervisory authority over their contracts. Although the Senate unanimously passed SB 70, it failed to pass in the House.

Meanwhile, revelations that several members of the General Assembly were delinquent in filing state income tax returns had legislators scrambling to find a way to increase accountability in such matters. Ultimately, a solution was attached to Senate Bill 168 that provides a process by which the state revenue commissioner can report the names of General Assembly members who fail to file income tax returns to the standing Ethics Committee of the member's respective chamber. The final version of SB 168 also includes a provision requiring the special disclosure of campaign contributions from employees and officers of regulated entities.

## Finance

The Finance Committee passed significant legislation aimed at helping Georgia families and businesses during tough economic conditions. Georgians will enjoy an income tax credit on the purchase of homes and condos; businesses will endure less tax burden on maintaining existing inventory, and homeowners will have an alternative route to appeal their real property valuation appraisals. Georgia became one of a few states to place direct incentives to purchase homes and condos with the authorization of an income tax credit if the owner-occupied dwelling is purchased between June 1, 2009, and December 31, 2009. The credit is worth

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\$1,800, or 1.2 percent of the purchase price—divided over three years—whichever is less. Georgia voters will be asked in November 2010 whether to exempt business inventory from state ad valorem taxation; this exemption was hailed during the committee process, and places Georgia in the top tier of business-friendly states. Georgia homeowners will now have the option of appealing their homestead valuation directly into arbitration rather than being required to exhaust the existing county appeals process. The selected arbitrator will choose the appraisal closest to the fair market value of the parcel in question and then determine a final valuation, thus providing options and efficiency for an aggrieved homeowner.



The Jobs, Opportunity, and Business Success (JOBS) Act, HB 481, sought to ease administrative burdens to conduct business in Georgia, provide tax credits for hiring unemployed Georgia workers, and dramatically reduce the capital gains tax and corporate tax liability by 2011. The vetoed legislation would have suspended Secretary of State filing fees for new businesses, including limited liability companies and partnerships, in order to encourage entrepreneurship and growth. Additionally, the Georgia Works Tax Credit would have authorized quarterly credits for amounts between \$25 and \$125 per unemployed individual hired by that employer. Employment must have continued for at least 30 hours per week and for 24 consecutive months for the credit to be fully realized. Finally, the JOBS Act would have halved any capital gains tax liability by 2011; the rate reduction applied to both individuals and corporations.

## Government Oversight



Georgia Department  
of Human Services

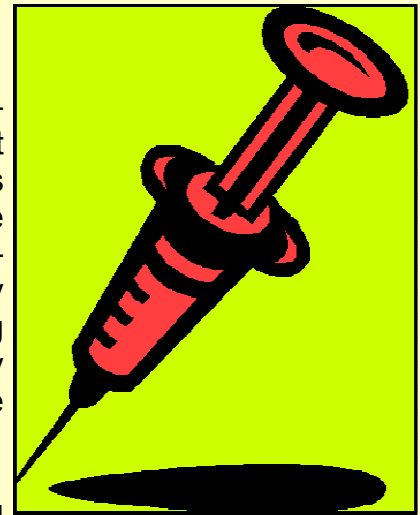
Health and human services in Georgia received an extensive makeover this year with the passage of House Bill 228. Signed into law by the Governor earlier this month, this legislation dismantles the Department of Human Resources (DHR) and assigns its functions to the Department of Community Health (DCH) and to two new departments, the Department of Human Services and the Department of Behavioral Health and Developmental Disabilities. Under this new scheme, DCH will continue to perform its current functions but will also take over the functions of DHR's Division of Public Health and the Office of Regulatory Services. The Department of Behavioral Health and Developmental Disabilities will assume all powers currently handled by DHR's Division of Mental Health, Developmental Disabilities, and Addictive Diseases. All other functions currently handled by DHR will be undertaken by the Department of Human Services.

The passage of HB 228 comes in response to recommendations by a Governor's Task Force calling for the reorganization of the state's health and human service agencies to most efficiently meet the growing needs of Georgians. After considerable deliberation by House and Senate committees, including debate on the best names for new departments, the General Assembly agreed upon a restructuring plan that closely follows the recommendations of the Governor's Task Force. This new power structure will go into effect on July 1<sup>st</sup> of this year.

## Health and Human Services

### House Bill 217 - Access to Flu Vaccines Act

As our country faces a swine flu epidemic, Governor Perdue recently signed into law House Bill 217 in an effort to restore past practices that allowed pharmacists and nurses to dispense flu shots pursuant to a protocol agreement with a physician. Last fall, the Composite Board of Medical Examiners, in conjunction with the Attorney General, determined that the influenza vaccine is technically considered a “dangerous drug” under Georgia law, thereby requiring an individual prescription from a physician. This ruling effectively outlawed the common practice in which pharmacists could dispense flu shots to patients through protocol agreements with physicians.



House Bill 217 will provide Georgians with easier access to the flu vaccine by allowing a physician to prescribe the vaccine for a group of patients to be administered by a pharmacist or a registered or licensed practical nurse located within the same county. The bill specifies that parental consent will be required for all children under age 18, while children under age 13 will be required to have an individual prescription.

Additionally, the bill also broadens the Governor’s emergency powers during flu outbreaks. The Governor now has the power to declare a state of emergency if the World Health Organization has declared at least a Phase 5 Pandemic Alert for influenza or if the CDC declares at least a Category 2 Pandemic Severity Index for influenza in the U.S. and/or Georgia. Finally, the bill specifies that hospitals have the authority to administer the vaccine to a group of patients and to offer any vaccination, test, or prophylactic measure to its health care workers, as required or recommended by the CDC.

### Senate Bill 169 - Ethical Treatment of Embryos Act

Inspired by the “Octomom” story, this controversial bill was introduced into the Health and Human Services Committee in an effort to limit the number of embryos that could be implanted into a woman during the in-vitro fertilization process. Senate Bill 169 originally sought to limit the practice of implanting more embryos than is medically recommended by restricting the number of embryos a physician could implant to two for women under 40 years old and three for women over age 40. The legislation also contained language specifying that a living in-vitro embryo is a human being and not the property of any person or entity and not to be used for scientific research.

After hours of heated debate and testimony from fertility specialists, the scientific community, church leaders, and parents of children conceived through the in-vitro process, the Committee revised the legislation by removing the restrictions on the number of embryos that could be implanted and voted 7-6 to pass the bill with only the language affording personhood to embryos and criminalizing the creation of embryos for research purposes.

Amidst strong public opposition concerning the legal and ethical implications of defining personhood at conception, the bill was again amended and passed the Senate with a 34-22 vote containing only the language that would criminalize the creation of embryos for scientific research. The bill specified that the purpose of creating in-vitro human embryos would be “solely for initiating a human pregnancy or for cryopreservation for such treatment in the future.” As it passed the Senate, this legislation would have restricted all new embryonic stem cell research in Georgia, but would have allowed research using existing stem cell lines or lines created outside of the state to continue. Ultimately, the bill was never heard in the House.

## Higher Education

This year, Senators considered some controversial solutions for creating greater efficiency in higher education in Georgia. Senator Seth Harp's Senate Resolution 84 received national attention for calling on the Board of Regents to merge certain historically black institutions with nearby schools. This resolution proposes merging historically black Savannah State University with Armstrong Atlantic State University and merging Albany State University, another historically black university, with Darton College. The primary purpose of this proposal is to save money by eliminating duplicate services. More than this, however, advocates of the mergings say that it would symbolize an end to Georgia's ugly history of segregation. Critics, however, fear that such action will jeopardize the identity and traditions of historically black colleges and universities, which have played a vital role in educating generations of African-Americans. Ultimately, Senators agreed to examine the issue further and created the Senate Study Committee on Consolidation of Institutions of Higher Education.

Another study committee created this year, the Senate Study Committee on the Merger of Georgia Technical and Two-Year Colleges, is to study a recommendation from the Governor's 2008 Tough Choices or Tough Times Working Group to merge the state's technical and two-year colleges. This recommendation aims to create a comprehensive community college system with a single entry point for students and to eliminate duplication of teaching and administrative efforts between the University System of Georgia and the Technical College System of Georgia. However, this recommendation has provoked concern that such a move may muddle the academic mission of two-year colleges.



## Insurance & Labor



As the current recession continues to drain state resources and cause many unemployed individuals to lose their employer-sponsored health insurance as well as their unemployment benefits, Congress and the General Assembly responded with two pieces of legislation. The first, Senate Bill 94, offers a subsidy toward COBRA benefits to people who have lost their group coverage. COBRA, known as the Consolidated Omnibus Budget Reconciliation Act of 1985, requires most employers with group health plans to offer employees the opportunity to temporarily continue their group health care coverage under their employer's plan if their coverage ceases due to termination, layoff, or other change in employment status. The catch is the former employee is required to pay the entire premium, not just the employee portion. Senate Bill 94 provides a 65 percent federal government subsidy toward COBRA coverage to employees who are *involuntarily terminated* between September 1, 2008 and December 31, 2009, as well as their family members who are eligible for COBRA. The employer must first provide this 65

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percent payment toward the COBRA premium and then be reimbursed by the government.

House Bill 581 also utilizes federal stimulus funding, but this time to extend unemployment to individuals unemployed for extended periods of time. Moreover, benefits will be extended to individuals seeking part-time employment as well as individuals obtaining Department of Labor-approved job training. The legislation also provides a significant tax break for employers in the form of the continued suspension of the statewide reserve ratio surcharge.

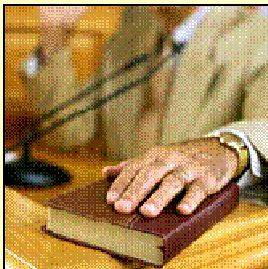
## Natural Resources

Many states are taking an increasingly active role in promoting the identification, cleanup, and redevelopment of contaminated sites. Georgia took such a role this Session by creating the Georgia Voluntary Remediation Program (VRP), a voluntary, cost-effective program for the clean-up of hazardous waste sites. In order to enroll any qualifying property in the program, an applicant must submit to the Director of the Environmental Protection Division a voluntary remediation plan (plan) prepared by a registered professional engineer or geologist, along with a fee of \$5,000. Cleanup will only be required where there will be an actual exposure to soil or groundwater contamination levels that would create an unacceptable risk to human health or the environment. The VRP is intended to make cleanups timelier and flexible using risk-based correction action principles.

As the demand for energy grows and oil prices rise, there is a greater need for an increase in domestic energy production and

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## Judiciary



Capital punishment is a hotly contested issue throughout the country, and here in Georgia the death penalty statute contains an odd quirk that does not allow prosecuting attorneys to seek a sentence of life imprisonment without parole for a defendant unless they first seek the death penalty. As the ultimate punishment, the death penalty carries significant constitutional protections that are costly and time-consuming to the state. Senate Bill 13 remedies this issue by ensuring that those accused of violent felonies may be sentenced to life without parole even if prosecutors choose not to seek the death penalty. The bill passed this year after its predecessor, Senate Bill 145, failed to gain sufficient support in the House of Representatives in 2007 and 2008, despite having the enthusiastic support of the state's district attorneys. Governor Perdue signed Senate Bill 13 into law on April 29, and the new law will apply to all offenses committed on or since that date. However, a defendant who committed his or her crime prior to April 29 may elect to be sentenced under the new provisions.

It is also important to remember that many bills did not pass in 2009. Notably, Senate Bill 42 failed to make it through the House of Representatives after passing the Senate by a 32-21 vote. This bill arose out of the frustrations of several key Senate Judiciary Committee members with the Georgia Public Defender Standards Council, namely the Council's growing lack of cooperation with the General Assembly. Despite increases to its budget every fiscal year, the Council continually returned to the legislature with demands for more funding in order to maintain a constitutionally adequate indigent defense system, and a steadfast refusal to face the realities of a state in its own budget crisis. Senate Bill 42 would have reduced the Council from an independent agency with control over how indigent defense is handled, to a mere advisory body with significantly less authority. Although Senate Bill 42 failed to pass in the House, the fact that a majority of Senators voted for the measure is a possible indication of future sweeping changes to the public defender system in Georgia.

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alternative sources of energy. Our state currently imports all of its fossil fuel resources; however, there has been much speculation about possible energy sources in northwest Georgia, as well as off the coast of Savannah. Many people do not realize that current Georgia law provides for the payment of \$250,000 to the first person who brings the first commercial oil well into the state that produces at least 100 barrels of oil per day. Senate Resolution 12, which failed to pass this Session, proposed a Constitutional Amendment authorizing the General Assembly to provide a reward to the first person who brings a commercial oil well and/or natural gas well on land and/or off-shore, as well as to the first person who develops a method or system for energy conservation and production utilizing sources other than fossil fuels. This would have allowed for a greater incentive for energy exploration in our state, thereby reducing our dependence on foreign oil.



## Public Safety



Despite several pieces of legislation that have been enacted since 2005, Georgia is still struggling to address the illegal immigration issue. According to the Federation of Immigration Reform, the illegal population in Georgia is estimated to be around 440,000. Previous legislation has made it more difficult for employers to rely on the cheap labor afforded by illegal immigration. In addition, the same legislation requires individuals to prove their legal status before they may qualify and receive public benefits. However, local governments have been slow to implement many state provisions. The primary issue has been that the General Assembly failed to

include penalties that would force county and municipal governments to enforce state and federal immigration laws. The General Assembly introduced and enacted Senate Bill 20 and House Bill 2 in an effort to force local jurisdictions to comply with federal and state law.

Senate Bill 20 prohibits local governments from enacting, adopting, implementing, or enforcing any “sanctuary policy” that prevents local officials or employees from reporting a person’s immigration status. Local governments that violate this legislation will be subject to the withholding of state funding or state administered federal funding.

House Bill 2 has been referred to as “the bill that directs the state, to direct local governments, to comply with federal immigration law.” Essentially, the legislation updates and clarifies many existing provisions in Georgia law related to verifying the legal immigration status of incarcerated individuals or individuals seeking public benefits. In the case of noncompliance by a state agency or local government, the Senate and House Appropriations Committees may consider any noncompliance in setting the budget and appropriations.



## Regulated Industries

The Regulated Industries Committee considered many issues ranging from nuclear construction financing, architecture qualifications, clean energy grants and credits, the organization of the Public Service Commission, and prescription monitoring requirements. The committee endorsed distance requirements for new crematoriums so that they cannot operate within 1000 feet of existing platted subdivisions. That same legislation also statutorily set forth the process that funeral homes must follow when the deceased was involved in a domestic dispute or if the local probate court retains jurisdiction. An existing pre-need contract will always govern unless it is delinquent; where no pre-need contract exists, the right to control the disposition of the decedent will vest according to the aforementioned statutory process.

Initiatives that did not make it to the Governor's desk include legislation that would have authorized electronic record-keeping required by the Georgia Department of Revenue for manufacturers, importers, and dealers of alcoholic beverages; moreover, new or relocated retail package stores would have been prohibited from receiving a state license if that business was within 500 yards of other package stores. Also failing to pass was a requirement that new multi-unit residential structures (condos or apartments) be equipped to measure water usage by each tenant or unit, and that the owner of these buildings charge tenants separately for their water usage. The requirement that telecommunications companies financially support the Universal Access Fund for the benefit of local exchange carriers failed as well. The Georgia Occupational Regulation Review Law would have required review of existing regulatory entities at least once every 7 years; moreover, new regulatory entities or legislation affecting review of an entity must have also considered whether there were means other than regulation to protect applicable interests in Georgia.



## Retirement

The Senate Retirement Committee focused on policies to provide stabilization and growth to the state retirement funds, while ensuring legislation complies with federal retirement laws and the Internal Revenue Code. Of the 10 non-fiscal bills enacted into law, the most significant legislation included House Bill 371 and House Bill 476. During the 2009 Session, only non-fiscal retirement bills were eligible for passage due to statutory requirements. Five fiscal bills will receive actuarial studies this summer, four House Bills and one Senate Bill.

HB 371, which received bipartisan support, modernizes investment guidelines for the state retirement system to maximize the potential return on investments in a global market. It revises the definition of "large retirement system." The definition would be expanded to include any public retirement system that has assets in excess of \$200 million. Large retirement systems will no longer be prohibited from investing more than 15 percent of their assets in foreign corporations. However, they would be subject to the following investing limitations: prior to July 1, 2010, a fund may invest no more than 65 percent of retirement system assets in equities; on and after July 1, 2010, a fund may invest no more than 70 percent of retirement system assets in equities; and on and after July 1, 2011, a fund may invest no more than 75 percent of retirement system as-

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sets in equities.

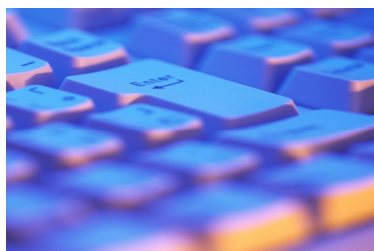
House Bill 476, which encompassed language from House Bill 191 and House Bill 465, is sizeable legislation addressing the spiking of pay by employers just prior to retirement as well as benefits under the Peace Officers' Annuity Benefit Fund. HB 476 places requirements on employers who grant salary increases in excess of 5 percent during the 12 months prior to an employee's retirement. Under the provisions of this bill, the employer would be responsible for paying the full actuarial cost of retirement benefits that are due to an employee as a result of the employee receiving such a salary increase for all persons who become members prior to July 1, 2009. The retirement benefits of persons who become members after July 1, 2009 will not include the computation of a retirement benefit and shall not include a compensation increase in the last 12 months of employment that exceeds 5 percent.



This bill amends provisions relating to certain law enforcement personnel that are covered under the Employees' Retirement System. Specifically, this bill would authorize the Board of Trustees to increase the normal and accrued liability employer contribution rates for the Georgia Bureau of Investigation, Department of Corrections, and the State Board of Pardons and Paroles to an amount that is actuarially sufficient to fund the employer's cost of the benefits provided for the law enforcement personnel of these departments. Current law already authorizes the Board of Trustees to adjust the rate for the Department of Public Safety, Department of Natural Resources, and the Department of Revenue. Finally, this bill removes a provision in current law that allows a person to continue to receive retirement benefits if they return to work as a peace officer. However, this will only apply to persons who become members of the peace officers annuity and benefit fund after July 1, 2009.

## Science and Technology

The Science and Technology Committee passed House Bill 436, which requires the Georgia Technology Authority to publish a report that details the state's current and planned technological expenditures based on agency requests and needs. The report will include a prioritization of information technology initiatives and a prioritized funding schedule for all major projects and initiatives, along with cost estimates of the fiscal impact of the initiatives. This report will go to the Governor, the General Assembly, and the Board of Directors of the Georgia Technology Authority.



## Special Judiciary

The Senate Special Judiciary Committee heard a wide variety of bills this session under new chairman Senator John Wiles of Cobb County. Senate Bill 207 was a fairly controversial piece of legislation that passed in committee, and later signed by Governor Perdue, following spirited testimony and debate. The new law will require certain juvenile court proceedings to be open to the public, such as child support hearings, foster care hearings and other deprivation proceed-

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ings, and even juvenile delinquency trials in limited circumstances. More than twenty states have enacted similar laws in order to bring accountability to juvenile court systems that too often use closed-door policies, based in theory on protecting minors, to hide deficiencies and injustices from the media.

In an effort to bring more transparency to the legislative process, Senator Ed Tarver introduced Senate Bill 7 this year. The bill, which passed the Senate by a wide margin but failed to come to a vote on the House floor, would have given committee chairpersons the ability to require any witness testifying before the committee to take an oath of truthfulness. A witness who made a false statement concerning a material fact could then be charged with the crime of false swearing, if the false statement is in response to a specific question posed by a committee member, or is a statement that a committee member might have relied on in determining how to vote on a bill. Several other states have made false swearing before the legislature a crime, including Florida, Mississippi and New Jersey.



## State Institutions and Property

This session, the Senate Committee on State Institutions and Property heard many issues concerning the State's correctional facilities, prisons, and State-owned land. Senate Bill 24 created the Sentencing Options System, allowing the Department of Corrections to impose a wider range of penalties on inmates who violate the terms of their incarceration or probation. Senate Bill 64 imposes mandatory HIV testing for inmates before they are released which should decrease the likelihood that these persons will unknowingly pass the disease on after they are released. Also, Senate Bill 193 allows certain inmates to be moved to a transition or work release center during their final year of incarceration, hopefully helping these inmates make a successful transition back into society.



## Urban Affairs

The Senate Committee on Urban Affairs heard legislation that will allow public transit authorities, including MARTA, to sell food and beverages inside transit stations. Prior to the passage of Senate Bill 89, the possession and consumption of food or beverages was statutorily prohibited. Removing this prohibition will allow MARTA to generate some much needed revenue.



## Transportation

On May 12<sup>th</sup>, Governor Perdue signed Senate Bill 200, the Transforming Transportation Investment Act, into law. However, the bill is vastly different from what was originally envisioned by Governor Perdue, Lt. Governor Cagle, and Speaker Richardson. The state leaders had first called for the creation of a State Transportation Authority and Agency, merging the powers and duties of the State Regional Transportation Authority and the Georgia Regional Transportation Authority into the new Authority, and stripping the Department of Transportation (DOT) Board of its powers. What finally emerged on the last day of Session was a bill creating a new Planning Division within DOT that will be responsible for developing a four-year State-wide Strategic Transportation Plan and a State-wide Transportation Improvement Program, to be approved by the Governor and the DOT Board. However, the Director of the Division will be appointed by the Governor and approved by the House Transportation Committee. The Division will also be creating formulas for the allocation of funds to three separate programs focused on maintaining our state's transportation system, improving the system, and providing much needed money to local areas for maintenance and improvement of their transportation systems.

Much to the surprise and disappointment of the business industry in Georgia, the General Assembly was unable to pass a transportation funding bill for the second year in a row. The Senate and House could not agree on an approach to implement the 1 percent sales tax - the proposal in the House favored more state control by proposing a statewide tax while the Senate's proposal allowed for more regional control by enabling regions to establish a tax, or T-SPLOST, for transportation needs. The ballot question was not scheduled to go to the voters until 2010, leaving legislators one last Session to break the transportation funding gridlock.



## State and Local Governmental Operations

The Senate Committee on State and Local Governmental Operations heard and passed some relatively large scale bills this session. However, the Governor vetoed every piece of general legislation that passed out of this committee. Senate Bill 211 exempted office supplies and other small, routine purchases by state agencies from the requirement of being approved by the Department of Administrative Services. Governor Perdue felt that this bill would ultimately cost the state more money and that such a decision was not prudent in the current budget climate. House Bill 533 would have created an authority to manage the purchase by local governments of large equipment and vehicles through low interest financing. Governor Perdue decided that options similar or superior to those to be provided by the new authority currently exist and vetoed this legislation.