

THE 1999 SESSION HIGHLIGHTS

This document provides a brief summary of selected legislation enacted by the 1999 Georgia General Assembly. These summaries provide a general overview of legislation, so all provisions of a particular bill may not be included. This document is accessible on the Senate Research Office Internet Homepage at:

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Prepared by the Senate Research Office May 21, 1999

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HOUSE BILL 144 FY 2000 GENERAL APPROPRIATIONS ACT HOUSE BILL 143 AMENDED '99 GENERAL APPROPRIATIONS ACT

The Fiscal Year 2000 budget totals over \$13.2 billion dollars, which includes \$543 million in lottery funds. The General Assembly began their work on January 13, 1999 and a conference committee report was adopted on the 39th day. The Amended Budget for the 1999 Fiscal Year (AFY) made available \$718.6 million in surplus and lapsed funds to the General Assembly. Highlights of the bills are as follows:

Education, Pre-kindergarten through Grade 12 Nearly 40 percent of the entire Fiscal Year 2000 budget, \$5.2 billion, was directed to the Department of Education for the administration and instruction of children in grades Pre-K through 12. This figure represents the greatest proportion of appropriated dollars and includes:

^{* \$224.6} million to fund the Voluntary Pre-K program (Lottery);

^{*\$143.5} million to increase teacher salaries by 4 percent;

- *\$6.1 million to implement teacher retirement sick leave pursuant to HB 203 (from the 1998 Session) and \$960,000 to increase the multiplier for public school employee retirement benefits;
- *\$135 million increase in full-time student counts for QBE funding to local systems;
- *\$86.5 million for the midterm adjustment grants to local systems based on full-time student enrollment (AFY '99);
- *\$59.4 million in funds for construction projects in fast-growing systems and \$11.7 million for construction projects in low-wealth systems (AFY '99/Lottery) and \$57.6 million for State Board of Education facility projects (AFY '99/Bonds);
- *\$11.3 million for Alternative School programs with \$500,000 for new programs;
- *\$4.6 million in additional funds for the Reading First Initiative in elementary schools;
- *\$4 million increase in Reading Challenge after-school programs for middle grades;
- *\$8.2 million in increases to Special Instructional Assistance, Middle School Incentive Grants, In-School Suspension and Limited English-Speaking Students grants, \$4.3 million increase for Limited English-Speaking program (AFY '99), and \$1.5 million to add four schools qualified for Middle School Incentive Grants (AFY '99);
- * \$32.6 million to fund technology in the classroom at \$23 per full-time student (Lottery);
- * \$7 million for vocational equipment (AFY '99/Bonds), \$2.6 million for vocational equipment in 15 new high schools that opened in 1999 and the conversion of 13 Industrial Arts labs to Education Technology labs (AFY '99), \$3.3 million for equipment in high school Applied Technology labs (AFY '99/Lottery) and \$436,000 for satellite dishes at 109 new schools (Lottery);
- * \$4 million to increase funds for Pupil Transportation grants and \$15,000 to study pupil transportation funding and safety (AFY '99);
- * \$4 million to develop items for the Criterion Referenced Competency Tests (AFY'99); * \$1 million in additional funds to meet the increasing participation in Pay for Performance grants, \$618,000 for additional Pay for Performance awards (AFY '99), and \$200,000 to fund reader/raters of Pay for Performance grant submissions (AFY '99); and
- * \$500,000 to provide distance learning programming in cooperation with Zoo Atlanta's Giant Panda exhibit (Lottery).

Higher Education The Board of Regents and the Student Finance Commission are funded for the Fiscal Year 2000 at \$1.6 billion or 14 percent of available state funding. Major highlights of those FY '00 and AFY '99 budgets are:

- * \$40.5 million for faculty and support personnel salary increases;
- * \$231 million in HOPE, Engineering and Promise Scholarships (Lottery);
- * \$199 million in construction projects (AFY '99), \$2.4 million for major capital outlay projects, and \$979,000 for minor capital outlay projects;
- * \$42.4 million for the Georgia Research Alliance (AFY '99);
- * \$15 million in funds for the Equipment, Technology and Construction Fund (Lottery);
- * \$9 million for Yamacraw, a project for focused research, faculty, seed capital and support to create an electronics niche in the state to enhance economic development;
- * \$4.2 million for research and \$11.3 million in equipment, renovations and construction support for Traditional Industries (AFY '99/Bonds);
- * \$3 million for the Teacher Preparation initiative emphasizing reading and in-field teaching;
- * \$1.6 million for 30 faculty positions at the Agricultural Experiment Stations, \$780,000 for increased maintenance and operating funds and \$90,000 for cotton breeder and geneticist positions;
- * \$1.3 million for 21 staff positions at the Cooperative Extension Service, \$220,000 for increased maintenance and operating funds and \$450,000 for five specialist positions; and
- * \$1.5 million for Desktop Distance Learning education expansion.

The Department of Technical and Adult Education, at the \$235 million funding level, represents 2 percent of state funding for FY '00:

- * \$27.3 million in new construction at Alatamaha, Carroll, and Coosa Valley campuses, \$2.8 million in construction planning, \$6.4 million in renovations, and \$6.6 million in repairs (all AFY '99/Bonds);
- * \$12.5 million to replace obsolete equipment, \$6 million in equipment funds for four new facilities and retrofits, \$2.4 million equipment purchases (AFY '99/Lottery) and \$271,940 for equipment in new and expanding programs;
- * \$2.2 million for increased activity of the Quick Start Program (AFY '99);
- * \$1.4 million restoration of funds for library material purchases and \$105,066 to fund salary step increases for librarians; and * \$552,000 to

purchase equipment for the Georgia Virtual Technical Institute.

Health and Human Resources will be available to the state's citizens through the Department of Human Resources with 9 percent, or \$1.2 billion, of Georgia's available revenue for the coming fiscal year:

- * \$13.2 million reallocation of funds from hospital services into the community for mental health;
- * \$1.2 million increase in Community Care to serve an additional 375 clients;
- * \$1 million to place an additional 21 severely emotionally disturbed (SED) children;
- * \$1.4 million restoration of the Children's Dental Program;
- * \$2.1 million in Medicaid waivers and \$769,000 to serve additional clients with mental retardation with home and community-based services;
- * \$674,092 for a projected increase in foster care cases, \$360,000 to increase the per diem for institutional foster care providers, and \$305,000 to increase the per diem for family foster care providers; and
- * \$306,000 for an Elderly Services Hotline, computer technicians and an Emergency Relocation Fund for the abused/neglected senior citizens.

Federal funds were also approved for specific designations that included:

- * \$30 million redirect of Temporary Assistance for Needy Families (TANF) cash assistance to child care to serve an additional 14,700;
- * \$12 million redirect of TANF funds to cover decreases in the Social Service Block Grant for child protective services and services for the mentally retarded and elderly;
- * \$10.1 million for substance abuse programs serving youth, TANF recipients and pregnant/postpartum women;
- * Expansion of supported employment for 461 mentally retarded or mentally ill clients for assistance to "Unlock the Waiting List."

Medical Assistance, which provides health care services for one in every six Georgians, has an appropriation of \$1.3 billion or 10 percent of the state budget. It is also responsible for the administration of the \$148 million Indigent Care Trust Fund. Highlights include:

* \$17.1 million for PeachCare for Kids health coverage and administration;

- * \$13 million to compensate for a reduction in federal benefits;
- * \$21.4 million increase to fund nursing home providers at a 1998 cost report with a 6.2 percent inflationary factor and \$4.6 million to increase nursing home intensity of care factors;
- * \$5.1 million to add an inflation factor payment for inpatient hospital providers;
- * \$4.9 million to reimburse physicians and related providers at 90 percent of the Resource Based Relative Value Scale; and
- * \$817,000 to serve 35 additional citizens with Independent Care Waivers. **Economic Development** is a category that includes highlights from the Departments of Transportation, and Industry, Trade and Tourism with a total appropriation of \$602 million:
- * \$220 million to construct the Phase IV expansion of the World Congress Center and purchase adjacent property (AFY '99/Bonds);
- * \$137 million in Governor's Road Improvement Program (GRIP) funds (AFY '99/Bonds);
- * \$22.7 million in motor fuel tax funds and \$20 million in state funds (AFY '99) for capital outlay projects that draw federal matching funds;
- * \$13.9 million to construct the Flint River Center in Albany (AFY '99/Bonds);
- * \$30.8 million for costs associated with the Savannah Harbor Deepening (AFY '99/Bonds);
- * \$1.9 million for a Marietta-Lawrenceville rail feasibility study, \$1.2 million for purchase of commuter track in Atlanta, and \$3 million in railroad rehabilitation (all AFY '99/Bonds);
- * \$3 million for a Gwinnett County public transportation system;
- * \$2 million for a position and marketing funds related to Yamacraw, \$337,380 in a new tourism marketing program, and \$29,984 for expanding in-state marketing;
- * \$1.4 million for the Super Bowl Host Committee; and
- * \$1 million for projects in the Airport Aid program.

Natural Resources and Agriculture, along with other related departments, account for \$185 million of appropriated funds in FY 2000:

* \$9.2 million (in the Office of the Governor) to increase Emergency Fund Disaster Relief match funds for damages associated with the

March 1998 flood and \$5 million to draw a federal match to indemnify cotton producer losses in 1998 and 1999 (AFY '99);

- * \$5.6 million for improvements at state parks and public recreation facilities (AFY '99/Bonds);
- * \$2.6 million for motorized fire fighting equipment (AFY '99);
- * \$1 million for the operations of the Georgia Regional Transportation Authority (GRTA); and
- * \$1.5 million for Farmers Markets' renovations (AFY '99).

Public Safety, which includes the GBI, Corrections, Pardons and Paroles, Judicial Branch, Juvenile Justice and the Department of Public Safety has a combined budget of \$1.4 billion or 10 percent of the coming fiscal year's appropriations:

- * \$7.8 million in base salary increases for specific classifications in Juvenile Justice, Corrections and Public Safety;
- * \$9.6 million to open 1,262 various types of prison beds and \$982,578 to open a new transitional center for 200 in Savannah in Fiscal Year '99 (AFY '99);
- * \$66 million to construct an additional 2000 inmate beds and \$375,000 for feasibility studies within 17 counties for locating those beds (AFY '99 and FY '00);
- * \$30 million redirected from 3,700 medium to close security beds and 232 general population to probation detention beds;
- * \$21 million for GBI laboratory and morgue expansions in Atlanta and Augusta (AFY'99) and \$6.3 million for 85 new positions for crime laboratories and the expanded State Medical Examiner Program;
- * \$17.2 million in improvements in the Department of Juvenile Justice for compliance with the federal Memorandum of Agreement's Phase 2 that include medical, mental health, and educational enhancements;
- * \$10 million in Regional Youth Development Centers (RYDC) expansions for 100 additional beds, \$6.5 million for various Youth Development Centers construction projects, \$2.7 million for RYDC repair projects and \$2.5 million for construction of dental and education space at various RYDC facilities (AFY '99/Bonds);
- * \$1.2 million for Phase I funding for drug prosecutors pursuant to SB 1 which passed this year; and
- * \$1.1 million for computer programs needed to maintain juvenile offender fingerprints pursuant to SB 421 (AFY '99).

Additional Items of Interest:

- * \$83 million to provide a property tax exemption on the first \$50,000 value of a home;
- * \$90 million to pre-fund debt service obligations for FY 2000;
- * \$52 million to provide salary increases for the Executive Branch (0-6 percent), and Judicial and Legislative Branches (3 percent);
- * \$35 million for expected health benefit claims in the State Health Benefit Plan;
- * \$4 million to provide for independent audits of major state departments and agencies;
- * \$20 million for low interest loans to local governments for water, sewer and wastewater projects (AFY '99/Bonds);
- * \$337,548 for the expenses and staffing needs for the Governor's Insurance Advocate Office in Consumer Affairs;
- * \$329,491 for operating expenses for the Capitol Education Center; and
- * \$158,000 for the relocation of Examining Boards Division to Macon (AFY '99).

HOUSE BILL 100

SALARIES FOR PUBLIC SERVICE

This legislation allows the Governor, beginning July 1, 1999, to set the salaries of the following offices: the commissioner of banking and finance; the commissioner of corrections; the members of the board of pardons and paroles; the state revenue commissioner; the commissioner of administrative services; and the commissioner of veterans service.

The base salaries of other state office holders will be changed as follows: commissioner of agriculture from \$67,756 to \$100,429; attorney general from \$90,000 to \$114,633; state auditor from \$67,236 to \$99,608; commissioner of insurance from \$67,744 to \$100,396; commissioner of labor from \$67,756 to \$100,418; public service commission members from \$65,190 to \$96,655; state school superintendent from \$69,315 to \$102,708; secretary of state from \$67,756 to \$102,708; supreme court justices from \$105,249 to \$139,418; court of appeals judges from \$104,582 to \$138,556; superior court judges from \$75,544 to \$99,862; district attorneys from \$67,281 to \$88,635; and members of the General Assembly from \$10,000 to \$16,200. The increase for legislators will go into effect upon the convening of the next General Assembly in January 2001.

HOUSE BILL 101

LEGISLATIVE EXPENSE ACCOUNTS AND

STATE BOARD/COMMISSION PER DIEMS

This legislation allows the Legislative Services Committee to fix the amount of a daily expense allowance for members of the General Assembly at their fourth quarterly meeting, or when necessary. It further amends the current amount of the per diem differential per legislator to \$7,000 and allows for cost-of-living increases. Finally, House Bill 101 allows for a \$75.00 daily allowance to reimburse certain state board and commission members. **HOUSE BILL 145**

YEAR 2000 FUNDING

The General Assembly appropriated \$170 million in surplus and lapsed funds to provide state agencies with the financial resources to complete Year 2000 computer programming needs and purchases.

AGRICULTURE

SENATE BILL 34

THE SOUTHERN DAIRY COMPACT

This bill makes Georgia a member of the Southern Dairy Compact Commission along with the other states that pass the same legislation. The Congress of the United States must approve the Compact before it takes the effect of law. A state can withdraw from the compact by repealing the statute and providing a one year notice. The Commission would have the authority to establish a "compact over-order price" which would be the minimum price required to be paid to dairy producers for fluid milk. This price would be above the price established in federal marketing orders. However, the over-order price could not exceed one dollar and fifty cents per gallon of the price in Atlanta, Georgia. This price could also be adjusted upward or downward at other locations to reflect differences in minimum federal order prices. (This cap would be adjusted annually for inflation.)

HOUSE BILL 872

TOBACCO GROWERS

This bill creates the Georgia Tobacco Community Development Board. The board will determine an equitable allocation of private trust funds generated by the Master Settlement Agreement between the state and tobacco product manufactures. The funds will be distributed among tobacco growers and tobacco quota owners based on losses caused by the decline in cigarette usage. The bill designates the Governor as chairperson, the Commissioner of Agriculture as vice chairperson, and the Attorney General as secretary, and all three serve on the board ex officio. The Governor appoints an additional two active tobacco growers; two quota owners; and two citizens who have distinguished records of public service. Members receive the same expense allowance per day as members of the General Assembly receive. The bill also creates a joint committee: the Georgia Tobacco Community Development Board Overview Committee composed of three House members appointed by the Speaker and three Senators appointed by the President of the Senate. The chairperson is appointed by the President of the Senate and the vice chairperson is

appointed by the Speaker. This committee is directed to inquire into and review the operations of the board.

BANKING

HOUSE BILL 230

CHILD SUPPORT AND STUDENT LOAN OBLIGATIONS;

DEFAULT BY SECURITIES SALESPERSONS AND

INVESTMENT ADVISOR REPRESENTATIVES

Present state law provides for suspension, denial of application for license or renewal of a license or registration for a person who is not in compliance with a child support order, or who is a borrower in default on a guaranteed education loan under the Georgia Higher Education Loan program. This provision is applicable to drivers license, hunting and fishing license, pesticide use and application, mortgage lenders and brokers, foresters, pharmacists, insurance agents and counselors, and real estate appraisers, brokers and salespersons. House Bill 230 retains the present law and provides also for application to securities salespersons and investment adviser representatives. (See Page 9 for Child Custody Provisions.)

HOUSE BILL 297

BANKING AND FINANCE;

CODE MODERNIZATION AND CLARIFICATION

The annual housekeeping bill for the Department of Banking and Finance revises 56 code sections of the Financial Institutions Code. Under the federal Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, state laws could no longer prohibit out-of- state bank holding companies from buying local banks to compete in the state. In 1996, in response to Riegle-Neal, the General Assembly authorized state-wide branching with an effective date of July 1, 1998. In the 1999 session, through many of the provisions of House Bill 297, the General Assembly continued to adjust the state bank branching code and related provisions of the Georgia Bank Holding Company Act. Terminology is updated, and portions of the code specific to county branching, no longer pertinent or applicable, are removed or revised.

Other provisions of House Bill 297amend the Georgia Residential Mortgage Act to further support and facilitate the enforcement efforts of the Department of Banking and Finance, to clarify provisions construed contrary to intent, and to tailor the Act's terminology to that of modern mortgage industry practice.

Also, to further the competitiveness of Georgia banking institutions, a number of regulatory changes are made to provide state chartered

banks parity with the powers of national banks, and several amendments modernize the "Credit Card and Credit Card Bank Act" to provide parity with nationally chartered credit card banks.

HOUSE BILL 388

TOBACCO COMPANIES; ESCROW ACCOUNTS REQUIRED

Manufacturers not participating in the November, 1998 master settlement agreement between the state and certain other tobacco manufacturers are required to establish escrow accounts and to annually deposit into the accounts certain amounts, as calculated with a formula provided in the enactment. Funds may be released from the escrow accounts only to satisfy the state's claims against those manufacturers, to satisfy claims brought by a party located or residing in the state, or after the passage of 25 years after the date the funds were placed in escrow. Failure to make the required escrow payments is declared unlawful, and civil penalties for violation are specified.

CHILDREN AND FAMILIES

SENATE BILL 245

CHILD SUPPORT RECOVERY ACT REVISIONS

Several provisions of Georgia's "Child Support Recovery Act" are amended for compliance with federal law. Senate Bill 245 establishes a 36 month review cycle for certain child support orders, and provides that no showing of change in circumstances is required for modification of a child support order when it has been more than 36 months since the last issuance of an order or the last review. Proof of a substantial change in circumstances is required for any modification that is sought less than 36 months after the last issuance of an order or the last review. An administrative hearing or de novo superior court hearing is available when either party to the order objects to the proposed adjustment or determination of no change by the Child Support Enforcement Agency of the Department of Human Resources.

HOUSE BILL 213

COMPUTER PORNOGRAPHY AND CHILD

EXPLOITATION PREVENTION ACT OF 1999

Under this bill, the offense of computer pornography is committed when a person intentionally or willfully compiles, prints, publishes, reproduces, buys, sells, receives, exchanges, transmits or disseminates by computerized means any information for the purpose of offering or soliciting sexual conduct of or with any child, or the visual depiction of such conduct.

Computer pornography is punishable by a fine of not more than \$10,000, or by imprisonment of not less than one or more than 20 years, or both.

This bill also prohibits the knowing utilization of a computer on-line service for the purpose of enticing or soliciting a child to commit the offenses of sodomy or aggravated sodomy, child molestation, enticing a child for indecent purposes, public indecency, or the engagement in any conduct which is an unlawful sexual offense against a child. Violation of this provision is punishable as a misdemeanor of a high and aggravated nature.

The bill prohibits any owner or operator of a computer on-line service to intentionally or willfully permit a subscriber to use the service to commit computer pornography. Violation of this provision is punishable as a misdemeanor of a high and aggravated nature.

Jurisdiction in Georgia is declared for any crime of computer pornography that involves a child who resides in this state or another person who is believed by the offender to be a child residing in Georgia.

HOUSE BILL 230

CHILD CUSTODY; VISITATION

This legislation provides that a court, in child custody and visitation cases, cannot refuse to consider relevant or otherwise admissible evident of acts of family violence even if there has been no previous finding of family violence. (See Page 8 for Banking Provisions.)

HOUSE BILL 263

ALIMONY AND CHILD SUPPORT;

FAMILY SUPPORT REGISTRY

As required by federal law, House Bill 263 provides for creation and operation of a family support registry in Georgia, on or after April 1, 1999. The Child Support Enforcement Agency of the Department of Human Resources is authorized to establish and maintain or to contract for establishment and maintenance of the family support registry. The registry is to be used for the collection and processing of payments for support orders in all cases which are enforced by the child support enforcement agency, and for all other support orders not being enforced by the child support agency which are subject to income deduction orders.

CONSUMER AFFAIRS

SENATE BILL 130

STRUCTURED SETTLEMENT PAYMENT RIGHTS;

REGULATION OF TRANSFER

A structured settlement is an arrangement for periodic payment of damages for personal injuries established by settlement or judgment in resolution of a tort claim, or for periodic payments in settlement of a workers' compensation claim. To prevent the unwitting sale of payment rights for sums that are significantly less than the ultimate value of the payments, Senate Bill 130 regulates the transfer of structured settlement payment rights. Certain disclosures are required, waivers and penalties for failure to finalize transfers are prohibited, and a right of rescission is established. The administrator of the "Fair Business Practices Act of 1975" will enforce this enactment.

CORRECTIONS

SENATE BILL 218

PROBATION FEES

The bill imposes a one-time fee of \$25.00 on anyone under the supervision of the Department of Corrections for probation, pretrial release, or diversion who was convicted of DUI or possession of marijuana. Persons under supervision convicted of a felony are required to pay a \$50.00 one-time fee. Any person sentenced to probation or a suspended sentence by a municipal, magistrate, probate, or state court for DUI or marijuana possession is also required to pay a one-time fee of \$25.00.

The one-time fee is separate from any other supervision related fees.

HOUSE BILL 37

INMATE VISITATION

Any inmate with a current or prior conviction for a sexual offense, committed against a person under the age of 18, shall not be allowed visitation with any person under the age of 18 unless the person is the inmate's spouse, son, daughter, brother, sister, grandson, or granddaughter, and the visitor is not the victim of a sexual offense for which the inmate was convicted. If visitation with a minor is restricted by court order, permission for special visitation with the minor may be granted only by the court issuing the order.

THE COURTS

SENATE BILL 12

UNIFORM TRANSFER ON DEATH SECURITY

REGISTRATION ACT

This uniform probate enactment is in use in 44 other states. It is intended to simplify and facilitate the transfer of securities titles upon death

by authorizing the offering of Transfer on Death (TOD) accounts by financial intermediaries, including mutual funds, banks and brokers maintaining securities accounts for customers, and other organizations responsible for registries showing investment ownerships.

A TOD security or account registration form shows the owner's name as well as the owner's designation of one or more individuals who are to become the account owner(s) upon the death of the original owner. Upon death, ownership transfers outside probate proceedings, and without the necessity of a will.

SENATE BILL 63

MUNICIPAL COURT JURISDICTION INCREASED;

MISDEMEANOR SHOPLIFTING

In 1998, through Act 726 (House Bill 1392), the General Assembly amended the

misdemeanor offense of shoplifting to include theft of property valued at \$300 or less (raised from a limit of \$100 or less), but the jurisdiction of the municipal court was not expanded correspondingly.

Senate Bill 63 therefore extends the jurisdiction of municipal courts to shoplifting cases in which the property involved is valued at \$300.00 or less. The former limit of municipal court jurisdiction in shoplifting cases was \$100.00.

SENATE BILL 82

MAGISTRATE COURT JURISDICTION INCREASED

This bill raises the jurisdiction of magistrate court to extend to claims with a monetary value of \$15,000 or less. The jurisdiction of magistrate court was last increased in 1989, when the jurisdictional limit of \$5,000 was established.

SENATE BILL 196

TRIAL AND GRAND JURY; LISTS TO BE USED

In carrying out revisions of the trial jury list and grand jury list on or after July 1, 2000, the board of jury commissioners is required to use a list of all residents of the county who are holders of drivers' licenses or personal identification cards issued by the Georgia Department of Public Safety, the registered voters list in the county, and any other list of persons residing in the county as deemed appropriate by the board of jury commissioners.

No jury list compiled prior to July 1, 2000, is to be rendered invalid by a failure to make use of these sources, but each revision of the jury list on or after that date is to use all such sources to the extent they are actually available to the board of jury commissioners.

The county board of registrars is required to provide the board of jury commissioners with a copy of the lists of persons who have been

convicted of felonies in state or federal courts or who have been declared mentally incompetent and whose voting rights have been removed. (These lists are provided to the county board of registrars by the Secretary of State.) Upon receipt of these lists, it is the duty of the board of jury commissioners to remove the names from the trial and grand jury lists and to mail a notice of that action and the reason therefore to the last known address of the person by first-class mail.

HOUSE BILL 370

CHILD CUSTODY PROCEEDING; RIGHTS OF CHILDREN

OVER 10 AND UNDER 14 YEARS OF AGE

Under current Georgia "vanishing" venue provisions, it is necessary for the plaintiff to refile a suit in which there are multiple defendants from different jurisdictions if the defendant who lives in the original venue is found not liable. Also under current Georgia venue law, if a jury finds only nonresident defendants to be liable, the trial court has no jurisdiction to enter judgement against them.

Pursuant to House Bill 370, if a defendant living in the county where the case is filed is discharged from liability after a trial begins, the case may be filed in another jurisdiction only if all the parties agree. Should venue be contested, the burden of proof is on the contestant, and is to be determined by a preponderance of the evidence. Applicable to actions filed on or after July 1, 1999.

CRIMINAL JUSTICE AND CRIMES

SENATE BILL 1

SPECIAL DRUG PROSECUTOR ACT

Subject to available funds, the district attorney in each judicial circuit is required to appoint one additional assistant district attorney to prosecute primarily cases involving violations of the "Georgia Controlled Substances Act." The special drug prosecutors are subject to the classification, compensation, benefits, policies, and personnel related provisions of law

applicable to other assistant district attorneys. Each person employed as a special drug prosecutor is to complete, within 12 months of employment, an initial training program prescribed by the Prosecuting Attorneys' Council of the State of Georgia, as well as any in-service training the Council may prescribe by rule.

If funds appropriated or otherwise available within any fiscal year are sufficient to provide for some but not all of the appointments required by this enactment, then the Judicial Council of Georgia is authorized to designate the judicial circuits in which there will be implementation that fiscal year. Under this provision, it is anticipated that the enactment will be phased in over a three-year period. The total cost of adding all 47 positions is estimated at \$3.6 million. For the fiscal year 2000, \$1.2 million is appropriated, allowing one-third of the circuits (those

designated by the Council) to appoint a special drug prosecutor.

SENATE BILL 105

SEXUAL OFFENDER REGISTRY

Senate Bill 105 amends the state Sexual Offender Registry law to comply with federal guidelines. It requires registration of any Georgia resident who is convicted under the laws of another state or territory, the United States, or the Uniform Code of Military Justice of a sexually violent offense or a criminal offense against a victim who is a minor. The bill also requires registration of certain nonresidents who enter this state for employment and are required to register elsewhere, and of certain nonresidents who enter this state to attend school and are required to register elsewhere. The offender may request a hearing to present evidence relating to the offender's proposed classification as a sexually violent predator.

Former law provided for three members of the Sexual Offender Registration Board. Senate Bill 105 adds at least one representative from a victim's rights advocacy group or agency and at least one representative from a law enforcement agency who is certified as a peace officer. Members are appointed by the Commissioner of Human Resources, and the Board is attached to the Department of Human Resources for administrative purposes.

SENATE BILL 113

CRIMES AGAINST FAMILY ACT OF 1999

This legislation provides enhanced penalties for the offenses of simple assault, aggravated assault, simple battery, and aggravated battery against persons in a domestic context, i.e., between past or present spouses, parents of the same child, parents and children, stepparents, stepchildren, foster parents and foster children or other persons, excluding siblings, living or formerly living in the same household.

When committed in a domestic context, simple assault is punishable as a misdemeanor of a high and aggravated nature. Aggravated assault is a felony punishable by 3 to 20

years. Simple battery is punishable as a misdemeanor of a high and aggravated nature. Aggravated battery is a felony punishable by 3 to 20 years.

The enhanced penalties for the crimes of simple assault and simple battery are not applicable to corporal punishment administered by a parent, guardian, or person acting *in loco parentis* (a person who is legally charged with the rights, duties and responsibilities of a parent).

The offense of cruelty to children in the second degree is committed if a primary aggressor intentionally allows a child under 18 to witness the commission of a forcible felony, battery, or family violence battery, or if a primary aggressor has knowledge that a child under 18 is present and sees or hears the primary aggressor commit a forcible felony, battery, or family violence battery.

SENATE BILL 148

PROSTITUTION; FORFEITURE OF AUTOMOBILE

This bill provides for the forfeiture of any vehicle operated by a person with two prostitution convictions within five years, when the vehicle is used for prostitution or when prostitution occurs in the vehicle. Exceptions to forfeiture include when the owner is not legally accountable for the conduct, did not consent and did not know; when the vehicle is held jointly with a co-owner who did not consent to and did not know of the conduct; when the owner does not hold the vehicle for the benefit of any person whose conduct gave rise to the forfeiture; and when the vehicle is shown to be the only family vehicle. Rented or leased vehicles are also excluded. Owners, co-owners and interest holders may challenge a forfeiture if the challenge is filed within 30 days after the second publication of a notice.

Proceeds from the sale of a forfeited vehicle are to be allocated to payment of the costs of seizure and forfeiture, and any remaining funds are to be expended by local governing authorities for drug treatment, rehabilitation, prevention or education, or any other remedial drug program. In lieu of sale of the vehicle, retention of a forfeited vehicle by a law enforcement agency is allowed upon application by seizing law enforcement agency or any other law enforcement agency of the state, county, or municipal government, and is allowed only for official use in law enforcement work.

SENATE BILL 163

CRIMES AGAINST THE ELDERLY ACT

This legislation provides enhanced penalties for assault and battery against an elder. The crimes of simple assault and battery, when committed against a person 65 years or older, are made punishable as a misdemeanor of a high and aggravated nature.

The bill also provides enhanced penalties for the commission of offenses of simple battery, battery, and sexual assault against persons in custody when committed by employees, agents, or volunteers of certain health care facilities for disabled adults or elder persons. The director of the county department of family and children services, or the director's designee, or an adult protection agency employee is authorized to file a petition in probate or superior court to seek immediate access to a disabled adult or elder person who may be in imminent danger as a result of abuse, exploitation, or neglect.

Judges of the probate or superior court are authorized to issue ex parte orders requiring that an adult protection agency employee be given access to a disabled adult or elder person to inquire into the person's well-being.

SENATE BILL 180

ABATEMENT OF DRUG RELATED NUISANCE

Senate Bill 180 authorizes a city or county attorney or solicitor-general to file an action to abate pr permanently enjoin a public nuisance or a

nuisance which is a place used for unlawful sexual activity or substantial drug related activity. Under the former law, a petition for abatement or permanent enjoinment could be filed only by the district attorney on behalf of the public, or by the filing of a petition by any private citizen under certain circumstances. Senate Bill 180 retains the authority of those

persons to file, and additionally authorizes city and county attorneys and solicitor generals.

HOUSE BILL 249

OFFENSE OF RAPE; CARNAL KNOWLEDGE

OF FEMALE UNDER TEN YEARS OF AGE

House Bill 249 expands Georgia's definition of rape to include carnal knowledge of a female who is less than ten years of age. Current Georgia law defines the offense of rape as carnal knowledge of a female accomplished forcibly and against her will. The penalty for rape is death, imprisonment for life, or imprisonment for not less than ten nor more than 20 years. The offender also is subject to O.C.G.A. 17-10-6.1 regarding serious violent felonies, which provides for a mandatory minimum term of imprisonment of ten years, no

portion of which shall be suspended, stayed, probated, deferred, or withheld, and which shall not be reduced by any form of pardon, parole, or commutation of sentence by the State Board of Pardons and Paroles. The offender is ineligible for sentencing as a first offender. The second offense of rape is punishable by imposition of the maximum penalty.

Under existing Georgia law, it is not necessary to offer evidence of force for a conviction of statutory rape. The penalties for statutory rape, however, are significantly milder than those provided for rape. Pursuant to House Bill 249's expanded definition of rape, when the victim is under ten years of age, it is not necessary to show evidence of force to obtain a rape conviction to which the harsher penalties described above are applicable.

ECONOMIC DEVELOPMENT

SENATE BILL 179

REGIONAL ECONOMIC ASSISTANCE PROJECTS

This legislation makes findings that large scale projects spur growth and development in rural areas of Georgia. The measure provides guidelines for designation as a Regional Economic Assistance Project (REAP), which is defined as a project, in combination with any adjacent facility included by a reciprocal use agreement, that is at least 250 acres in size, has zoning which is appropriate to land use regulations, and meets at least three of five criteria set out in Code Section 50-8-191 (i.e., provision of regulation golf courses, full-service restaurants, residential units, rooms for overnight stays, and conference facilities).

The bill sets forth application procedures, criteria, and certification of compliance and noncompliance. It also encourages state agencies to give priority in licensing and permitting and in the processing of grants and loans to local governments for REAP's. In addition, the bill authorizes certified projects and facilities to obtain licenses to serve alcoholic beverages by the drink from the Georgia Department of Revenue if the local government does not authorize alcohol by the drink. Local governments can tax such beverage sales. Finally, requirements that the REAP director publish annual reports on all phases of the project are put into place, and authorization is given to the Georgia Department of Community Affairs to issue rules and regulations regarding this article.

HOUSE BILL 696

THE BOARD OF INDUSTRY, TRADE, AND TOURISM

This legislation increases the number of at-large members of the Board of Industry, Trade, and Tourism from five to nine and sets their terms of office. The bill authorizes the board to enter into intergovernmental contracts and agreements with other departments, agencies, entities of state government, and local development authorities for the purposes of developing trade, commerce, industry, and employment opportunities at the state and local levels. The board will be allowed to devise the criteria and procedures for award of such contracts. The development of the criteria and the award of the contracts will not be governed by the Department of Administrative Services, the Georgia Administrative Procedure Act, or the Fair and Open Grants Act. The board is authorized to expend funds appropriated or otherwise available to it for the purposes specified in the bill.

EDUCATION

SENATE BILL 49

STUDENT CODES OF CONDUCT

This bill requires student codes of conduct to address the following behavior of students during school hours and at school related functions: verbal assault; physical assault or battery; and disrespectful conduct directed toward teachers, administrators, other personnel, other students, and persons attending school functions.

In addition, the bill requires local boards to send copies of the provisions which address the behaviors described above to the State Department of Education no later than August 15, 2000. These provisions will be reviewed by the Department, and local boards will be notified no later than October 15, 2000, of any items that are not addressed. Further, any handbook prepared by a local board must include a copy or summary of the code of conduct. When distributing a code of conduct, a school must include a form on which parents can acknowledge receipt of the code, and schools must request that the form be signed and returned to school.

SENATE BILL 74

SCHOOL SAFETY

This bill requires public schools to have school safety plans that address more than school violence. These plans must now address preparedness for natural disasters, accidents involving hazardous materials, radiological accidents, and acts of terrorism. These plans must include the input of public safety and emergency management agencies. The plans must be reviewed annually and updated, if necessary. All public school plans must be submitted to local emergency management agencies. In addition, school safety plans would also address security issues involving school functions held during non-instructional hours. The Georgia Emergency Management Agency must provide training and technical assistance to public schools and may provide the same training to private schools. Such training and technical assistance would include: crisis response team development; site surveys; crisis management planning; exercise design; safe school planning; emergency operations planning; bomb threat management; and model school safety plans.

SENATE BILL 192

SCHOOL VOLUNTEERS

Senate Bill 192 allows a local board of education to include provisions in a liability insurance policy to insure nonprofit organizations, their members, and school volunteers against damages arising out of performing volunteer duties. Such a provision, however, must not have an effect on the cost of a policy, including the renewal of a policy, and it must not require the expenditure of state, county, federal, or local funds for administrative purposes.

HOUSE BILL 84

SCHOOL SAFETY

This bill changes the definition of weapon in a school safety zone to include a razor blade. It requires the comprehensive character education program to address methods of discouraging bullying and violent acts against fellow students. The bill defines bullying as: (1) Any willful attempt or threat to inflict injury on another person, when accompanied by an apparent present ability to do so; or (2) Any intentional display of force such as would give the victim reason to fear or expect immediate bodily harm. Local boards must adopt policies regarding bullying applicable to students in grades 6 through 12 as part of the student code of conduct. Upon a third offense of bullying in a school year, a student would be assigned to an alternative school. School systems must comply with these provisions or they will not be eligible to receive QBE funding or capital outlay funding. This legislation also removes a population restriction in the law that prevents certified school security officers in counties with a population of less than 100,000 from carrying firearms.

HOUSE BILL 149

CAPITAL OUTLAY FOR LOW-WEALTH COUNTIES

House Bill 149 states the finding of the General Assembly that certain school systems are not sufficiently or in a timely manner able to take advantage of capital outlay for facility needs as it is currently determined because of insufficient local tax bases. The intent of this legislation is to initiate a trial grant program through the State Board of Education to provide additional assistance to these low-wealth counties based on full-time equivalent student count (FTE). Grants to cover the first 90 percent of the systems' first priority projects of their facilities plan are

contingent on appropriated funds. The legislative funding for Fiscal Year 2000 is \$11.7 million.

HOUSE BILL 605

SCHOOL DISCIPLINE

This bill makes character education mandatory in all grades at the beginning of the 2000- 2001 school year and provides opportunities for parental involvement in establishing expected outcomes of the character education program. It also requires the State Department of Education to develop character education program workshops designed for employees of local systems.

Local boards must adopt policies "designed to improve the student learning environment by improving student behavior and discipline" not later than July 1, 2000. These policies must provide for: the development of age-appropriate student codes of conduct (COC) containing standards of behavior; a student support process; a progressive discipline process; and a parental involvement process. The State Board of Education would establish minimum standards for these policies, with model policies available for utilization by local boards.

The bill requires local boards to distribute the student codes of conduct, and may solicit the signatures of parents or guardians to acknowledge the receipt of such codes. Local boards must provide for disciplinary action against students who violate a student COC, and must provide opportunities for parental involvement in developing and updating these codes.

Local boards must adopt policies that require teachers to report disruptive students (those who repeatedly interfere with the teachers ability to communicate or with classmates ability to learn) to the principal. The principal must send a copy of the report to the student's parent or guardian, along with information about how to contact the school. If student support services are utilized, or if disciplinary actions are taken, the principal must notify parents.

The bill provides that a teacher has the authority to manage his or her classroom, discipline students, and refer a student to the principal. On or after July 1, 2000, a teacher has the authority to remove a disruptive student if the teacher has filed a behavior report or determines that the student's behavior is an immediate threat to the safety of the student's classmates or teachers.

If a teacher removes a student from class, the principal must discuss the matter with the teacher and the student by the end of the school day or by the beginning of the next day. Then the principal may seek to return the student to the class with the teacher's consent. If the teacher does not consent, a temporary placement will be sought and a placement review committee will convene.

These committees will determine student placement if a teacher withholds permission for the student to return to class. A placement review committee will consist of two teachers serving as members, one teacher serving as an alternate member, and a professional staff member designated by the principal. These committees may: return the student to class if such placement is the best or only available alternative; or refer the student to the principal for appropriate action. If a student is returned to the classroom, disciplinary action may also be taken

including in-school suspension, out-of-school suspension for not more than ten school days, or another disciplinary action consistent with local board policy. If the student is not returned to class, the principal shall implement the decision of the placement committee. Disciplinary action may be taken including: placement in another appropriate classroom, in-school suspension, or alternative education program; out-of-school suspension for not more than ten school days; another placement or disciplinary action consistent with local board policy; or any appropriate combination of the above.

Schools must notify parents in writing of the above actions. Parents of a student removed from class may be required to participate in conferences requested by the principal; however, the student may not be penalized if parents do not attend a conference.

If a teacher removes more than two students from his or her class in any school year who are returned to the class by the placement committee, the teacher may be required to complete professional development to improve his or her skills.

The bill requires the State Board of Education to provide grants to systems for alternative education programs for students in grades 6-12. Local boards must establish such programs either individually or in collaboration with other systems and must apply for grants for this program. The bill requires alternative education programs to provide a learning environment that includes the objectives of the quality core curriculum. The instructional program must enable students to make the transition back to a regular school program. Course credit will be earned in the alternative education program in the same manner as other education programs.

HOUSE RESOLUTION 425

EDUCATION REFORM COMMISSION

This resolution creates the Governor's Education Reform Commission. The Governor will chair the commission and will appoint such members of the commission as he deemed advisable. In addition, commission members would include five members of the House appointed in consultation with the Speaker of the House, and five members of the Senate appointed in consultation with the President of the Senate. A first report of the commission will be made on or before December 1, 1999, and a second report will be made on or before April 15, 2000. The commission is authorized to meet for 30 days. The commission will review the original "Quality Basic Education Act." It will also examine the issue of transitions from public high schools to public post-secondary institutions. Additionally, the commission will review improvement goals and accountability measures for schools. The commission is empowered to inspect and study records, books and documents of all agencies and institutions of public education.

ENVIRONMENT

HOUSE BILL 502

PROHIBITING AQUIFER STORAGE OF SURFACE WATER

This legislation provides for statewide effectiveness of bonds and letters of credit required for water well contractors and prohibits the acceptance of any bond or letter of credit from any water well contractor or driller who drills for the purpose of injecting surface water into the floridan aquifer on Georgia's coast before December 31, 2002.

GOVERNMENT

HOUSE BILL 278

OPEN MEETINGS ACT

This legislation requires the chairman of a public agency to file an affidavit after an executive session affirming that the group discussed only topics specifically permitted to be covered in closed session. It also requires agencies to post an agenda of all matters expected to come before the agency in a meeting. Agendas should be posted as far in advance of a meeting as is reasonably possible, but an agenda is not required to be available any earlier than two weeks prior to a meeting.

HOUSE BILL 279

INSPECTION OF PUBLIC RECORDS

This legislation provides for disclosure of records received or maintained by private persons or private entities performing services for public entities under certain circumstances. This bill adds specifications regarding the time and manner for response by record custodians and mandates that if a record cannot be produced within three business days after a request, a timetable for its production must be provided. This bill also requires agencies to provide access to computer records by electronic means where

practicable, and it provides for fees only if such fees are directly attributable to providing access by electronic means. Agencies must explain a refusal of access and such explanations are binding with limited exceptions. The willful failure or refusal to provide access is a misdemeanor criminal offense with a maximum fine of \$100.

HOUSE BILL 699

SERVICE DELIVERY STRATEGIES

This legislation requires all counties and all municipalities, regardless of population, to establish a process to resolve land use classification disputes when a county objects to the proposed land use of an area to be annexed into a municipality.

A county or municipalities within a county will continue to be eligible for state grants, loans, or permits if a municipality of less than 500 people within the county fails to establish a process to resolve land use classification disputes when a county objects to the proposed land use of an area to be annexed.

Local governments will become eligible for state administered financial assistance, grants, loans or permits on the first day of the month following verification by the Department of Community Affairs that such local governments have a service delivery strategy.

HEALTH AND HUMAN SERVICES

SENATE BILL 110 DEADLINE FOR QUALIFIED ALIEN TANF RECIPIENTS

This bill changes the "Temporary Assistance for Needy Families Act" (TANF) eligibility requirements for qualified aliens by changing the cash assistance deadline from July 1, 1999 to July 1, 2001, unless such period is extended by enactment of the General Assembly.

SENATE BILL 139 COMMUNITY MENTAL HEALTH BOARDS

This bill prohibits any officer or employee of a community service board from taking any personnel action, or threatening to take action, against an employee who makes a complaint or discloses relevant information to either the board or to a member of the General Assembly concerning any fraud, waste, or abuse relating to the board's programs, operations, or client services.

This bill also provides for state-wide guidelines to be established for short-term and long- term planning lists for the provision of requested disability services for persons whose disability is mental retardation or other neurological conditions requiring treatment when such services are not available at the time of such request. (*This section was originally introduced as House Bill 269.*)

SENATE BILL 165

USE OF CONVICTION DATA AND

DAY-CARE EMPLOYEES' RECORDS CHECKS

This bill brings the state into compliance with the "National Crime Prevention and Privacy Compact" established by federal law in Public Law 92-544. The Georgia Crime Information Center will provide criminal history records to criminal justice agencies and other governmental and non-governmental agencies for noncriminal justice purposes as required by the compact.

The bill authorizes the Department of Human Resources (DHR) and any licensed child- placing agency to receive any law enforcement conviction data that is relevant to any adult person residing in a home where children in the custody of DHR may be placed. This bill also sets forth requirements that must be met by directors and employees of day-care centers concerning fingerprint and record checks.

SENATE BILL 195 RURAL HOSPITALS AUTHORITIES ASSISTANCE ACT

This bill creates the "Rural Hospital Authorities Assistance Act" to provide rural hospitals with state grants to be used to preserve the availability of primary health care services in Georgia's rural counties. The grants will be provided to those rural hospitals that furnish health care services to their communities and who engage in long-range planning to provide the most efficient and effective health care delivery system to meet the local health care needs.

SENATE BILL 210ACCESS TO OUT-OF-NETWORK PROVIDER

This bill amends provisions relating to managed care plans and health maintenance organizations (HMOs).

Section 1:Requires managed care plans to disclose to enrollees and prospective enrollees summaries of any financial agreements or contracts between the managed care plan and any health care provider or hospital that contain financial incentives or gag clauses. These summaries may also include the type of compensation paid by the plan to the providers, such as capitation, fee for service, discounted charge, etc.

Section 2:Prohibits the use of a financial incentive or disincentive program by a managed care plan that directly or indirectly compensates a health care provider or hospital for ordering less than medically necessary care, or for denying, reducing, limiting, or delaying such care to patients.

Requires managed care plans to reimburse the health care provider or hospital in compliance with existing prompt payment requirements in O.C.G.A. 33-30-6.

Prohibits managed care plans from penalizing any health care provider who *considers* or *studies* medically necessary care with, or on behalf of, the patient. The bill also prohibits managed care plans from penalizing health care providers who provide testimony, evidence or records to an enrollee disputing a denial of a health care treatment or service.

Violations of this Code section shall constitute an unfair trade practice punishable under Chapter 6 of Title 33. Under this chapter, continued violations could result in fines of up to \$10,000 for each violation or suspension or loss of a business license.

Section 3: Creates a new Code section intended to give citizens the right to choose their own health care providers. The consumer choice option is defined as a plan for health care delivery which grants enrollees an unrestricted right to receive covered services outside of the network and under the terms and conditions of the plan or to stay in the network of providers. The consumer choice option is a separate option, meaning that plans can still offer their basic HMO and PPO products along with the consumer choice option. The bill would require every managed care plan to offer a consumer choice option providing every enrollee with the right to nominate an out of network health care provider or hospital under the following conditions: (1) the provider or hospital is located within the state; (2) the provider or hospital agrees to accept the plan's conditions and reimbursement applicable to similarly situated participating providers and hospitals; (3) the provider or hospital agrees to follow the managed care plan's quality assurance requirements and to provide the plan with the necessary medical information; and (4) the provider or hospital meets all other criteria required of in-network providers and hospitals.

The pricing structure for selecting the consumer choice option is as follows:

For HMOs, the lessor of:

1. The actuarial basis

OR

- 2. A 17.5 percent differential and no cost-sharing
- 3. A 15 percent differential and limited cost-sharing

For all other managed care plans, the lessor of:

1. The actuarial basis

OR

- p;2. A 10 percent premium differential and no cost-sharing
- 3. A 7.5 percent premium differential and limited cost-sharing

Cost-sharing would be limited to:

- 1. Deductibles _ if deductibles are used in-network, deductibles may be used in the consumer choice option, but cannot exceed 20 percent.
- 2. Co-payments _ if co-payments are used in-network, co-payments may be used in the consumer choice option but cannot exceed 20 percent.
- 3. Co-insurance _ if co-insurance is used in-network, co-insurance may be used in the consumer choice option but cannot exceed 10 percentage points.
- 4. Out-of-Pocket Maximum _ in all cases, the maximum out-of-pocket expenditures for the consumer choice option cannot exceed 20 percent as compared to in-network.

The bill allows for the pricing to be re-evaluated after 12 full months of full implementation to consider actual costs incurred. Based on an independent actuarial evaluation of such actual costs, managed care entities may apply for a waiver of the cost provisions to the Insurance Commissioner's Office with copies to the Consumer Insurance Advocate on or after July 1, 2001.

Section 4: Provides for compliance by the HMOs of the consumer choice option.

Section 5:Provides the same disclosure requirements for HMOs regarding information of any financial agreements or contracts between HMOs and any providers.

Section 6:Provides that all requirements and restrictions of this bill will be applicable to HMOs.

Section 7: Provides an effective date of July 1, 1999 for purposes of preparing for the implementation of the option, and makes it applicable to

any contract on or after January 1, 2000.

SENATE BILL 241 DEPARTMENT OF COMMUNITY HEALTH

This bill creates a new state agency entitled the "Department of Community Health" (DCH) for the purpose of providing the state with a central planning agency for all health issues in the state and to maximize the state's health care purchasing power. Currently, the responsibility for health care policy, purchasing, planning and regulation is spread among many different agencies. The agency will have authority over the Medicaid program, as well as the health plans for state and university employees and their dependents. The DCH will merge several existing agencies, including the Department of Medical Assistance,

the State Merit System, and the State Health Planning Agency. The DCH will also include an Office of Women's Health to promote prevention and education aimed at medical conditions that disproportionately affect women. The new department will also be handling the tobacco settlement funds.

HOUSE BILL 732

MANAGED CARE LIABILITY

PATIENT'S RIGHT TO INDEPENDENT REVIEW ACT

The bill creates a cause of action against a non-ERISA managed care entity for any injury caused to a plan enrollee as a result of failure by the entity to meet an "ordinary diligence" standard of care. The bill allows suits to recover only actual damages, not punitive damages. The liability may not be waived or shifted by contract. The injured party must exhaust the existing grievance procedure within the Patient Protection Act of 1996 and must file a 30-day notice of intent to sue prior to bringing suit.

The bill authorizes an appeal by a managed care plan enrollee to an independent review organization (IRO) whenever the managed care plan: (a) refuses a claim and sustains that decision through a grievance procedure, (b) fails to comply with statutory provisions for a grievance procedure, or (c) refuses to cover certain types of scientifically-validated yet "experimental" treatment for enrollees with terminal conditions. A decision of the IRO in favor of the enrollee shall be final and binding, while a decision in favor of the provider would create a rebuttable presumption in any subsequent lawsuit that the provider's action was appropriate.

HOUSE BILL 852

TEMPORARY, EMERGENCY CARE

House Bill 852 authorizes the Department of Human Resources (DHR) to provide temporary, emergency care for the children of incapacitated parents/guardians for a period of seven days without having to receive a court order for return custody of the children. Upon an occurrence of an emergency or illness, the bill authorizes the person who has custody of the children *or* a law enforcement office, ambulance

emergency personnel, fire rescue personnel, or a hospital administrator or official, to request that DHR exercise such emergency custody. The bill provides for DHR to try to place the child with a relative of the parent or guardian, in shelter care, or in emergency foster care, or to make the appropriate placement arrangements for that time period.

The bill provides for DHR to have the same authority to consent to medical treatment for the child as does the child's custodial parent or guardian. The bill also provides immunity for the department from any liability for providing care, for consenting to medical treatment, or for releasing the child.

INSURANCE AND LABOR

SENATE BILL 39

WORKERS' COMPENSATION

In cases where there has been a notice of award made by the administrative law judge, this bill allows for a cross appeal by an appellee within 30 days after the notice, thereby allowing an appellee time to file a cross appeal when a case is appealed by the other party. The bill authorizes the Workers' Compensation Board to review the self-insured status of an employer following a merger or acquisition. The bill authorizes the Board to appoint temporary guardians for a minor or legally incompetent person for the purpose of administering rights and benefits. The bill allows the board to require the repayment of benefits that were overpaid if a claim for reimbursement is filed within two years of the overpayment. Finally, the bill increases the maximum temporary total disability benefit from \$325.00 to \$350.00 per week and increases the minimum amount of this benefit from \$32.50 to \$35.00 per week; increases the maximum temporary partial disability benefit

from \$216.67 to \$233.33 per week; and increases burial expenses from \$5,000.00 to \$7,500.00.

SENATE BILL 66

INSURANCE COVERAGE FOR ANESTHESIA IN DENTAL CARE

This legislation requires health insurers, health maintenance organizations, and other related benefit providers to provide coverage for general anesthesia and associated hospital or ambulatory surgical facility charges in conjunction with dental care provided to a person if such person is:

- 1. Seven years of age or younger, or is developmentally disabled;
- 2. An individual for which a successful result cannot be expected from the dental care provided under local anesthesia because of a neurological or other medically compromising condition; or

3. An individual who has sustained extensive facial or dental trauma.

Entities subject to this Code section may require prior authorization, and may restrict coverage to include only procedures performed by pediatric dentistry specialists, dentists with post-graduate training and hospital/ambulatory surgical privileges, or dentists with hospital/ambulatory privileges, but who have not yet satisfied certification. This Code section will apply to any entity located outside of the state who pays for or denies any claim for health care services on behalf of an insurer who resides in the state.

SENATE BILL 200

CONSUMERS' INSURANCE ADVOCATE

This bill creates the Consumers' Insurance Advocate Office to provide consumers with choices among the products and services offered by insurance and health management funding companies, and to ensure accountability to consumers. Domestic supplemental life and health insurance policies are specifically exempted from this legislation. The consumers' insurance advocate and deputy advocate will be housed within the Governor's Office of Consumer Affairs. The advocate and deputy advocate may be attorneys licensed to practice in Georgia, and would serve at the pleasure of the Governor. The advocate would submit a quarterly report of activities and expenditures to the House and Senate Insurance Committees.

The bill authorizes representation by the advocate in all proceedings or other matters pending before the Department of Insurance (DOI) or the Insurance Commissioner. The advocate may also appear in the same capacity before any federal administrative body which has regulatory jurisdiction over insurance products or services, and is authorized to initiate proceedings before any appropriate federal or state administrative agency.

The bill authorizes the publication of information deemed to be in the public interest relating to the duties and purposes of the advocate's office, except for any information which is confidential or privileged. The bill additionally provides for a copy of any request for insurance rate filing to be served on the advocate. The bill requires health insurers to report their rates to the Consumer Advocate, who could then publish them in a form where consumers could compare prices.

The bill authorizes the advocate to request copies of any application, complaint, pleading, notice, or other document filed with or issued by the DOI or the Commissioner. The bill provides for notice and discovery. The bill would allow for copies of materials and information obtained through discovery to be made available to the DOI.

The bill authorizes the employment of consultants, expert witnesses, accountants, actuaries, attorneys, investigators, and other staff as may be necessary to carry out the duties of the office. The bill provides for the advocate and staff to have access to all

records, files, and other important information in the possession of DOI or the Commissioner. The bill provides for a written report of the costs of such services to be included with the quarterly report.

HOUSE BILL 159

PATIENT INFORMATION

PAYMENT OF CLAIMS

This bill requires that any patient's medical information that was obtained by an insurer from a pharmacy is confidential, and can not be released to a third party unless authorized in writing by the patient or an authorized person. This bill also requires all benefits under a health benefit plan to be payable by the insurer upon receipt of written proof of loss or claim for payment for health care goods or services provided. The insurer would mail to the insured payment for benefits within 15 working days after such receipt, or send a letter which states the reasons the insurer may have for failing to pay the claim.

HOUSE BILL 374

INSURANCE COVERAGE FOR CONTRACEPTIVES

House Bill 374 requires health insurers to provide coverage for any prescription drug or device approved for use by the Food and Drug Administration as a contraceptive.

HOUSE BILL 604

BREAST CANCER PATIENT CARE ACT

This legislation requires health insurers to provide coverage in a licensed health care facility for inpatient care following a mastectomy or a lymph node dissection until the completion of the appropriate period of stay for such care, as determined by the attending physician in agreement with the patient. The bill also requires coverage of follow-up visits, the number to be determined by the physician in consultation with the patient.

PUBLIC SAFETY

SENATE BILL 20

ACCIDENT REPORTS

The bill exempts individual accident reports from public disclosure. Any person or entity whose name or identifying information is in an accident report shall be entitled personally, or through a representative to receive a copy of the report. The Georgia Uniform Motor Vehicle Accident Reports are not available for inspection or copying in bulk by any person without a written statement showing a need for each report.

SENATE BILL 164

"HEIDI'S LAW"

The bill makes the following changes to Georgia's current DUI laws:

Require judges to set bail on an individual basis for any offense involving vehicular homicide;

It prohibits limited driving permits for anyone convicted, plead nolo contendere, or adjudicated delinquent of DUI within the past five years; and

It requires a second DUI conviction within a five year period to be published.

In regard to ignition interlock devices:

- * Government contracted private entities which lease ignition interlock devices must provide a program for indigent DUI offenders.
- * The court must stipulate that second-time DUI offenders who receive probation can only operate vehicles which are equipped with an ignition interlock device for a period of six months.

In regard to terms of imprisonment, this bill:

- * Limits weekend jail sentences for DUI offenders who are under the age of 21 to first-time offenders;
- * Allows only first-time offenders under the age of 21 to be segregated from all non- DUI related offenders;
- * Increases the maximum term of imprisonment for habitual violators who drive on a suspended, disqualified, or revoked license to 12 months.
- * Requires any DUI offender sentenced to less than 12 months imprisonment to also serve 12 months on probation, less any days the defendant was incarcerated;
- * Increases the minimum term of imprisonment for vehicular homicide in the first degree to three years;
- * Increases the term of imprisonment for vehicular homicide in the first degree by a habitual violator whose license was revoked at the time of the offense to not less than five years nor more than 20 years; and
- * Increases the maximum term of imprisonment for the crime of serious injury by a vehicle to 15 years.

SENATE BILL 231

LASER SPEED DETECTION DEVICES

The bill provides that evidence of speed based on a laser speed detection device is scientifically acceptable and reliable and is admissible for all purposes in any court, judicial, or administrative proceedings in this state.

HOUSE BILL 80

PROFESSIONAL BONDSMEN

REGISTRATION OF BAIL RECOVERY AGENTS

House Bill 80 requires registration of bail recovery agents, sets criteria for qualifications, requires issuance of identification cards and prohibits the wearing or use of insignia and emblems that could misrepresent the nature of the recovery agent's association with law enforcement authorities.

Any bail recovery agent entering any local police jurisdiction in pursuit of the principal on a bail bond or to capture a fugitive, prior to taking any action, is required to notify the sheriff and police chief of the local police jurisdiction in which the surveillance or apprehension is to take place, unless it is to take place in public.

The first offense of an agent failing to register or acting without meeting qualifications is a misdemeanor. Second and subsequent offenses are felonies punishable by one to five years imprisonment. The first offense of a bondsman hiring an unqualified recovery agent is a misdemeanor. Second and subsequent offenses are felonies punishable by one to five years imprisonment, or a fine of not more than \$10,000.00 or both.

The wearing, carrying, or displaying of any that purports to indicate that the agent is employed or affiliated with any state or federal government is a felony, punishable by one to five years imprisonment or a fine of not more than \$10,000.00 or both.

HOUSE BILL 189

CIVIL ACTIONS AGAINST FIREARM MANUFACTURERS

In this bill, the General Assembly declares that the lawful design, marketing, manufacture, or sale of firearms or ammunition is not unreasonably dangerous activity and not a nuisance. The bill reserves to the state the authority to sue, on behalf of any government entity, firearms or ammunition manufactures, trade associations, or dealers for damages resulting from the lawful design or sale of firearms to the public. The bill, however, allows local governments to sue for breach of contract or warranty relating to firearms or ammunition purchases.

HOUSE BILL 289

SPEED DETECTION DEVICES

The bill authorizes the Department of Public Safety to issue speed detection device permits to entities which provide 24 hour, seven days a week law enforcement services by certified peace officers. Persons operating the speed detection devices must be registered or certified by the Georgia Peace Officer Standards and Training Council(GPOSTC) as peace officers and certified by GPOSTC to operate the device. The bill also authorizes county sheriffs to apply for permits to use speed detection devices.

There shall be a rebuttable presumption that a law enforcement agency is employing speed detection devices for purposes other than the promotion of the public health, welfare, and safety if the fines levied based on the use of speed detection devices for speeding offenses are equal to or greater than 40 percent of that law enforcement agency's budget.

However, fines for speeding violations exceeding 17 miles per hour over the established speed limit shall not be considered when calculating total speeding fine revenue for the agency.

HOUSE BILL 318

MOTOR VEHICLES AND TRAFFIC

This legislation reduces the scope of the "DUI Alcohol or Drug Use Risk Reduction Program" from three to two components, assessment and intervention, but expands the grounds for which someone may be referred to such programs. In addition to cases resulting in conviction or pleas of nolo contendere, the measure also allows "any other instance in which a person may be referred to the program" as grounds for the assessment and intervention components to be administered. The intervention phase of the program is increased to 20 hours rather than 16 hours of "therapeutic" education about alcohol and drug use and driving which includes peer group counseling.

The measure also adds a new subsection to the "Georgia Driver Improvement Act," allowing the commissioner of public safety to issue licenses to instructors of any commercial driver training school to teach defensive and/or professional driving courses. To be licensed, the instructors have to already be qualified to teach teen-age driver education courses consisting of 30 hours of classroom and six hours of behind-the-wheel training. The instructor must certify that he or she has provided 250 hours of behind-the- wheel training in teen-age driver education courses.

HOUSE BILL 444

CHILD SAFETY RESTRAINTS

House Bill 444 provides that one point will be assessed to the record of any driver who violates the child safety restraint requirements. Two points will be assessed for any subsequent offense.

PUBLIC UTILITIES

SENATE BILL 240

LOCAL GOVERNMENT CABLE FAIR COMPETITION ACT

This bill provides that a public provider of cable service (a local government) must prepare reasonable projections of at least a three-year cost-benefit analysis which identifies and discloses the total projected direct costs and indirect costs of providing the service, and revenues to be derived from providing the service. A public provider must also conduct at least one public hearing prior to beginning service. A provider must account for the source and costs of capital used to fund development of the service, and reflect the same costs in their rates as a private provider of cable service. The bill prohibits a provider from cross- subsidizing the costs of providing cable service.

A franchising authority may not impose any local regulation on a private provider that is not imposed on any competing public provider, and franchising authorities may not discriminate between public and private providers. After January 1, 2000, public providers must offer cable service at a price equal to or greater than the price of comparable private service, or greater than the costs of providing the service. All records and meetings of public providers will be subject to the Georgia public records and public meetings laws, and immunity from antitrust liability afforded to local governments will not apply to public providers.

HOUSE BILL 822

NATURAL GAS DEREGULATION

This legislation allows for the possibility of speeding up natural gas deregulation by: (1) Giving the Public Service Commission the power to determine that adequate market conditions exist for the random assignment of customers; (2) Striking the present requirements that five independent marketers be active in a delivery group, and that no less than one third of the peak day requirements for firm distribution service is served through marketers; and (3) Striking the provision that allows any affected party to petition the commission to stay the process of random customer assignment.

SCIENCE AND TECHNOLOGY

SENATE BILL 62

ELECTRONIC SIGNATURES

Under this bill, electronic records and signatures will not be denied legal effect or validity, or be deemed as inadmissable as evidence solely on the grounds that they are electronic. However, state and local governments and consumers may determine how and to what extent they will

use electronic signatures and records. This bill does not apply to the law governing the creation or execution of a will or trust, living will, or health care power of attorney, or to any record that serves as a unique and transferable physical token of rights and obligations.

SENATE BILL 230

YEAR 2000 READINESS ACT

The intent of this legislation is to provide authority for the Public Service Commission, the Department of Natural Resources, and the Department of Human Resources to require entities (such as utilities, hospitals and hazardous waste treatment facilities) providing essential services to respond to surveys and provide contingency plans to the state. These plans may then be coordinated by the state for the safety of citizens and businesses in addressing the "Y2K" computer problem.

Departments may fine entities that provide essential services up to \$10,000.00 for noncompliance. The bill will be repealed on December 31, 2001.

TAXES

SENATE BILL 98

TAXPAYER ASSESSMENT NOTICE

Current law provides that a notice be given to a taxpayer by the county board of tax assessors if the taxpayer's property tax return is being changed due to a new assessment. This bill states that a county governing authority may require the notice to contain the reason or reasons for an increase in property assessment which is less than 15 percent of the returned value. The sufficiency of the reason would be determined by the county board of tax assessors.

* For cases where assessments increase by more than 15 percent, see Senate Bill 177.

SENATE BILL 177

TAXPAYER'S BILL OF RIGHTS

This bill requires, at the time of certification of the digest, requires the tax commissioner to certify to school boards, if applicable, and the levying city council or county commission, the total net assessed value added by reassessment. The bill requires school boards, city councils, or county commissions, when proposing a millage rate which does not exceed the roll-back rate, to adopt the millage rate at an advertised public meeting, and when a proposed millage rate exceeds the roll-back rate, it requires them to advertise their intention and hold at least three public hearings prior to adopting the proposed millage rate. The bill prohibits the Revenue Commissioner from accepting a county's tax digest for review unless the county also submits evidence of compliance with the requirements concerning millage rate adoption.

The bill requires that the notice sent to a taxpayer when the assessment is changed will include the name and phone number of the person administratively responsible for handling appeals. The bill provides taxpayer access to the records and information of the assessors relating to the appraisal and assessment, and requires the notice mailed to the taxpayer to contain a simple, non-technical description of the rationale for the taxpayer's assessment whenever the assessed value exceeds the returned value by 15 percent.

The bill requires the tax commissioner to annually prepare and maintain a brochure which: describes the exemptions and preferential assessments available to county taxpayers, along with conditions and deadlines for applying for these exemptions and preferential assessments; describes the requirements and deadlines for property tax returns; and appeal procedures available to the taxpayer.

The bill requires the tax commissioner to make these brochures available to the public free of charge, and to deliver these brochures to a taxpayer when they transfer residential or agricultural property and to all taxpayers when: a new homestead exemption is created; an existing homestead exemption is modified; or a preferential assessment is enacted or modified.

The bill requires that appeals of assessments be conducted between the hours of 8:00 a.m. and 7:00 p.m. on a business day. Senate Bill 177 also allows the taxpayer, upon being notified of an assigned date and time of the hearing, to exercise a one-time rescheduling option. The bill requires the written notice to the taxpayer upon the denial of an appeal to the board of tax assessors to contain the grounds for rejecting the appeal.

The bill prohibits the government from modifying its position in subsequent appeals before the board of equalization or an arbitrator.

This legislation requires the board of tax assessors to prove the validity of their assessment of value in appeals to the board of equalization, an arbitrator or the superior court. The bill allows a taxpayer to recover court costs and attorney's fees if the final determination of value on appeal is 85 percent or less of the valuation set by the board of equalization.

Finally, the bill allows the taxpayer to tape-record interviews with employees of the taxing authority.

SENATE BILL 222 / HOUSE BILL 779

UNEMPLOYMENT TAX

This legislation is entitled "The Workforce Reinvestment Act of 1999." For experience rated employers, the current unemployment insurance contribution rates will continue through December 31, 1999 but will be reduced beginning January 1, 2000 through December 31, 2005. Beginning in the year 2006, rates will return to current levels. However, contribution rates for experience rated employers are capped at 1.0 percent of statutory contribution rates for the five-year period of January 1, 2000 through December 31, 2004 so long as the state-wide reserve ratio is above 1.25. If the ratio equals or falls below 1.25, this reduction is null and void. The Governor, by executive order, may suspend any portion of this reduction if the Governor determines, upon recommendation of the Commissioner of Labor, that a suspension is in the best interest of the State.

These bills continue the current unemployment contribution rate of 2.64 percent for newly covered employers through December 31, 1999. Beginning January 1, 2000 through December 31 2005, the rate is reduced to 2.62 percent, and in January 1, 2006 the rate would increase to 2.7 percent.

Current law also provides credits of 25 percent and 50 percent to employers when the Statewide reserve ratio is 2.4 percent or more; however, when this ratio falls to 2.0 percent, there is an increase in the rate. This legislation maintains these credits but provides that increases do not start until the statewide reserve ratio falls to 1.7 percent, and increases range from 25 percent to 100 percent.

These bills also increase the maximum weekly benefit amounts: Beginning July 1, 1999, the benefit will be \$264.00. Beginning July 1, 2000, the benefit will be \$274.00, and beginning July 1, 2001, the benefit will be \$284.00; however, if after January 1, 2000 the reserve ratio is 1.25 or less, future increases are suspended until the ratio is over 1.25 percent.

HOUSE BILL 147

TAX CREDIT FOR

"QUALIFIED TRANSPORTATION FRINGE BENEFIT"

This bill gives a state income tax credit for "federal qualified transportation fringe benefit" as defined by the Internal Revenue Code. The credit will be in the amount of \$25.00 per employee receiving the benefit. The credit is given provided that the total amount of the credit does not exceed the amount expended by the employer for the benefit. In no event would the total amount of tax credit exceed the taxpayer's annual income tax liability. The unused tax credit would be allowed to be carried forward for three years.

HOUSE BILL 553

PROPERTY TAX CUT PLAN

This bill introduces a mechanism for lowering what any Georgia homeowner must pay to satisfy the property tax levied on his or her homestead for county, state or school purposes. At the same time, it provides a means for compensating counties and school districts for lost revenue. The basis for the relief and the compensation is set forth in the General Appropriations Bill, and the credit will not be given unless the funds are

appropriated. The bill exempts \$5,000 of the fair market value of a home from these taxes in FY 2000, and the relief in the budget is set at \$83 million.

HOUSE BILL 610

CHILD CARE TAX CREDITS

The intent of this bill is to encourage employers to provide and cover all or some of the costs of on-site child care centers for their employees.

The bill attempts to meet this intent

in two ways. First, it increases the current tax credit from 50 percent to 75 percent of the operating cost for employers that provide or sponsor child care for their employees. Second, the bill establishes a new tax credit for businesses that construct on-site child care facilities for their employees. The new credit will be for 10 percent of the construction cost per year for 10 years. The credit would be effective for all "qualified child care property" purchased or acquired after July 1, 1999 or placed in service after July 1, 1999.

HOUSE RESOLUTION 269

PROPERTY TAX CUT PLAN

This resolution is a constitutional amendment to authorize the homestead exemption tax credit (House Bill 553).

TRANSPORTATION

SENATE BILL 57

GEORGIA REGIONAL TRANSPORTATION AUTHORITY

This bill creates the 15 member Georgia Regional Transportation Authority (GRTA) to manage transportation and air quality in non-attainment areas. The members are appointed by the Governor for five year terms, with eight of the initial members appointed for three year terms. The members are subject to financial disclosure requirements as public officers of a state board. The jurisdiction of the authority is in areas designated by the United States Environmental Protection Agency, under the federal Clean Air Act, as nonattainment areas currently or in the future. Within three months after the passage of this legislation, the director of the Environmental Protection Division (EPD) must certify to the authority and the Governor which counties are reasonably expected to become nonattainment areas within seven years. Funding, planning, design, and other assistance from the authority shall be available to counties which pass a resolution and meet this EPD certification. When a county becomes a nonattainment area, the membership of the board shall increase by one member who resides in the additional territory, with an additional member who may reside anywhere for each 200,000 persons above the number of a county which had a population of 200,000 according to the 1990 census or any future census. The GRTA jurisdiction shall continue for 20 years after a county has met EPA air quality standards. The authority shall have the power to enter into contracts for property and facilities in its jurisdiction.

The authority has various general powers, including the power to plan, design, fund, build, and operate public transportation systems and air quality control installations. The authority can receive state appropriations, and taxes or fees imposed in the special tax districts, if approved by a county for authority projects, created by this legislation. The authority can contract for projects, and extend credit, make loans, grants, and issue bonds.

The authority will coordinate transportation planning between and among all state, regional, and local authorities charged with planning responsibilities, and the authority will review and then make recommendations to the Governor concerning these transportation plans. Any

Department of Transportation (DOT) projects within any part of the authority's jurisdiction require the approval of two-thirds of the authority's members (10 out of 15). The authority shall formulate measurable targets for air quality improvements within its jurisdiction.

The authority has the power to exercise eminent domain, to receive federal funds, and control access to any road within its jurisdiction.

The bill establishes a formula in which expenditures from the State Public Transportation Fund plus expenditures of federal funds will be divided equally among the state's congressional districts for the effective three year period of each area's transportation improvement program, unless the board redirects these funds by means of a two-thirds vote.

The legislation creates 159 special tax districts that counties may activate to fund and construct transportation and air quality facilities consistent with the authority's plan.

The authority has the power to decide if state or federal funds for planning or creating transportation services or access to such development can be expended on developments of regional impact; however, the authority's decision can be reversed by a vote of three- fourths of the city or county where the development is planned. Any action by a local government to reverse the authority's decision will not be considered an act of not cooperating with the authority.

The authority must review and approve projects of the Georgia Rail Passenger Authority, and may order the Georgia Environmental Facilities Authority to issue bonds to finance authority projects.

The authority can acquire property already devoted to public use, and may exercise eminent domain as provided in Title 22.

The DOT and the Department of Natural Resources will provide books, records and informational resources to the authority, and both departments must provide personnel, facilities and equipment at the request of the authority.

This legislation authorizes DOT to participate in capital projects for mass transportation systems. "Capital project" is defined in the U.S. Code as "a project for acquiring, constructing, supervising, or inspecting equipment or a facility for use in mass transportation, expenses incidental to the acquisition or construction (including designing, engineering, location surveying, mapping, and acquiring rights of way), payments for the capital portions of rail trackage rights agreements, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing; rehabilitating a bus; remanufacturing a bus; or overhauling rail rolling stock."

The authority may issue revenue bonds, guaranteed revenue bonds, and may use funds appropriated by the General Assembly, funds from the special districts, federal funds, and private grants or contributions.

Any county within the authority's jurisdiction which operates transportation and air quality control services must operate these services in a manner consistent with the resolutions of the authority. The authority may make grants or loans to local governments for any costs of a

project, and the authority may require the local government to issue bonds as may be determined appropriate by the authority.

No county, after activating a special tax district which then fails to cooperate with the authority, will be eligible to receive state funds, except for grants directly related to physical and mental health, education, and police protection of its residents. Additionally, DOT funds and federal funds for transportation would be prohibited for such counties. Any county which fails to collect and remit funds to the authority which are due shall be ineligible for all state funds.