

# 2001 SESSION HIGHLIGHTS

This document is a report of selected legislation passed by the 2001 Georgia General Assembly, and is intended to provide a general overview, only. If more detail on legislation is needed, please contact the Senate Research Office.

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# **APPROPRIATIONS**

### HOUSE BILL 601

# **INCREASED RESERVES**

This bill allows the Revenue Shortfall Reserve to be increased up to 5 percent of the prior year's net revenue collections. The Director of the Office of Planning and Budget has the discretion to use any portion of the funds in the fourth to fifth percentile for appropriations in the General Fund.

#### HOUSE BILL 175 HOUSE BILL 174

### FY 2002 GENERAL APPROPRIATIONS ACT FY 2001 AMENDED GENERAL APPROPRIATIONS ACT

Georgia's budget for Fiscal Year 2002 totals more than \$15.4 billion, a 1 percent increase over the Amended Fiscal Year 2001 budget. In addition, the Amended Fiscal Year budget contained an appropriation of approximately \$900 million in lapsed and surplused funds, which were used primarily for: an additional \$469 million for school construction, \$166 million for a third year of property tax relief for homeowners; \$ 20 million for the University System's semester conversion; \$15 million to secure the University System's health insurance plan; and \$42 million to fund a deficit in Medicaid due to increased drug and utilization costs. Education, health and human services, and public safety constitute the largest state appropriations respectively.

# **Embargoes**

In light of falling revenue collections in April and a nationally slowing economy, Governor Barnes has instructed state agencies that the Office of Planning and Budget (OPB) will be reviewing some of the new and expanded program funding in the Amended Fiscal Year 2000 and Fiscal Year 2001 budgets. In addition, OPB is authorized to initiate a hiring review process whereby all new positions, except for certain law enforcement and classroom teacher vacancies, must be approved before being filled. Funding directives given by the General Assembly, but not directly related to critical benefits, in Temporary Assistance for Needy Families (TANF) are also being held; this embargo is designed to ensure that there is enough revenue to cover benefits, which tend to increase during a recession period. Under the "*Budget Accountability and Planning Act of 1993*," the Governor is empowered to take these and other precautionary measures to ensure the state does not run a deficit. The administration expects to collect the entire \$14.4 billion in estimated revenue, despite the slowdown.

# **Tobacco Settlement Funds**

Spending directives for the \$149 million in Tobacco Settlement funds were also approved by the General Assembly. The Georgia Cancer Coalition, a new initiative designed to combine public and private investments, received the first phase of funding to set up core staff in research, treatment enhancements, prevention strategies and caregiver training. Programs continued from last year with Tobacco Settlement funds are the rural development initiatives under the OneGeorgia Authority (\$34 million), school

nurses in grades K-12 through the Department of Education (\$30 million) and healthcare related programs in the Departments of Community Health and Human Resources. Specific, noteworthy appropriations are listed in each area.

#### Pre-Kindergarten through 12th Grade Education

State funding for Pre-Kindergarten through 12th Grade and post-secondary education comprise the greatest appropriations for Fiscal Year 2002 at over \$8.5 billion or 55 percent of the budget.

Significant changes in funding K-12 education began last year with revisions to the Quality Basic Education (QBE) formula. This year's changes evolved around school construction funding. A supplemental appropriations bill, **(House Bill 139)**, provided \$468 million in cash for additional funding for school construction which was made necessary by the smaller classroom ratio requirements initiated in the reforms of 2000. Because the initial classroom needs for compliance to the reforms were based on existing facility plans for each system, later information available in January allowed the legislature to shift \$100 million of this funding to regular construction entitlements. This is in addition to the ordinary funding for low-wealth, regular, advanced and exceptional growth capital outlay within the Amended '01 budget, which totals \$90.9 million in bonds and \$110 million in lottery funds. State schools for the Deaf and Blind received capital outlay funds of nearly \$2 million. Specific highlights of Pre-Kindergarten through 12th grade education funding in both budget bills include:

- \$232.6 million in lottery funds to serve 62,500 children in Voluntary Pre-Kindergarten;
- \$198.7 million to provide a 4.5% increase in teacher and certified Pre-K teacher salaries and a 3.5% increase for bus drivers and lunchroom workers effective July 1, 2001;
- \$108.5 million for mid-term adjustment based on 2.2% growth in population;
- \$68.5 million to fund paraprofessionals in every kindergarten class at a ratio of 1:18;
- \$35.6 million in lottery funds to increase computers in the classroom based on the number of full-time students;
- \$30 million for complete funding of the Pupil Transportation grants to local systems;
- \$18.9 million increase to the Early Intervention Program to lower the staff to student ratio in Grades 4 and 5;
- \$10.1 million in continued development and expansion of Criterion Referenced Competency Test instruments;
- \$7 million for locally-selected, research-based reading programs;

- \$7 million to provide Intervention Teams to assist low-performing schools; and
- \$430,267 for 10% salary increases for teachers completing the National Board Certification program from November 2000 through the 2001 school year, in addition to \$290,000 in \$1,000 stipends for certification candidates.

#### **Professional Standards Commission**

It is noteworthy that the Professional Standards Commission budget, not included in the totals for education, also received enhancements in funding. The additional funds support education reforms to alleviate teacher and school administrator shortages, including additional staff and equipment to streamline the application process for certification (\$179,763). The Commission further assumes responsibilities for marketing teaching in the state (\$200,000), establishing a new Educational Leadership Program (\$150,000), creating a revised Charter School Academy (\$250,000), producing alternative certifications in critical shortage fields (\$500,000), and developing distance learning opportunities for teachers in out-of-field assignments (\$500,000).

#### **Post Secondary Education**

Higher education in Georgia is funded through the University System, the Department of Technical and Adult Education and the Student Finance Commission. The use of Tobacco Settlement monies in the University System to fund a comprehensive cancer research initiative is a new use for these funds. The Department of Technical and Adult Education begins its second year funded by a formula driven by weighted credit hours, and the Student Finance Commission continues to be named the nation's largest financier of higher education scholarships, particularly through the lottery funded HOPE Scholarship program. Highlights from these budgets include:

- \$223.4 million in Lottery Funds to provide HOPE Scholarships at public institutions; \$33.6 million to fund private school HOPE Scholarships; \$3.5 million for HOPE Teacher Scholarships; \$1.7 million in Promise Scholarships for FY' 02; and \$2.7 million in enhancements for Promise II Scholarships for paraprofessionals to obtain a teaching certificate all are found in the Amended '01 and Fiscal Year '02 Lottery budgets;
- \$153.9 million in major capital outlay bond projects for the University System, including \$30 million for an Information Technology Building at Georgia Southern University and \$5 million for renovation of the Old Governor's Mansion;
- \$36.9 million in bonds for Regents' minor capital outlay bond projects;
- \$63 million in major bonded capital outlay projects and land purchases at various campuses within the Department of Technical and Adult Education (DTAE);

- \$60 million for a 4.5% salary increase for university personnel and faculty effective October 1, 2001, and 4.5% for librarians effective September 1, 2001;
- \$8.2 million for a 4.5% increase for faculty and a 3.5% increase for support personnel in DTAE effective October 1, 2001;
- \$42 million in "hold-harmless" funds in Regents for the conversion to the semester system;
- \$37 million in AFY '01 and \$4.2 million in FY '02 Tobacco Funds for the Georgia Cancer Alliance to provide for core staff, a center of excellence, cancer clinicians and scientists, bioinformatics scholars, and needs assessments;
- \$16 million in Lottery Funds for technology and training center technology upgrades, in addition to \$8.9 million in technology projects in the AFY '01 budget;
- \$12.5 million in Lottery Funds and \$12.5 million in bonds for replacing obsolete equipment, in addition to \$14.5 million in bonds for additional equipment for specific projects in DTAE;
- \$15 million to secure the University System employees' health care reserves;
- \$14.6 million in general funds for additional eminent scholars and lab upgrades/ facilities, in addition to \$13 million in equipment bonds for the Georgia Research Alliance;
- \$6.1 million increase to DTAE's Quick Start personnel training program;
- \$2.6 million increase to support Intellectual Capital and Partnership Program (ICAPP) projects requiring highly skilled employee training;
- \$1.4 million to increase the Tuition Equalization Grant from \$1,050 to \$1,100; and
- \$228,152 for additional Nursing Service Cancelable Loans and a nursing needs assessment study.

# Health and Human Services

The budget cycle during the 2001 General Assembly resulted in some significant changes in how the state funds health and human services through the Department of Community Health (DCH) and Department of Human Resources (DHR) budgets, which constitute 18 percent of total state spending. Revenue Maximization, the systematic identification of all possible funding streams and the utilization of state dollars to draw those funds at the maximum capacity, is a dominant policy in both documents. In the DCH budget, for example, a funding mechanism to leverage a higher percentage of federal dollars (Upper Credit Limit)

provides a format for increasing Medicaid reimbursements and the number of citizens eligible for services. In the DHR budget, budget writers substantially revamped funding for child protective services. Highlights from these two budgets include:

- \$42.8 million in increased funding to cover Medicaid expenses during the 4th Quarter of FY '01;
- \$20.6 million for increased utilization and pharmaceutical costs in Medicaid netted against the Upper Credit Limit;
- \$6.1 million in increased physician reimbursement rates for providing Medicaid services;
- \$16.3 million to increase the reimbursement rates and \$6 million to cover increased liability rates for nursing home providers;
- \$7.7 million in each budget to continue physician training at Mercer School of Medicine;
- \$2.1 million to add 85 new slots in the Independent Care Waiver Program and \$353,673 to increase reimbursement rates to the providers;
- \$4.2 million in FY '02 and \$1 million in AFY '01 to increase reimbursement rates for Critical Access Hospitals;
- \$10.7 million addition to cover the growth of children participating in the PeachCare for Kids program and \$585,944 to allow coverage to begin at the beginning of the month of application to the program;
- \$11.2 million to provide an additional 1,232 Community Care slots in various mental retardation services, \$2.3 million to increase mental retardation waiver providers reimbursements, \$3.8 million in County Grant-in-Aid for a 4 percent increase to those providers, and \$1.2 million to fund 85 slots for family support services to Georgia families with a disabled member;
- \$10.5 million to provide Community Care services to 4,000 more elderly citizens, half of which are not Medicaid eligible, in addition to a \$1.2 million increase in Community Care provider rates;
- \$7.4 million to expand Multi-Agency Team for Children (MATCH) by 134 slots, increase provider rates by 4 percent, add 135 institutional foster placements, provide for 50 emergency foster placement beds, and provide respite services for 350 foster families;
- \$5.2 million to reimburse foster parents on an age-based scale and provide a \$200 one-time payment to assist with graduation expenses;
- \$3.5 million to fund an additional 100 caseworkers in Child Protective Services with \$845,098 in expanded and improved

training;

- \$2.25 million for the Georgia Early Learning Initiative (GELI);
- \$5 million in DCH and \$1 million in DHR to treat cancer patients at 200 percent of the Federal Poverty Level using Tobacco funds;
- \$4.9 million enhancement in Tobacco money for smoking prevention and cessation;
- \$725,000 in Temporary Assistance to Needy Families (TANF) and \$700,000 in state funds for the Family Connection program's statewide implementation;
- \$500,000 to provide a rate increase to \$52.50 an hour for Special Assistants to the Attorney General (SAAGs) for representing children in the state's custody;
- \$500,000 to allow working people with disabilities to buy-in to the Medicaid program for healthcare coverage; and
- \$450,000 to implement the "Patients Right to Know Act."

# **Public Safety**

Ten percent of the state's funds in the Fiscal Year 2002 budget are directed to the operations of the Courts, Corrections, Defense, Georgia Bureau of Investigation, Juvenile Justice, Law, Public Safety, and Pardons and Paroles. Budget highlights are:

- \$121.5 million to fund the operations of the Judicial Branch;
- \$12.8 million in bonds for various repair, construction, security and infrastructure needs in the Department of Corrections;
- \$6.3 million to start-up and operate 625 beds, 209 positions and provide vehicles at 7 adult transitional and diversion centers;
- \$11.7 million to open Johnson State Prison with 900 beds;
- \$1.5 million to convert regular adult beds into mental health and stabilization units, and \$1.9 million in existing funds redirected into mental health and physical health services and personnel;
- \$1.3 million to expand adult vocational education by 17 programs;

- \$15.3 million in bonds for construction, major repairs and renovations at the Youth Development Campuses (YDCs);
- \$3.8 million to provide 108 additional Juvenile Probation Parole Specialists, supervisors and support personnel, in addition to \$1 million for 34 additional Juvenile Corrections Officers at YDCs;
- \$2.5 million to expand the Youth Challenge programs at Fort Gordon and Fort Stewart for youth at-risk;
- \$2.2 million to increase the number of youth served in residential youth homes and day treatment programs by 130 slots;
- \$1 million in basic health, clothing and food needs for youth in YDCs and Regional Youth Detention Centers (RYDCs);
- \$4.8 million in bonds to construct a North Georgia Regional Crime Lab;
- \$861,000 for DNA testing of prisoners pursuant to Senate Bill 318 (2000);
- \$210,000 for four additional GBI agents in the Gambling Enforcement Division; and
- \$4.3 million to add 75 state troopers, vehicles and operating expenses for patrol in the metro area.

# **Economic Development**

The primary agencies for channeling economic development dollars are the Departments of Community Affairs, Labor, Transportation, and Industry, Trade and Tourism. Together, these agency budgets represent 5 percent of state funding, but it is important to note that economic development items are found in most areas of the budget. Changes beginning in the 2002 Fiscal Year include the Department of Industry, Trade and Tourism's assumption of the administration of the Regional Economic Business Assistance (REBA) grant program, additional road construction funding through the Tollway Authority's authorization to engage Grant Anticipation Revenue Vehicles (GARVEE) bonds, and the Department of Labor's administrative assumption of vocational rehabilitation services. Highlights of these budgets are:

- \$214 million in Motor Fuel Funds and \$40.6 million in general funds for road construction;
- \$50 million in bonds for the Governor's Road Improvement Plan (GRIP);
- \$8 million for the Local Road Assistance Program (LARP);
- \$14.8 million in bonds for rail purchases and line rehabilitation;

- \$6.9 million to match federal Mass Transit Grants in Gwinnett and Cobb Counties, Columbus, Augusta, Atlanta and statewide;
- \$6 million in bonds for the development of a new container berth at the Georgia Ports Authority;
- \$15 million to furnish the Phase IV expansion of the World Congress Center;
- \$34.1 million in Tobacco Funds to continue the OneGeorgia Authority for rural economic development initiatives;
- \$25 million in bonds for the Georgia Environmental Facilities Authority to leverage federal funds and make low-interest loans to local communities for water, wastewater and sewer projects;
- \$814,610 for improved access and technology at Georgia's 53 One-Stop Career Centers;
- \$259,000 in assistive technology necessary for employing disabled citizens; and
- \$154,000 to operate the Rural Development Council.

# Natural Resources

There are four state organizational budgets that widely impact natural resources in Georgia: Department of Agriculture, Forestry Commission, Department of Natural Resources, and the Soil and Water Conservation Commission. This grouping controls 2 percent of the state's General Fund in the FY '02 budget and is responsible for the cultivation, maintenance, protection, regulation and recreational aspects of Georgia's land, water, air, wildlife, fish and forests. The Greenspace Program, which allows counties to receive grants from the state for land preservation, continues to be funded at the \$30 million level in the coming year in DNR; however, the overwhelming concern of budget writers centered around current and future water-related issues, as is evidenced by the comprehensive items included in both budgets discussed during the 2001 Session. Specific highlights from this area include:

- \$3.5 million for 60 additional positions in the Environmental Protection Division;
- \$63.6 million in bonds for land purchases, state park facility developments and upgrades in the Department of Natural Resources that include \$20 million to match private funds to buy the Chickasawhatchee land tract and \$10 million to construct a hotel at the Georgia Veteran's State Park;
- \$250,000 for anticipated legal fees associated with the tri-state water dispute;

- \$600,000 for start-up costs, repairs and construction of a depot for the Southwest Georgia Railroad Excursion Authority;
- \$525,000 total from both budgets for the second phase of the Macon, Augusta, Columbus clean air study for federal ozone compliance; and
- \$800,000 for Southwest Georgia water resource planning and \$700,000 for a Southwest Georgia reservoir study and plan, as well as \$150,000 for a statewide regional reservoir study.

#### **General Government**

There are 12 budgets associated with this category that utilize 4 percent of all state funding, which include the Legislative Branch and the Office of the Governor. The other budgets (Audits, Administrative Services, Banking and Finance, Insurance, Merit System, Public Service Commission, Revenue, Secretary of State, Real Estate Commission and Workers Compensation) also reflect the common responsibility for conducting the business of the state. The highlights within this area include:

- \$249 million to fund the third year of homeowner's property tax relief, which raises the exemption value from \$6,000 to \$8,000;
- \$8.3 million in emergency disaster relief funds to be matched with federal funds;
- \$2 million to begin the transition for the new Department of Motor Vehicles that includes staff services, office rental, computer charges and equipment effective July 1, 2001;
- \$5.2 million for the Georgia Technology Authority to complete Phase I of three state technology empowerment programs for interoperability, Customer Resource Management, and Security/Digital Signature;
- \$6 million to begin production of the 2004 new issue license plates;
- \$2.9 million for the Department of Revenue to contract with temporary personnel during peak tax processing seasons;
- \$250,000 for personnel in the Office of Treasury and Fiscal Services to administer the new college savings plan;
- \$3.6 million in cash and bonds for the continued restoration of the Capitol;
- \$400,273 for 10 positions in the Insurance Commissioner's Office to assist with increased workloads in the Fire Marshal's Office, Property and Casualty, Managed Care and Regulatory examiners offices, and \$405,792 in increased operating

expenses;

- \$230,809 to fund a new unit in the Public Service Commission's Utilities Division for enforcing the "Utilities Protection Act of 2000;"
- \$250,000 to fund the needs of House Bill 665 related to natural gas deregulation;
- \$200,000 to contract for a study with recommendations for improving the voting process in Georgia; and
- \$281,000 for the purchase of new state flags for state and local buildings.

# AGRICULTURE

### **HOUSE BILL 89**

# **PICK-YOUR-OWN PRODUCTS**

This legislation gives limited liability to owners and operators of farms specializing in "pick-your-own" agricultural products. Owners of such establishments are not liable for injuries or deaths as long as they do not: 1) possess land upon which there is a dangerous latent condition of which they should know; 2) commit an act or omission that constitutes willful or wanton disregard for individuals' safety; or 3) intentionally injure someone.

The owner or operator is required to post signs with black letters, of at least one inch in height, containing the warning specified in this Code section. All written contracts signed by the owner or operator must include the same warning. Failure to comply with these requirements will not prevent the owner or operator from invoking immunity privileges.

# HOUSE BILL 170

# **RESEARCH FACILITIES PROTECTION ACT**

This legislation adds crops to the current Code section protecting farm animals and research facilities. It makes it unlawful for persons to disrupt, damage, or deprive the owner of a crop or crop facility. Persons are guilty of the offense if: 1) the disruption, damage, or deprivation is or exceeds \$500; and 2) they have notice that entry is forbidden, they know or should know that the facility is closed to the public, or they receive notice to depart. Persons convicted of such offenses will be punished by a fine of up to \$10,000 and/or up to three years imprisonment.

# **BANKING AND FINANCIAL INSTITUTIONS**

#### **SENATE BILL 16**

### DEPARTMENT OF BANKING AND FINANCE

Senate Bill 16 is a housekeeping bill for the Department of Banking and Finance which consists of: clarifications of law; updating of financial institution powers; and enhancements to regulation in the mortgage industry. Sixteen statutes in the Financial Institutions Code are amended. These proposed amendments clarify and reorganize statements of law where they were inconsistent or confusing. In addition, a few changes update powers of financial institutions and give them more flexibility to compete. For example, a change is made to eliminate the limitation on a bank's investment in a corporation that performs activities the bank itself could conduct, and a change is proposed to allow 25 percent of a bank's Board of Directors to be non U.S. citizens.

In the mortgage area, several clarifications were made, including the purposes of enacting rules, the standards for required disclosures, and a clarification of the prohibition on felons holding a mortgage license. A provision is included to allow the Department to make a claim against a licensee's bond for overdue fees owed the Department. Also, as further enforcement tools, the Department may:

- 1. Not license a person who has had a final cease and desist order issued against them within the past three years, or who has had their license revoked within three years.
- 2. Release information on the number of complaints against persons doing a mortgage business in Georgia; and
- 3. Establish standards for the accuracy of disclosures and impose penalties for violations.

# **SENATE BILL 112**

# OFFICE OF TREASURY AND FISCAL SERVICES

This legislation amends several Code sections by striking references to the "Department of Agricultural Services" and inserting "Office of Treasury and Fiscal Services." Therefore, the Office of Treasury and Fiscal Services will be the repository for remaining assets when a corporation legally dissolves. Further, the Office of Treasury and Fiscal Services will be responsible for distributing the assets as necessary among remaining shareholders, creditors, and claimants, if any exist.

# HOUSE BILL 152

# **INDUSTRIAL LOANS**

This legislation strikes Code Section 7-3-14 relating to maximum loan amount, period, and charges associated with industrial loans, and it inserts a new Code section with minimal changes. The threshold loan balance amount, when a loan fee may not be charged on a similar loan within the immediately preceding two month period, is raised from \$200 or less to \$300 or less. For late

charges, a licensee may charge and collect from the borrower the greater of either \$10 or an amount equal to five (5) cents for each \$1.00 of any installment which is not paid within five days from the due date. Finally, for maintenance charges, the amount a licensee may contract for, charge, receive and collect is raised to \$3.00 from its present \$2.00 for each month in the term of the loan contract.

#### **HOUSE BILL 191**

#### UNIFORM COMMERCIAL CODE

This legislation revises Article 9 of the Uniform Commercial Code (UCC), which governs secured loan transactions where personal property is used as collateral. The revision recognizes new types of security for loans by incorporating references to the Internet and electronic commerce, and it authorizes new types of secured lending. The legislation is based on the federal Revised Article 9 released by the Uniform Law Commissioners in 1998. To date, 28 states and the District of Columbia have adopted Revised Article 9. Significant changes from existing Georgia law are briefly noted herein.

Requirements concerning a financing statement and its filing are altered. Existing requirements that resulted in multiple state filings related to intangible personal property are eliminated, so a debtor is now only required to file a single financing statement. Also, the record is no longer required to be signed; "authentication" is sufficient. The phrases "all assets" or "all personal property" are now acceptable as collateral, and debtor identification such as a social security number is not necessary. Additionally, the jurisdiction where the debtor resides as an individual or is organized as a corporation is the determining factor for where the financing statement is to be filed. This jurisdictional simplification is designed to reflect the rise of computer-assisted electronic records retrieval, which typically rely on key phrases.

Certain types of property presently covered by the UCC are treated differently. For example, embedded software is now considered a "good" and is subject to the Article's provisions. Further, certain additional types of property are now included in the Revised Article 9 such as agricultural liens, deposit accounts, payment intangibles, health-care insurance receivables, letters of credit rights, and commercial tort claims. In addition, by making the "perfection" of the interest automatic upon filing, standards for proceeds of collateral and security for collateral are also altered.

Deposit accounts, letters of credit rights, and electronic chattel paper may now be considered sufficient to constitute "control" as a method of perfection. In each case, the secured party is required to obtain the necessary acknowledgment in order to utilize this approach. Further, new types of secured transactions, such as "securitization of assets," are permitted.

Finally, secured parties are subject to new notice requirements as well as to greater damages for noncompliance. The new notice obligations are frequently applicable in connection with enforcement or the exercise of remedies in a default situation, and they are designed to account for secondary obligors, among others. Concerning noncompliance, a secured party's failure to comply with the Revised Article 9 requirements may result in increased statutor

# CORRECTIONS

### **SENATE BILL 13**

# **PROBATION SERVICES**

The provisions of the "State-wide Probation Act" which govern supervision services and limit probation supervision fees will not apply to defendants who have been sentenced in any county in which the chief judge of the superior, state, municipal, probate, or magistrate court has provided for probation services with a private entity or has established a county or municipal probation system.

Any county or municipal court may hear and determine the question of probation regarding any defendant under its jurisdiction. The sentencing judge shall not lose jurisdiction over any person placed on probation during the term of his/her probated sentence. If a defendant is placed on probation by a county or municipal court other than the one in which he/she resides, the defendant may have his/her probation supervision transferred to the county or municipality in which he/she resides.

### HOUSE BILL 734

# INMATES AND VOLUNTEER SERVICES

This bill allows inmates to participate in volunteer service for programs of certain nonprofit organizations as authorized by the rules and regulations of the Board of Corrections. Any participating organization must be tax exempt under Section 501(c)(3) of the Internal Revenue Code, and consideration shall be given to the organization's history of service activities and the length of time for which it has been in existence and providing service. The volunteer program must provide service of benefit to the community, as well as training or work experience suitable for inmate rehabilitation. As a result of such inmate participation, a nonprofit organization may receive direct or indirect payment, or the services rendered may benefit a private individual or organizations, or both. Some inmate participation may also take place outside the confines of a penal institution.

# THE COURTS

# **SENATE BILL 57**

# PROTECTIVE ORDER REGISTRY

Senate Bill 57 enacts "Family Violence and Stalking Protective Order Registry Act." The bill creates a registry of protective orders issued by the courts of this state to be maintained by the Georgia Crime Information Center. The Georgia Commission on Family Violence may consult with the Georgia Crime Information Center regarding the effectiveness of the registry in enhancing the safety of victims of domestic violence and stalking. The courts shall use a standardized form for protective orders to be promulgated by the Uniform Superior Court Rules, subject to the approval of the Georgia Crime Information Center and the Georgia Superior Court Clerks' Cooperative Authority. The bill provides for the electronic transmittal or alternative means of

transmittal, if necessary, of protective orders by the clerk of the issuing court to the Georgia Crime Information Center and for the filing and transmittal of foreign protective orders. Provisions are included for the updating and purging of information entered in the registry and for access to and the use of the registry by law enforcement officers and the courts.

Senate Bill 57 becomes effective on July 1, 2001; provided, however, the protective order registry created in the legislation will become effective 180 days after the promulgation of the standard form for protection orders.

#### **SENATE BILL 94**

#### **EXEMPTION FROM COURT FILING FEES**

Current law excuses alleged victims of domestic violence from fees for certain court filings. Senate Bill 94 extends these provisions to alleged victims of certain sexual offenses or stalking.

Senate Bill 94 provides that no fee shall be charged by the clerk of the superior court in connection with the filing, issuance, registration, or service of a protective order or a petition for a prosecution order to protect a victim of domestic violence, stalking, or sexual assault or in connection with the filing of criminal charges by an alleged victim of any of the following offenses:

Code Section 16-5-90	Stalking
Code Section 16-5-91	Aggravated Stalking
Code Section 16-6-1	Rape
Code Section 16-6-2	Sodomy or Aggravated Sodomy
Code Section 16-6-3	Statutory Rape
Code Section 16-6-4	Child Molestation or Aggravated Child Molestation
Code Section 16-6-5.1	Sexual Assault Against Persons in Custody
Code Section 16-6-22.1	Sexual Battery
Code Section 16-6-22.2	Aggravated Sexual Battery

The legislation further provides that no fees shall be assessed by a sheriff against the alleged victim of the offenses listed above in connection with the filing of criminal charges against the stalking offender or the sexual offender.

Finally, Senate Bill 94 provides that a magistrate shall not assess a fee against the alleged victim of the offenses listed above for costs associated with the filing of criminal charges against the stalking offender or the sexual offender or for the issuance of a witness subpoena arising from the incidence of stalking or sexual assault.

### **SENATE BILL 118**

# UNIFORM CHILD CUSTODY JURISDICTION AND ENFORCEMENT ACT

Senate Bill 118 replaces the current "Uniform Child Custody Jurisdiction Act" with the "Uniform Child Custody Jurisdiction and Enforcement Act." The legislation provides for the enforcement of interstate child custody and visitation orders and addresses situations involving child abduction, concealment, and evasion by custodial parents. The Act clarifies issues relative to jurisdiction of the Georgia courts and courts of other states. In general, the court making the initial custody decision will have continuing, exclusive jurisdiction over the matter as long as a party to the original agreement remains in that state. The Act addresses issues of jurisdiction in emergency situations, such as the abandonment or abuse of a child and allows the court to issue a warrant to take physical custody of the child if the court finds that the child is imminently likely to suffer serious physical harm or be removed from the state.

#### HOUSE BILL 450

### **CREATION OF NEW JUDGESHIPS**

This bill creates a new eighth superior court judgeship for the Augusta Judicial Circuit, a new eighth superior court judgeship for the Gwinnett Judicial Circuit, a new fourth superior court judgeship for the Rome Judicial Circuit, and a new nineteenth superior court judgeship for the Atlanta Judicial Circuit. Compensation, salary, and the expense allowances of the judges are also provided for in this legislation. (This bill went through the Senate Special Judiciary Committee.)

# **CRIMINAL JUSTICE AND CRIMES**

#### **SENATE BILL 33**

#### **CHILD SEXUAL COMMERCE PREVENTION ACT OF 2001**

Senate Bill 33, the "Child Sexual Commerce Prevention Act of 2001," redefines the offense of prostitution (O.C.G.A. Code Section 16-6-9) to include the performance or offering or consenting to perform a sexual act for money or other items of value. The bill enhances the penalty for a person convicted of pimping or pandering when the offense involves the pimping for or the solicitation of a person under the age of 18. Such offense is a felony and the convicted person shall be imprisoned for not less than five nor more than 20 years and shall be fined not less than \$2,500.00 nor more than \$10,000.00.

The offense of pandering by compulsion is revised so that to coerce any person, rather than any female, to perform an act of prostitution shall be unlawful.

Senate Bill 33 also adds the same enhanced penalty provisions for the offense of solicitation of sodomy when such offense involves the solicitation of a person under the age of 18, as are provided for pimping or pandering when such offenses involve the pimping of or solicitation of a person under the age of 18.

The Act became effective on March 27, 2001, upon the Governor's signature. Also see Senate Bill 34.

### **SENATE BILL 34**

#### 2001 CRIME PREVENTION ACT

Senate Bill 34 enacts the "2001 Crime Prevention Act." The legislation amends Code Section 16-10-52 to provide that any person charged with a felony who is in lawful confinement prior to conviction or adjudication, who is convicted of the offense of escape shall be punished by imprisonment for not less than one nor more than five years.

Senate Bill 34 also amends Code Section 16-6-13.2 to provide that the motor vehicle operated by a person convicted of previous violations of pimping or pandering or operated by a person to facilitate the offense of pimping, where the commission of the offense involved the pimping of a person under the age of 18 to perform an act of prostitution and where such offense involved a motor vehicle, shall be declared contraband and subject to forfeiture to the state. A new Code Section 16-6-13.3 is enacted to apply the forfeiture provisions of Code Section 16-13-49 to any proceeds or money which is used, intended for use, or used in any manner to facilitate, or is derived from a violation of Code Section 16-6-11, wherein any of the persons involved in performing an act of prostitution are under the age of 18.

Code Section 17-10-1 is amended to grant the sentencing judge the authority to revoke the suspension or probation when the defendant violates any of the rules and regulations prescribed by the court, even before the probationary period begins, and provides that probation supervision shall not be required for defendants sentenced to probation while the defendant is in the legal custody of the Department of Corrections or the State Board of Pardons and Paroles. The judge of the court which imposed a criminal sentence shall have the jurisdiction, power, and authority, within one year of the date a sentence is imposed, or within 120 days after receipt by the sentencing court of the remittitur upon affirmance of the judgment after direct appeal, whichever is later, to correct, reduce, suspend, or probate all or any part of the sentence. The court is required to afford the prosecuting attorney in the case notice and an opportunity for a hearing prior to any correction, reduction, or modification of the sentence.

Code Section 42-8-34 is amended to provide that the sentencing judge shall retain jurisdiction over any person placed on probation. Code Section 42-8-34.1 is amended to define the term "special condition of probation or suspension of the sentence" and provides that if a special condition of probation or suspension of sentence is violated, the court may revoke the probation or suspension and require the defendant to serve the balance or a portion of the balance of the original sentence in confinement.

The Act becomes effective on July 1, 2001, and applies to offenses of escape committed on or after July 1, 2001.

#### **SENATE BILL 66**

#### SEXUAL OFFENDER REGISTRY

Senate Bill 66 provides that the registration requirements applicable to certain sex offenders shall apply to persons who have been discharged without adjudication of guilt and who are not considered to have a conviction pursuant to Article 3 of Chapter 9 of Title 42, relating to first offenders, and to persons who are convicted following a plea of nolo contendere. Convictions in tribal court are included for the purposes of registration of sex offenders in this state in the same manner as convictions in military courts or courts of other states.

The legislation requires a sex offender to include a school address, if any, in the information to be registered with the appropriate sheriff's office. This information is in addition to the current residence and employment address requirements. The sheriff of each county shall maintain a register of the names and addresses of all registered offenders within the sheriff's jurisdiction.

The duties of the Georgia Crime Information Center are revised to provide for the entry of address data, including residence, school, and employment addresses.

The legislation provides for other matters relative to the registration of sex offenders, and includes a severability clause.

#### HOUSE BILL 289

### ABUSE OF THE DISABLED OR ELDERLY

House Bill 289 changes the offense of abuse, neglect, or exploitation of a disabled adult or elder person from a simple misdemeanor to a misdemeanor of a high and aggravated nature. Under O.C.G.A. Section 17-10-4, a misdemeanor of a high and aggravated nature may be punished by up to 12 months confinement, or a fine not to exceed \$5,000.00, or both.

#### HOUSE BILL 538

# STATE BOXING COMMISSION; TICKET SCALPING

House Bill 538 repeals the ban on ticket scalping.

Chapter 8A of Title 43 of the O.C.G.A. is repealed and replaced with a new Chapter 4B. The State Boxing Commission is continued and is renamed the Georgia Athletic and Entertainment Commission. The legislation provides for the membership, terms, appointment, powers, and duties of the commission. The commission shall have a medical advisory panel, consisting of four physicians appointed by the Governor, to advise and assist the commission and its staff regarding issues and questions concerning the medical safety of applicants and licensees. The commission is to be the sole regulator of professional boxing in this state.

Article 2 of the new chapter provides for the regulation of professional boxing and wrestling and the issuance of licenses and permits in connection therewith. A boxing registry is also created and registration of boxers is required in addition to licensing.

Article 3 of the new chapter regulates and prohibits certain acts relative to the sale of tickets to athletic contests, concerts, theater performances, amusements, exhibitions, or other general entertainment events and the business of ticket brokering. It is unlawful for any person other than a ticket broker to resell any ticket for a price in excess of the value of the ticket, with certain exceptions. Ticket brokers must maintain a permanent place of business in the state and are subject to licensing requirements. A ticket broker is also prohibited from acquiring and reselling in excess of 1 percent of the total tickets for any contest or event. The sponsor of certain athletic contests or entertainment events may contractually restrict the resale of a ticket to the contest or event by giving notice on the back of the ticket and the property owner, operator, lessee, or tenant of the property on which such contest is to be held may contractually restrict the resale of the right of occupancy of a specific suite, seat, or seating area by

giving notice in writing. An original purchaser of one or more tickets to an athletic contest or entertainment event is not restricted from reselling such ticket or tickets for any price as long as the person does not sell or offer to sell the ticket or tickets within 1,500 feet of a ticket office for or public entrance to the contest or event. Charitable organizations also are not subject to restrictions on sales when offering for sale any tickets of admission in a raffle, auction, or similar fund-raising activity for the benefit of the organization's charitable purposes. With regard to certain athletic contests or entertainment events, a county or municipality is authorized to enact regulations which are more restrictive than those provided by state law and a county or municipality is authorized to enact an ordinance restricting the resale of tickets by a ticket broker or original purchaser within 2,700 feet of a venue which seats or admits 15,000 or more persons.

Article 4 of the new chapter authorizes the Attorney General to bring a civil action for injunctive or other relief when he or she has reason to believe that a person is engaged in a violation of Article 2. Article 4 also provides criminal penalties for violations of Article 2 and certain specified Code sections.

House Bill 538 becomes effective on July 1, 2001.

# **ECONOMIC DEVELOPMENT**

#### HOUSE BILL 607

### MINORITY BUSINESS ENTERPRISES; TAX CREDIT FOR BUSINESS EXPANSION; TRANSPORTATION TAX CREDIT

Current law defines a "member of a minority" as a member of a race which comprises less than 50 percent of the total population of the state. This legislation amends the definition to mean an individual who is Black, Hispanic, Asian-Pacific American, Native American, or Asian-Indian American. The legislation additionally provides that the following entities are eligible for certification as a minority business enterprise, for purposes of representation in procuring state contracts for construction, services, equipment and goods: any individual, partnership, or corporation certified as a minority subcontractor; and any small business concern which is at least 51 percent owned by one or more minorities; or, in the case of a publically owned business, at least 51 percent of all classes or types of the stock of which is owned by one or more minorities, whose management and daily business operations are controlled by one or more minorities, and which is doing business under Georgia law, paying all duly assessed taxes, and domiciled in Georgia. For the purposes of this certification, "minority" is defined as "member of a minority."

The legislation provides that a business that has been in Georgia for over five years, and that is expanding to create at least 500 new jobs in a taxable year, may apply for the job tax credit against the business's quarterly or monthly income tax payment. A business may only apply when the amount of the credit exceeds 50 percent of the business's income tax liability in a taxable year. If an expanding business has claimed but not used job tax credits for new businesses, and those credits have been carried

forward, the business may include in the application a request to take those credits against its quarterly or monthly payment.

House Bill 607 also provides an income tax credit for businesses located in Tier 1 or Tier 2 counties which purchase or lease a motor vehicle which is used exclusively to provide transportation for their employees. Businesses in tier 1 counties may receive a tax credit of \$3,000.00 per new vehicle, while businesses in tier 2 counties may receive a tax credit of \$2,000.00. To receive the income tax credit, a business must certify that each vehicle for which a credit is claimed carries a daily average of four employees. The aggregate amount of the transportation tax credit may not exceed the income tax liability of the business enterprise. Any unused tax credit may be carried forward to apply to the business enterprise's tax liability in succeeding years.

# **EDUCATION AND HIGHER EDUCATION**

#### HOUSE BILL 176

# HIGH SCHOOL DIPLOMAS/WWII VETERANS

House Bill 176 authorizes local boards of education to issue high school diplomas to veterans who failed to receive diplomas due to an interruption of their education by service in World War II. Honorably discharged veterans who served in World War II between September 16, 1940 through December 31, 1946, and who did not graduate from high school are eligible for a diploma; however, they must have attended high school between 1937-1946 with anticipated graduation between 1941-1950. Veterans who qualify under the provisions of this bill and who have earned a general educational development (GED) diploma are also eligible for a high school diploma. Diplomas may be awarded posthumously.

#### HOUSE BILL 417

# HIGHER EDUCATION SAVINGS PLAN

House Bill 417 creates the "Georgia Higher Education Savings Plan." Under the plan, contributions are made on behalf of a beneficiary for qualified educational expenses. The beneficiary and the contributor may or may not be residents of Georgia. The plan complies with Section 529 of the Internal Revenue Code for tax deferral of fund accumulation earnings. Additionally, the plan would provide Georgia income tax deductions for specified persons participating in the plan. Upon the withdrawal of funds for qualified educational expenses, the deferred federal taxes would be taxed according to the applicable rate of the beneficiary. Beneficiary accounts are capped at \$120,000 total and \$8,000 annually. However, if the beneficiary is age ten or older, \$16,000 may be contributed annually for the first three years the program is available to the public.

The bill specifies the board of directors for the plan and delineates its powers, duties, and level of compensation. The bill also specifies the terms and conditions that must be included in the savings trust agreements, including provisions for reasonable administrative fees. Last, House Bill 417 also creates the Georgia Higher Education Trust Fund, provides for the director of the fund, and provides the terms and conditions of the trust fund.

# HOUSE BILL 532

# STUDENT LOANS/PROFESSIONAL LICENSES

House Bill 532 provides a new Code section regarding provisions relating to professional licenses. Specifically, it requires professional licensing boards to suspend the license of a person who has been reported for nonpayment or default or breach of repayment or service obligation under any federal educational loan, loan repayment, or service conditional scholarship program. Prior to a professional licensing board acting to suspend a license, the licensee must be given notice and provided the opportunity to appear before the board. Further, the bill delineates requirements for reinstating a license suspended under this Code section. It provides that a licensee who has continued to meet all requirements for licensure during the period of his or her license suspension, would have automatic reinstatement of his or her license upon the board's receipt of notice of a satisfied claim and upon payment of any reinstatement fee imposed by the board. Finally, the bill specifies that a suspension of a license under the 'Georgia Administrative Procedures Act.'

#### **HOUSE BILL 656**

### **GOVERNOR'S EDUCATION BILL**

**Early Intervention** - This bill creates early intervention programs for kindergarten through upper elementary grades to help students identified as at-risk of not reaching or maintaining academic grade level. It changes the program weights for funding purposes

and it provides for instructional aides for kindergarten and kindergarten early intervention; however, such aides may not be used to increase the maximum class sizes for kindergarten.

<u>Capital Outlay Funds</u> - This bill also addresses the use of state capital outlay funds for construction projects by: providing incentives to local systems using prototypical designs of the Georgia State Financing and Investment Commission and for allowing the Commission to manage their capital outlay project; providing a calculation for entitlement of local school systems and determination of need; and changing provisions relating to low-wealth capital outlay grants to local systems.

The Georgia Academic Placement and Promotion Policy -This bill provides the standards for retention of students in certain grades. It specifies that each school board, by July 1, 2003, must adopt a placement and promotion policy pursuant to the criteria adopted by the State Board of Education. Certain specifications regarding student retention are provided in the bill to include: retesting of any student to be retained; an appeals process of any retention decision; and to provide accelerated, differentiated, or additional instruction to the student. The bill also creates the 'Georgia Closing the Achievement Gap Commission', providing for its membership, duties, and its termination on June 30<sup>th</sup>, 2006.

<u>Sparsity Grants</u> - The bill provides that beginning with the 2001-2002 school year, a school system may be eligible to receive a sparsity grant to supplement funding for alternative education programs. Funds would be distributed based on rules adopted by the State Board.

HOPE Scholarships and Promise Teacher's Scholarships - The bill provides that seniors in private schools may qualify for a HOPE Scholarship regardless of whether they were qualified in their junior year. Additionally, it lowers the cumulative grade point average required for postsecondary juniors and seniors receiving a PROMISE teacher's scholarship from a 3.2 to a 3.0.

**<u>Charter Schools</u>** - The bill clarifies that a 'Charter School' is a public school.

#### HOUSE BILL 813

### STATE DEFERRED COMPENSATION PLAN

House Bill 813 provides that employees of county and independent school systems may participate, with the approval of the State Personnel Board, in the deferred compensation plan administered by the board.

# **ELECTIONS AND ETHICS**

#### **SENATE BILL 213**

# UNIFORM ELECTION EQUIPMENT AND OTHER REFORMS

In the weeks following the November 2000 General Election and the Florida recount controversy, the Secretary of State undertook a wide-ranging study of Georgia's election system and its shortcomings. Several problems were discovered, including antiquated equipment, complex and confusing ballots, an inaccurate record of eligible and registered voters, and significant variations in "undervote" performance from county to county. This comprehensive legislation was crafted by the Secretary of State's Office to address these shortcomings.

**Nonpartisan Elections** -This legislation streamlines the general election ballot by eliminating the nonpartisan primary used to select judges and other nonpartisan posts. Under current law, candidates for these offices appear on the ballot in July, are selected at that time, yet appear once again, unopposed, on the November general election ballot. This legislation eliminates this redundant second step, and reduces the number of selections voters must make on the general election ballot. Nonpartisan offices which required a nonpartisan primary and election will no longer require the nonpartisan primary. They will now be elected in nonpartisan elections held in conjunction with the general primary. Nonpartisan offices which required a nonpartisan election. Nonpartisan elections held in conjunction with the general primary. Nonpartisan offices which required a nonpartisan election. Nonpartisan elections held in conjunction with the general primary. Nonpartisan offices which required a nonpartisan election. Nonpartisan elections held in conjunction will be held on the dates provided in the municipal charter.

**Ineligible Voters** - This bill requires the Secretary of State to inform the appropriate county board of registrars of the names addresses, ages, and other identifying information of all persons who were convicted of a felony or who were declared mentally incompetent during the preceding calendar month. Additionally, the Secretary of State is authorized to remove all of the names of deceased persons from the list of voters and notify the registrar in the county where the deceased person was domiciled at the

time of his or her death.

**Proposed Constitutional Amendments** - In addition, Senate Bill 213 reduces voter confusion by requiring a short, descriptive title for all constitutional amendments. Proposed constitutional amendments will be printed in the order determined by the Constitutional Amendments Publication Board and in brief form as directed by the General Assembly, or by the Secretary of State. This provision will help voters more easily understand the amendments they are asked to consider on the general election ballot.

<u>Uniform Voting Equipment</u> - Prior to the July 2004 primary election, the equipment used for casting and counting votes in county, state, and federal elections must be the same in each county and will be provided to each county by the state as determined by the Secretary of State.

The Secretary of State will be responsible for the development, implementation, and provisions of a continuing program to educate voters, election officials, and poll workers in the proper use of the voting equipment. Each county will bear the costs incurred by its election and associated with having registration officials attend courses arranged by the Secretary of State for instruction in the use of the voting equipment.

<u>Electronic Voting Pilot Project</u> -The Secretary of State is authorized to conduct a pilot project to test and evaluate the use of electronic recording voting systems during the 2001 municipal elections. The Secretary of State, at his or her discretion, may select a number of municipalities to participate in such pilot program. A study committee - The Twenty-first Century Voting Commission - will coordinate and oversee the pilot project and report the results of the pilot project to the Governor and the General Assembly by December 31, 2001.

#### HOUSE BILL 367

# **CORRUPTION PREVENTION ACT**

House Bill 367, the "Corruption Prevention Act," changes the procedures relating to the indictment of certain public officials. The Act provides a procedure for the suspension of members of local government authorities upon felony indictment by a grand jury, as well as providing for removal from office upon conviction and after exhaustion of appeals. It also provides the procedure for indictment of a peace officer for crimes in performance of duties. A public officer may be charged under this Act for: (1) malpractice, misfeasance, or malfeasance in office; (2) using oppression or tyrannical partiality in the administration or under the color of his or her office; (3) willfully refusing or failing to preside in or hold his or her court at the regular terms, or when it is his or her duty under the law to do so; (4) using any other deliberate means to delay or avoid the due course or proceeding of law; or (5) willfully and knowingly demanding more cost than he or she is entitled to by law in the administration and under color of his or her office.

In addition, this Act authorizes grand juries to make amendments or alterations when considering an indictment against a public official. At any time during the presentation of evidence or during deliberation, the grand jury may amend the indictment or

instruct the district attorney to cause a new indictment to be drawn. If the indictment is amended or a new indictment is drawn, and if it relates to the accused public official, a copy of the indictment will be provided to the official and his or her counsel.

#### **HOUSE BILL 479**

# ELECTIONS

House Bill 479 is the Secretary of State's Elections 2001 housekeeping bill. Some of the provisions in the bill include: (1) an additional requirement that no person can be eligible to hold or run for public office or serve as an election superintendent, registrar, deputy registrar, poll officer or public officer, unless at least ten years have elapsed from the date of the completion of a felony sentence with no subsequent conviction of another felony; (2) the Secretary of State shall not serve in a fiduciary role in any campaign of a candidate for an office which must be certified by the Secretary of State; (3) the election superintendent is required to provide adequate training to all poll officers and poll workers regarding the use of voting equipment, voting procedures, and all aspects of state and federal law applicable to conducting elections; (4) qualifying fees will be fixed at least 35 days prior to a special primary or special election; (5) registrars and deputy registrars must be electors of the state and never convicted of a felony or any crime involving turpitude; (6) tabulating machines must be tested prior to special primaries, special elections, and referendum elections; and (7) The use of cellular telephones, electronic communication devices, and other photographic or electronic recording devices, by the elector, within the enclosed space in a polling place is prohibited.

# **HEALTH AND HUMAN SERVICES**

# **SENATE BILL 53**

# FAIR HEALTH CARE BILLING ACT OF 2001

The purpose of this bill is to ensure that health benefit plan enrollees are not charged fees above and beyond those already contracted for between their physicians and their health benefit plans. Every contract between a physician and an insurer will be in writing and state the obligations of the parties with respect to charges and fees for services covered under the plan. Neither the insurer nor the enrollee shall be liable for any amount which exceeds the obligations established for covered services. Neither the physician nor a representative thereof may knowingly attempt to collect any obligations for which the enrollee is not liable, nor may they maintain action at law against the enrollee to collect any obligations. The provisions of this Code section do not apply to the amount of any deductible or co-payment which is not covered by the health benefit plan. A physician must attempt, in a timely manner, to contact the patient of the receipt of their laboratory test results either by phone, electronic communication. This chapter will apply to health benefit plan contracts issued, delivered, issued for delivery, or renewed in Georgia on or after July 1, 2001.

# HOUSE BILL 156

PATIENT RIGHT TO KNOW ACT

This bill outlines the ability of patients to obtain information on disciplinary actions against physicians authorized to practice medicine, osteopathy, podiatry, or dentistry in the State of Georgia. The Composite State Board of Medical Examiners, in creating a physician profile on each physician, will collect and disseminate the data to the public, including dissemination on the Internet. Profiles of every doctor in the state, about 25,000 physicians, will be created. The information will be gathered from the physician, the board, medical malpractice insurers, hospitals, medical and speciality societies, and other appropriate sources. This bill also states that the Department of Human Resources may inspect and copy peer review materials maintained by the certain providers when it is determined by the department to be necessary in the performance of the department's licensure and certification responsibilities. This will not challenge the effectiveness of the institution's peer review system. The patient, or any person that the board deems to have a legitimate interest, has the right to file a grievance with the board concerning a physician, staff, office, or treatment received. A declaration of the patient's rights must be prominently displayed in conspicuous language in the physician's waiting room. This declaration may be contained in the same notice as the right to obtain physician profiles. The information should be available by July 1, 2002.

#### **HOUSE BILL 263**

#### NURSING HOMES CRIMINAL RECORD CHECKS

Current law requires that prior to hiring an employment applicant, every nursing home must request a criminal record check from the Georgia Crime Information Center. This legislation further requires the nursing home to make a written determination for each applicant for whom a criminal record check is performed. Nursing homes are prohibited from employing an individual with a felony criminal record. A nursing home which hires an applicant for employment with a felony criminal record will be subject to a civil penalty of \$2,500.00, or \$500.00 for each day that a violation occurs, whichever is less. The daily penalty will be imposed only from the time the nursing home administrator knew or should have known that the nursing home employed an individual with a criminal record, and until the date the individual is terminated. (This bill went through the Senate Special Judiciary Committee.)

#### HOUSE BILL 470

# HEALTH CARE WORK FORCE POLICY ADVISORY COMMITTEE

House Bill 470 authorizes the Department of Community Health (DCH) to appoint a health care work force policy advisory committee to oversee and coordinate work force planning activities. The DCH is also authorized to solicit and accept donations, contributions, and gifts and to receive, hold and use grants, devises, and bequests of real, and mixed property on behalf of the state in order to carry out the department's functions and purposes. The rules of the department will be subject to the 'Georgia Administrative Procedure Act,' except that only the Division of Health Planning will be subject to the provisions of the procedures for rule making by the Health Planning Agency.

The DCH is also authorized to transfer any monetary penalties assessed against state health care facilities to the Indigent Care Trust Fund (ICTF).

The funds appropriated to the department by the General Assembly will be used to match federal funds or any other funds from

a public source or charitable organization. Other matching funds from a public source or charitable organization will be returned to the trust fund and will not lapse but will be refunded pro rata to the contributors, except that penalties so transferred to the fund will not be refunded.

#### HOUSE BILL 673

# SMOKE DETECTORS IN NURSING HOMES

This legislation provides for additional smoke detector requirements in nursing homes. On or after July 1, 2001, every patient sleeping room in all nursing homes is required to have an approved battery-operated, single station smoke detector installed. This Act does not apply to nursing homes equipped with an automatic sprinkler system. Nursing home operators who fail to install and maintain the smoke detectors required under this Act will be sanctioned in accordance with O.C.G.A. § 31-2-6. These sanctions include: suspension or revocation of a license; and fines imposed of up to \$1,000 per day, not to exceed a total of \$25,000. (This bill went through the Senate Veterans and Consumer Affairs Committee.)

# **INSURANCE AND LABOR**

#### **SENATE BILL 14**

# STATE MINIMUM WAGE RATE

This bill raises the state minimum wage rate from \$3.25 per hour to the current federal minimum wage rate of \$5.15 per hour. This legislation also provides for specific exemptions to the state law and does not apply to any employer or employee who is subject to the federal minimum wage provisions.

# SENATE BILL 98 REQUIRED INSURANCE COVERAGE FOR OVARIAN CANCER SURVEILLANCE TESTS

This legislation requires every health insurance policy issued or renewed on or after July 1, 2001, to provide coverage for an annual surveillance test for women at risk for ovarian cancer, 35 years of age or older. The annual surveillance test involves CA-125 serum tumor marker testing, transvaginal ultrasound, and pelvic examination.

"At risk for ovarian cancer" is defined as testing positive for BRCA1 or BRCA2 mutations or having a family history:

- With one or more first or second-degree relatives with ovarian cancer;
- Of clusters of women relatives with breast cancer; or
- Of nonpolyposis colorectal cancer.

The benefits provided in this legislation are subject to the same annual deductibles or coinsurance established for all other

covered benefits within a given health benefit policy.

#### HOUSE BILL 187

# UNINSURED MOTORIST COVERAGE

This legislation allows consumers to purchase or renew uninsured motorist coverage at an amount less than the limits of their liability coverage.

### HOUSE BILL 352

# LICENSING OF INSURANCE AGENTS

In 1999, the United States Congress passed the Financial Services Modernization Act of 1999 (also known as the Gramm-Leach-Bliley Act) which permits banks, insurance companies, securities firms, and other financial institutions to affiliate under common ownership and offer their customers a complete range of financial services. A key provision of the Act directs each state to establish uniform or reciprocal licensing for insurance agents. House Bill 352 establishes the reciprocity and uniformity licensing provisions required under the Gramm-Leach-Bliley Act.

#### HOUSE BILL 478

# ACTIONS AGAINST INSURERS FOR BAD FAITH REFUSAL TO PAY CLAIMS

House Bill 478 revises Code Section 33-4-6 to allow an insurance policy holder to collect up to 50 percent of the liability of the insurer for a covered loss or \$5,000.00, whichever is greater, if the insurer refuses in bad faith to pay the claim within 60 days after a demand by the policyholder. The action against the insurer for bad faith will not be abated by paying the claim after the 60 day period and the testimony of an expert witness will not be allowed to form the sole basis for a summary judgment or directed verdict of the issue of bad faith.

The legislation also adds a new Code Section 33-4-7 which provides for the settlement of claims under motor vehicle liability policies. The new Code section describes the duties of an insurer with respect to a property loss under a motor vehicle liability policy. In the event the insurer breaches such duties, the insurer shall be liable to pay, in addition to the amount of the loss, an amount not to exceed 50 percent of the amount of the loss or \$5,000.00, whichever is greater, and attorney's fees. The legislation includes procedures relative to the claimant's demand for payment, the undisclosed status of the insurer to the jury until an initial verdict is rendered, and procedures relative to the computation of the amount of recovery and attorney's fees.

The Commissioner of Insurance and the Consumer's Insurance Advocate are to be sent copies of any demand for payment and complaint brought under these Code sections. (This bill went through the Senate Judiciary Committee.)

HOUSE BILL 497

WORKERS' COMPENSATION

House Bill 497 changes the rate of interest payable on any final award for compensation entered by the Board of Worker's Compensation from 7 percent to12 percent per annum.

The Board will be allowed to assess reasonable litigation expenses, in addition to reasonable attorney's fees, against a party who brings, prosecutes, or defends a proceeding, in whole or in part, without reasonable grounds. Reasonable litigation expenses are limited to witness fees and mileage as provided in Code Section 24-10-24, reasonable expert witness fees subject to the fee schedule, reasonable deposition transcript costs, and the cost of the hearing transcript.

The panel of physicians which may be maintained by an employer is increased from four to six members, unless an exemption is granted by the Board.

The time period for the examination by a physician to be designated by the employee and paid for by the employer is changed from within 60 days of receipt of any income benefits to within 120 days of receipt of any income benefits.

The legislation revises the current provision allowing the assessment of a 20 percent penalty for failure to pay medical charges within 30 days of the receipt of such charges. The employer or insurer shall, within 30 days after receipt of charges for health care goods or services, pay such charges or notify the health care provider of the reasons for not paying the claim and include a written itemization of any documents or other information needed to process the claim. The failure of the provider to include with the submission of charges any documents or reports required by the Board will constitute a defense for the employer's or insurer's failure to pay submitted charges within 30 days of receipt. Penalties will be added to charges in the amount of 10 percent for charges paid between 31 and 60 days and 20 percent for charges paid between 61 and 90 days. Interest at the rate of 12 percent per annum will be computed on charges, including penalty amounts, outstanding after 90 days.

Benefits for temporary total disability are increased from \$375.00 to \$400.00 per week. The minimum weekly benefit to temporary total disability is increased from \$37.50 to \$40.00 per week. Benefits for temporary partial disability are increased from \$250.00 to \$268.00 per week.

Permanent partial impairment ratings are currently based upon the American Medical Association's Guides to the Evaluation of Permanent Impairment, fourth edition. The legislation changes the reference to the fifth edition to reflect the latest edition of the AMA Guides.

House Bill 497 becomes effective on July 1, 2001, except that the provision changing the composition of the panel of physicians becomes effective on January 1, 2002. (This bill went through the Senate Judiciary Committee.)

**HOUSE BILL 565** 

AUTISM AND REQUIRED COVERAGE FOR NEUROLOGICAL DISORDERS

This legislation prohibits insurers, who provide benefits for neurological disorders, from denying any benefits which exist in a contract, policy, or benefit plan because of a diagnosis of autism. The provisions of this legislation do not expand the type or scope of treatment beyond that authorized for any other diagnosed neurological disorder.

# NATURAL RESOURCES

#### **SENATE BILL 130**

#### METROPOLITAN NORTH GEORGIA WATER PLANNING DISTRICT

This legislation creates the Metropolitan North Georgia Water Planning District to establish policy, create plans, and promote intergovernmental cooperation on all water issues within the area's boundaries. The body is also designed to increase access to funding for water related projects.

The purpose of the district is to formulate plans for: 1) storm-water management; 2) waste-water treatment; 3) water supply; 4) water conservation; and 5) general protection of water quality. The plans are to be implemented by local governing authorities within the "District Area," which is defined as any county with a population of 500,000 or more people and all counties geographically contiguous to any such county. Contiguous counties with 100,000 or less people can remove themselves from the district by majority vote of the local governing authority and approval from the Director of the Georgia Environmental Protection Division (EPD). (There will be 18 member counties in the district.)

The District has the power to promote regional cooperation and coordination over the following: 1) storm-water management, 2) waste-water management, 3) water supply and conservation, 4) consistent policies, model ordinances, and minimum performance standards for local authorities, 5) a water quality monitoring program with a corresponding data base, 6) education programs, and 7) identification of funding sources.

The district will be governed by a 29 member board comprised of the county commission chair or chief executive officer of each county in the district area having a population of 200,000 or more people; the mayor of each municipality in the district area having a population of 200,000 or more people; and a member appointed from each county in the district area who is to be chosen by caucus of the county commissioners and mayors of the municipalities within such county. There are six gubernatorial appointments, two appointments by the Lieutenant Governor, and two appointments by the Speaker of the House of Representatives.

Initial funding will come from the following sources: 1) dues by member cities and counties (which must total \$1 million annually); 2) appropriated or contracted state funds; and 3) grants, funds, gifts, or services from both public and private sources. Local authorities are not required to pay for facilities that do not serve their jurisdictions.

### SENATE RESOLUTION 142 COMPREHENSIVE WATER PLAN JOINT STUDY COMMITTEE AND THE WATER PLAN ADVISORY COMMITTEE

This resolution finds that recent stresses to Georgia's water resources mandate a re-examination of the state's water policy. It recognizes several concerns, including potential salt-water intrusion into the Floridian Aquifer, possible depletion of the Flint River in drought years, the "Water Wars," recent drought conditions, stormwater runoff, etc. as a basis for both the resolution and the need for a comprehensive water plan for the state.

The resolution creates the Joint Comprehensive Water Plan Study Committee to be composed of 23 members. The Lieutenant Governor will appoint four members of the Senate, the Speaker of the House of Representatives will appoint four members of the House, and the chairmen of the House and Senate Natural Resources Committees will serve as co-chairs. The Lieutenant Governor will appoint two additional members from county government and agricultural interest groups, and the Speaker will appoint two additional members from city government and wildlife conservation groups. The Governor will appoint five additional members. The Commissioner of Natural Resources, the director of Natural Resources' Environmental Protection Division, the Commissioner of Agriculture, and the executive director of the Georgia Soil and Water Conservation Commission will serve as ex officio members. The appointments must be made by May 15, 2001 and the study committee's first meeting must be held by June 15, 2001. Initial findings and recommendations for proposed legislation must be made by December 1, 2001. Final recommendations must be made by September 1, 2002 and the committee will stand abolished on that date.

#### **HOUSE BILL 301**

# **RIGHT TO HUNT AND FISH**

This legislation declares hunting and fishing a right, not a privilege, of all Georgia citizens to be governed solely by the rules and regulations passed by the Board of Natural Resources and no other political subdivision of the state. Local governments, however, are allowed to exercise their management rights over real property they own or lease for purposes of prohibiting hunting, fishing, or trapping on the property or for purposes of setting times when access to the property for those purposes may be permitted. Reasonable limitations by local governments on the discharge of firearms within their boundaries are still permissible. (Also see House Bill 742, page 26.)

# **HOUSE BILL 375**

# ENVIRONMENTAL TRAINING AND EDUCATION AUTHORITY

This legislation creates the Georgia Environmental Training and Education Authority to enhance and expand the state's ability to provide basic and advanced training and education in areas related to water resources without replacing any existing training mechanisms.

The purpose of the authority is to certify persons in certain water related areas such as proficiency in the treatment and testing of drinking water; proficiency in the treatment and testing of waste water; proficiency as a laboratory analyst to treat drinking water and waste water; proficiency in meeting Georgia's National Pollutant Discharge Elimination System permit requirement;

proficiency in designing, implementing, and inspecting for best management practices to meet requirements under the "Erosion and Sedimentation Act of 1975"; and proficiency in technology necessary to assist public and private entities in complying with the provisions of the "Georgia Water Quality Control Act," and the "Georgia Safe Drinking Water Act."

The authority will be assigned to the Department of Natural Resources for administrative purposes only.

# PUBLIC SAFETY

#### **SENATE BILL 1**

### **TEENAGE DRIVERS**

On and after January 1, 2002, anyone who obtains an initial Class D drivers license must have completed: (1) an approved driver education course, in addition to a cumulative total of at least 20 hours of supervised driving of which at least six must be at night; or (2) a cumulative total of at least 40 hours of supervised driving to include at least six hours of night-time driving. Supervised driving may be provided by any licensed Class C driver who is at least 21 years of age. These provisions also apply to anyone who obtains an initial Class C driver's license if he/she has never been issued a Class D drivers license.

The bill prohibits any Class D license holder from driving between the hours of 12:00 Midnight and 6:00 A.M. During the first six months after receiving a Class D driver's license, Class D license holders are prohibited from driving with any passenger who is not a member of the immediate family. The bill requires the Department of Public Safety to administer a comprehensive on-the-road driving test to all driver's license applicants; however, the on-the-road driving test does not apply to any Class C driver's license applicant who holds a Class D driver's license.

Senate Bill 1 also has the same driver's license suspension provisions as those found in House Bill 385, for anyone under age 21, for the following offenses: hit and run or leaving the scene of an accident; racing; fleeing or attempting to elude an officer; reckless driving; any offense for which four or more points are assessable; purchasing alcohol; or DUI. However, the bill also provides that the driver's license of anyone under age 18 who has accumulated four or more points within a 12 month period shall be suspended.

The bill also exempts driving students from having a drivers license while they are taking in-car training in a training vehicle if the driving instructor and vehicle have been licensed by the Department of Public Safety. Also see House Bill 385.

#### SENATE BILL 160

# USE OF DEADLY FORCE IN DEFENSE OF RESIDENCE

Senate Bill 160 adds to the existing situations in which a person is justified in the use of deadly force in defense of a home or

residence. Deadly force may be used against another person who is not a member of the family or household and who unlawfully and forcibly enters or has unlawfully and forcibly entered the residence and the person using such force knew or had reason to believe that an unlawful and forcible entry occurred.

### **SENATE BILL 162**

### ABATEMENT OF NUISANCES

Senate Bill 162 provides that it is the duty of the owner of every dwelling, building, structure, or property to construct and maintain their property in conformance with applicable state minimum standard codes and all applicable ordinances. If after an investigation and hearing, the court finds that the property is not in compliance with the provisions of the bill, the court must state its findings in writing and issue the findings to the owner and any parties in interest.

If the public officer has the structure demolished, reasonable effort must be made to salvage reusable materials for credit against the cost of demolition. The total amount of the cost of demolition, including all court costs, appraisal fees, administrative costs incurred by the tax commissioner, and all other cost necessarily associated with the abatement action shall be a lien against the real property upon which the cost was incurred.

The lien must be attached to the real property upon the filing of a certified copy of the order in the office of the clerk of superior court. The lien will be superior to all other liens on the property, except tax liens. The bill also establishes the procedure for issuing and servicing complaints or orders upon parties and owners of unfit buildings or structures.

Senate Bill 162 also prohibits any municipality from restricting the use of language other than English on signs for privately owned businesses.

#### HOUSE BILL 201

# DELINQUENT CHILDREN

The bill provides that if a child is adjudicated for the commission of a delinquent act, after assessment and with the court's approval, the child may be ordered to participate in a treatment program provided by the Department of Juvenile Justice or the juvenile court.

# HOUSE BILL 248

# SEAT BELTS FOR MINORS

This legislation strikes the provision in current law requiring children who are three or four years of age to use seat belts while riding in a passenger automobile, van, or pickup truck. The child must be placed in a federally approved child passenger restraining system, unless the parent obtains a physician's written statement that a physical or medical condition of the child prevents using such a device. This legislation does not apply to taxicabs or other public transit vehicles. (This bill went through the Senate Transportation Committee.)

# HOUSE BILL 385

#### **DRIVER SAFETY REFORM**

The bill: (1) creates the Blue Ribbon Young Driver and DUI Study Commission; (2) reduces the threshold for an illegal blood alcohol concentration level from .10 grams to .08 grams; (3) expands Georgia's current open container law to include passengers; (4) establishes the offense of aggressive driving (aggressive driving is a misdemeanor of a high and aggravated nature which carries a six point traffic offense); (5) requires any Georgia resident who receives probation, due to a second or subsequent DUI conviction within five years, to install and maintain a certified ignition interlock device; and (6) provides for an 18 month driver's license suspension for a second DUI within five years.

The bill also requires any person who is convicted of DUI two or more times within five years to surrender the license plate of any motor vehicle registered in his/her name. The commissioner of public safety shall authorize the issuance of a special license plate only if there is another member of the person's household who possesses a valid driver's license and if a co-owner of the vehicle or a member of the offender's family is completely dependent upon the vehicle and would be subjected to undue hardship without the special license plate.

Anyone who is convicted of a second DUI within five years is subject to imprisonment for not less than 90 days nor more than 12 months. The judge shall probate at least a portion of such term of imprisonment, in accordance with the DUI probation provisions which subject the offender to using an ignition interlock device as a condition of probation. However, the offender will be required to serve at least 72 hours of actual incarceration and at least 30 days of community service.

For a third or subsequent conviction within a five year period, the offender will serve a mandatory period of imprisonment of not less than 120 days nor more than 12 months. The judge shall probate at least a portion of such term of imprisonment, in accordance with the DUI probation provisions which subject the offender to using an ignition interlock device as a condition of probation. However, the offender will be required to serve at least than 15 days of actual incarceration and at least 30 days of community service.

Code Section 40-5-57.1 is amended so as to require the driver's license of anyone under age 21 to be suspended for the following offenses: hit and run or leaving the scene of an accident; racing; fleeing or attempting to elude an officer; reckless driving; any offense for which four or more points are assessable; purchasing alcohol; or DUI. (The current law requires the driver's license to be revoked for these offenses.) If the driver's license of a person under age 21 was suspended due to one DUI conviction within the past five years, the person will not be eligible for a limited driving permit and: (1) if his/her blood alcohol concentration was less than .08 grams, he/she is not eligible for reinstatement for six months; or (2) if his/her blood alcohol concentration was .08 grams or more, he/she is not eligible for reinstatement for 12 months. Also see Senate Bill 1.

### HOUSE BILL 678

#### MOTOR VEHICLES AND TRAFFIC

This legislation provides for maximum fines that may be imposed as punishment for a first offense of violating any speed limit.

Drivers who do not obey traffic-control signals (stop lights) will be guilty of a misdemeanor. Additionally, the use of traffic-control signal monitoring devices is authorized (i.e., photographing or videotaping persons in the process of violating traffic signals) and persons running stop signals will be fined up to \$70. Requirements for the mailing of traffic citations and copies of the recorded image(s) are outlined. (This bill went through the Senate Transportation Committee.)

#### HOUSE BILL 736

# PRIVATE INVESTIGATORS AND SECURITY GUARDS

House Bill 736 authorizes the Georgia Board of Private Detective and Security Agencies to enter into limited license recognition agreements with any other state or the District of Columbia. The agreement allows a person to conduct an investigation in Georgia regarding an investigation which was initiated outside the state. The investigation privilege is limited to 30 days for each agency for each investigation.

### HOUSE BILL 742

# HUNTING WITHOUT PERMISSION

House Bill 742 increases the minimum fine for hunting on someone's property without permission to \$500. Anyone who violates this provision for a second time within a two-year period will be guilty of a misdemeanor of a high and aggravated nature and punished by a fine of not less than \$1,000; and the department will revoke the person's right to a hunting license for a period of one year for each second conviction within a two-year period.

Anyone who violates this provision three or more times within a three-year period will be guilty of a misdemeanor of a high and aggravated nature and punished by a fine of not less than \$2,000; and the department will revoke the right of such person to a hunting license for a period of three years for each third or subsequent conviction within a three-year period. (Also see House Bill 301, page 23.)

# **PUBLIC UTILITIES**

# **SENATE RESOLUTION 13**

# SENATE STUDY COMMITTEE ON NATURAL GAS

The Georgia Senate passed Senate Resolution 13, creating the Senate Study Committee on Natural Gas. The Committee is charged with studying the economic factors and conditions that have caused the increasing price of natural gas to customers in Georgia since the time of deregulation. The Committee will stand abolished on December 31, 2001.

# **SENATE BILL 93**

# NET METERING AND COGENERATION ACT

This legislation amends the Georgia Cogeneration Act of 1979, renaming it the Georgia Cogeneration and Distributed Generation Act of 2001. A distributed generation facility is a facility that is owned and operated by a customer of the electrical service provider for the production of electricity that uses a solar Photovoltaic system, fuel cell or wind turbine; has a peak generating capacity of not more than 10kW for a residential application and 100kW for a commercial application; is located on the premises; operates in parallel with the electric service provider's distribution facilities; connects to the electric service provider's distribution system on either side of the electric service provider's meter; and is intended to offset part or all of the customer generator's requirements for electricity. The legislation provides for bi-directional metering, which entails measuring the amount of electricity supplied by an electric service provider and the amount fed back to the electric service provider by the customer's distributed generation facility using the same meter.

Any person may operate a cogeneration facility and sell any excess electric energy to an electric supplier without being subject to regulation by the Public Service Commission PSC). Electric service providers are required to make bi-directional metering or single directional metering available to customer generators, and contract with the generators to charge the rate established by the PSC for metering services. Electric service providers are only required to purchase energy on a first-come, first-serve basis until the cumulative generating capacity of all renewable energy sources equals to 0.2 percent of the utility's annual peak demand in the previous year. Once the capacity is met, an electric service provider may purchase energy from a customer generator at a cost of energy as defined for a utility by PSC.

#### SENATE BILL 217/ HOUSE BILL 665

NATURAL GAS COMPETITION AND DEREGULATION ACT

The General Assembly passed Senate Bill 217 and House Bill 665, which contain identical language, in an effort to alleviate some of the problems resulting from the deregulation of natural gas in Georgia. Under this legislation, if the Public Service Commission (PSC) determines that market conditions are no longer competitive, then the PSC, on an emergency basis, may temporarily impose directives, such as price regulations, to protect the interests of retail customers. Market conditions will be considered competitive as long as there are at least three marketers servicing residential and small business customers in Georgia. If there are three or less marketers servicing residential and small business customers in Georgia, market conditions will not be considered competitive if the commission determines that, as a result of collusion among marketers, prices for natural gas paid by retail customers are not being adequately constrained by market forces.

The legislation requires all bills to specify the gas consumption amount, price per therm, distribution charges, and any service charges, and must prescribe performance standards relating to the accuracy and timeliness of bills. Marketers must bill customers for services within 30 days of the date following the monthly meter reading. If a marketer realizes a billing error or other mistake resulting in an overpayment by a customer, the marketer must, within 60 days of acknowledgment of the overpayment, provide a credit or refund of the amount of the overpayment to the customer.

The PSC will publish in newspapers throughout the state, on at least a quarterly basis, a summary of the price per therm and any other amounts charged to retail customers by each marketer and any other information which will help customers make

decisions regarding choice of a marketer. The PSC will also make this information available to Georgia Public Telecommunications (GPTV), which will provide the information to the general public at a designated time at least once a month. Retail customers may change natural gas marketers at least once a year without incurring a service charge for changing marketers. While a marketer may require a deposit from a retail customer prior to providing gas, a deposit may not exceed 100 percent of the customer's average monthly bill based on past customer usage and current market prices.

# SCIENCE AND TECHNOLOGY

#### **SENATE BILL 24**

#### **ELECTRONIC SIGNATURES**

This legislation makes two important clarifications to the Georgia Electronic Records and Signatures Act (GERSA). First, it clarifies that GERSA overrides any writing or signature requirement in Georgia law to allow the use of electronic records or signatures, unless such other law expressly provides to the contrary. Second, this legislation declares that GERSA is consistent with federal electronic signature laws and therefore continues in force without being preempted by federal law.

#### **HOUSE BILL 725**

#### STATE EMPLOYEE PURCHASE PROGRAM FOR COMPUTING EQUIPMENT

This legislation allows state employees or teachers to buy a computer at a bulk discount price negotiated by the Georgia Technology Authority (GTA) and pay for it through payroll deductions. The state would not be purchasing the computers, but would make it more convenient for state employees to purchase them on their own. Any department, agency, authority, or commission of the state or any local unit of administration is authorized to deduct designated amounts from the wages or salaries from its employees for the purpose of facilitating employee purchases of personal computing and computer related equipment through an employee purchase program facilitated by and through the GTA.

# STATE FLAG AND MONUMENTS

#### **HOUSE BILL 16**

### THE STATE FLAG; THE PRESERVATION OF HISTORICAL MONUMENTS AND MEMORIALS

This legislation establishes a new state flag for the state of Georgia. This legislation also makes it unlawful for any person, firm, corporation, or other entity to mutilate, deface, defile, or abuse contemptuously any publicly owned monument, plaque, marker,

or memorial which is dedicated to, honors, or recounts the military service of any past or present military personnel of this state, the United States of America, or the Confederate States of America.

In addition, no publicly owned monument or memorial erected, constructed, created, or maintained on public property in honor of the military service of any past or present military personnel of this state, the United States of America or the Confederate States of America shall be relocated, removed, concealed, obscured or altered in any fashion; provided, however, that appropriate measures for the preservation, protection, and interpretation of such monuments or memorials will not be prohibited.

The memorial to the heroes of the Confederate States of America graven upon the face of Stone Mountain shall never be altered, removed, concealed, or obscured in any fashion and shall be preserved and protected for all time as a tribute to the bravery and heroism of the citizens of this state who suffered and died in their cause.

# TAXES

#### **SENATE BILL 150**

# PERSONAL PROPERTY TAX EXEMPTION

This legislation raises the ad valorem tax exemption for all personal property other than motor vehicles, trailers, and mobile homes from \$500.00 to \$7,500.00.

#### HOUSE BILL 290

# SALES TAX EXEMPTION FOR CHURCHES

This legislation exempts sales of pipe organs or steeple bells to any church which is qualified as an exempt religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, from sales and use taxes.

# HOUSE BILL 558 SALES TAX EXEMPTIONS ON SERVICES PROVIDED BY THE MENTALLY IMPAIRED

This legislation exempts sales of tangible personal property and services to a nonprofit organization whose primary function is the provision of services to mentally impaired persons, and which is a tax exempt organization under the Internal Revenue Code and obtains an exemption determination letter from the commissioner, from sales and use taxation.

# HOUSE BILL 610

### SALES TAX EXEMPTION FOR EQUIPMENT RELATED TO FILM PRODUCTION AND DIGITAL BROADCAST

http://www.legis.state.ga.us/legis/2005\_06/snresearch/2001final.html

House Bill 610 exempts the sale or lease of production services for use in Georgia by a certified film producer or certified film production company for qualified production activities from state sales and use taxation. This exemption will be effective on January 1, 2002.

Also exempt is the sale or use of digital broadcast equipment sold to, leased to, or used by a federally licensed public radio or television broadcast station, or cable broadcast station to allow transmission and reception of digital signals. This exemption will not apply to the following: repair or replacement parts purchased for the equipment; equipment purchased to replace equipment for which an exemption was previously claimed; any equipment purchased after a television station, cable network, or cable distributor has ceased analog broadcasting, or purchased after November 1, 2004, whichever occurs first; or any equipment purchased after a radio station has ceased analog broadcasting, or purchased after November 1, 2008, whichever occurs first.

With respect to radio stations, the exemption will be effective from July 1, 2001, until November 1, 2008. For television or cable broadcasters, the exemption will be effective from July 1, 2001 until July 1, 2004. Also see House Bill 607.

# TRANSPORTATION

#### **SENATE BILL 134**

# STATE ROAD AND TOLLWAY AUTHORITY (GARVEE BILL)

This legislation renames the State Tollway Authority the State Road and Tollway Authority, empowering it to: accept and use federal funds, contract with the Georgia Department of Transportation, construct all or part of the Developmental Highway System, complete work on mass transportation programs or mass transportation facilities, issue bonds, and invest its leftover funds as it sees fit. Additionally, it provides that the Lieutenant Governor and Speaker of the House of Representatives may each appoint one member to the authority.

The legislation is significant because it enables the state to use future federal funds in order to complete the Governor's Road Improvement Project (GRIP) within seven to eight years, instead of twenty years.

# **VETERANS AND CONSUMER AFFAIRS**

**SENATE BILL 99** 

**KEGS OF MALT BEVERAGES SOLD AT RETAIL** 

This legislation provides for conditions under which kegs of malt beverages may be sold at retail. The retail licensee will require the keg purchaser to present valid identification at the time of purchase. The purchaser must sign a statement at the time of purchase, attesting to the accuracy of the purchaser's name and address, acknowledging that criminal liability and criminal prosecution may ensue if the keg or its contents is misused. In addition, each keg sold at retail for consumption off licensed premises will require a label with the name and address of the retail licensee, an identification number, the state alcohol license number of the business, and the exact date and time of purchase. Possession of a keg without the required label will be unlawful. Punitive action may be taken by the commissioner against violators of this Act, up to and including revocation of the state retail dealer's license.

# **SENATE BILL 155**

# **GEORGIA WINERIES**

This legislation changes provisions relating to farm wineries and the licensing of farm wineries and their sale of wines. Current law provides that the samples of wine provided to the public in wine tasting rooms of farm wineries are complimentary. This legislation provides that the wine in tasting rooms may be given complimentary or for a fee. Tasting rooms may provide for the sale of wine at retail for consumption on the premises and for sale in closed packages for consumption off the premises. In addition, a farm winery licensee is authorized to sell its wine and the wine of any other Georgia farm winery licensee on the premises of the farm winery. Finally, the Department of Community Affairs and the Department of Transportation will collaborate to designate routes and signs for the Georgia Wine Highway.

# **SENATE BILL 207**

### PENALTIES FOR INTENTIONALLY DEFACING GRAVE MARKERS OF VETERANS

This legislation provides penalties for persons who intentionally deface, mutilate, or defile any grave marker, monument, plaque, marker, or memorial of veterans that is privately owned or located on privately owned land. If the property was the subject of theft, the penalty will be imprisonment for one to three years if the value of the property is \$300.00 or less and by imprisonment for three to five years if the value of the property is more than \$300.00.