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2012 SESSION OF THE GEORGIA GENERAL ASSEMBLY LEGISLATION PASSED

This document is our final report of all legislation passed by the 2012 Georgia General Assembly with the exception of local legislation. It contains summaries of passed legislation, an index of interim study committees, and an index of vetoed legislation. If further detail on legislation is needed, please contact the Senate Research Office.

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**2012 SESSION OF THE GEORGIA GENERAL ASSEMBLY
FINAL PASSAGE DOCUMENT**

AGRICULTURE AND CONSUMER AFFAIRS

**Senate Bill 300
Food Sales Establishment Exceptions
Effective Date: July 1, 2012**

This bill excludes from the definition of "food sales establishment," establishments that engage in the boiling, bottling, and sale of sugar cane syrup or sorghum syrup within the state. These products are only exempt if the bottle contains a label with the following information: the producer's name and street address; all added ingredients; and the net weight or volume of the product.

**Senate Bill 324
Exemption of Farriers from Veterinary License Requirements
Effective Date: July 1, 2012**

This bill adds, "Any person lawfully engaged in the art or profession of farriery" to the list of those who do not need to comply with the license and registration requirements for those engaged in veterinary medicine or veterinary technology.

**Senate Bill 357
Laws Regarding Treated Timber Products
Effective Date: July 1, 2012**

This bill repeals and reserves, in its entirety, Part 2 of Article 5 of Chapter 14 of Title 2 of the O.C.G.A. related to the sale of treated timber products.

**Senate Bill 367
Surety Bonds on Civil Penalties
Effective Date: July 1, 2012**

This bill authorizes the Agriculture Commissioner (Commissioner) to require anyone to obtain a surety bond on the balance of a civil penalty owed or suspend a portion of a penalty pursuant to a consent order or final decision when no further review is taken or allowed. The Commissioner may commence and maintain an action against the principal and surety on the bond against anyone who violates the consent order or final decision.

**Senate Bill 390
Designated Seed Certification Agency
Effective Date: July 1, 2012**

This bill allows the Dean of the UGA College of Agricultural and Environmental Sciences to continue to designate a certifying agency under his authority to provide for seed, plant, and variety certification and labeling. However, under this bill, the Georgia Crop Improvement Association, Inc. is no longer specifically referred to as the certifying agency. The only requirement is that the designee be in good standing with the Association of Official Seed Certifying Agencies. The bill extends immunity to the certifying agency and its employees from liability for damages resulting from certification work. This immunity from liability is to the same extent as the state and state officers and employees under the Georgia Tort Claims Act.

This bill also requires farmers, seed purchasers, or commercial fruit or nut tree producers, who claim damages as a result of negligence, to file their complaint with the Commissioner in time for the seed, crop, plants, or trees to be inspected to determine if the alleged deficiencies warrant arbitration.

**Senate Resolution 715
Expansion of H-2A Guest Worker Program
Effective Date: N/A**

This resolution urges Congress to expand the H-2A guest worker program, which is currently under the U.S. Department of Labor, by allowing states to administer their own H-2A guest worker programs to be monitored by the United States Department of Agriculture.

House Bill 409**Licensing and Registration of Veterinarians and Veterinarian Technicians****Effective Date: July 1, 2012**

This bill amends provisions related to the requirements for an application for a license to practice veterinary medicine. This bill removes the provision allowing students to sit for the exam, and delays application for a license to practice veterinary medicine until after the applicant has passed a board approved examination.

Furthermore, under this bill, the State Board of Veterinary Medicine (Board) must approve an examination to measure the competence of an applicant wishing to practice as a veterinary technician and set the score necessary to pass. The Board will no longer be responsible for approving study materials for the exam or setting the rules and regulations governing the preparation, administration, and grading of the exams.

House Bill 746**Commissioner's Authority in Final Agency Review and Reconsideration of a Final Decision****Effective Date: July 1, 2012**

It is the duty of the Agriculture Commissioner to issue all orders and perform actions including:

- Impoundments;
- Quarantine;
- The issuance, suspension, denial, or revocation of registrations, licenses, or permits; or
- The approval or denial of applications for registrations, licenses, or permits, provided for in federal and state laws, to be enforced by the Department of Agriculture.

This bill clarifies the timing of the Commissioner's final decision and reconsideration of the final decision related to hearings for individuals who are adversely affected under the initial order. Under this bill, the Commissioner's final decision must be rendered not more than 30 days from the date of the filing of an application for final agency review. The Commissioner's reconsideration of the final decision must be rendered within 30 days of the latest filing deadline.

House Bill 832**Vidalia Onion Royalties****Effective Date: July 1, 2012**

This bill eliminates the requirement that royalties and license fees for Vidalia onions not exceed \$0.05 per six ounces of products connected to the use of the trademark.

APPROPRIATIONS

**Please Contact the Senate Budget and Evaluation Office for Summaries of
House Bill 741 (Supplemental Appropriations Act for FY 2012) and
House Bill 742 (General Appropriations Act for FY 2013)**

Senate Bill 33**Zero-Based Budgeting****Effective Date: Became Effective Upon the Governor's Signature**

Beginning January of 2013, and each year thereafter, the Governor's budget report that is required to be submitted to the General Assembly must use zero-based budgeting for the agencies and programs as identified by the House and Senate Budget Offices in consultation with the Governor's Office of Planning and Budget (OPB).

Each agency will be required to use zero-based budgeting at least once every 10 years, and no agency will be required to use zero-based budgeting more often than once every eight years. The Governor and OPB will prescribe the forms and format for zero-based budgeting and OPB will serve as the entity designated for coordinating the budget prepared accordingly.

In the years when zero-based budgeting is used, the agency must include: a statement of the budget unit's departmental and program purposes and a priority listing encompassing all alternative funding levels for all programs.

Additionally, the Board of Regents is considered a budget unit subject to zero-based budgeting; and the Department of Education's budget report submitted in January 2013 must be submitted as a zero-based budget. The judicial branch is encouraged to participate in the zero-based budgeting process.

Finally, this newly-created Code section automatically repeals on June 20, 2020, unless reauthorized by the General Assembly.

Senate Bill 302

Georgia Higher Education Facilities Authority

Effective Date: Became Effective Upon the Governor's Signature

This legislation increases the amount of bonding authority for the Georgia Higher Education Facilities Authority from \$300 to \$500 million.

Senate Bill 403

School Health Nurse Program

Effective Date: July 1, 2012

Under this bill, the School Nurse program will move to a full-time equivalent (FTE)-based funding formula. Schools will earn funding for nurses based on student counts. Positions will be funded with benefits, and nurses will be earned at a 1:5 RN:LPN ratio with a contract length of 180 days.

The state will fund 50 percent of the total formula costs with the understanding that locals will be responsible for the remaining costs. There will be no local matching requirement, and locals could fund above or below the 50 percent level, or they could seek other fund sources to offset their portion of the costs. The local school systems that do not meet the minimum FTE student count required by this bill will receive a base amount of funding.

Funding for these changes will be phased in over a three-year period at a level of 40 percent in FY2013 and 45 percent in FY2014. Each school system is required to spend 100 percent of funds earned for salaries and benefits for school nurses.

Additional funding in the form of grants from the State Board of Education will be provided to purchase supplies for school health nurse programs. The grants, which are subject to appropriations by the General Assembly, will be distributed on an FTE basis. Use of the funds will be limited to the regulations established by the state board.

Under this bill, the position of school health nurse program coordinator will be established within the Department of Education. The responsibilities of the coordinator may include:

- Assisting local school systems to establish and implement school health nurse programs;
- Assisting in standardizing the report of health information from local school systems;
- Assisting local school systems to identify and obtain additional federal and other funding for school health nurse programs¹; and
- Other related duties to support school health nurse programs.

Senate Bill 404

Professional Development Funding

Effective Date: July 1, 2012

Under this bill, the State Board of Education is directed to work with the Professional Standards Commission (PSC) to establish new category-level expenditure controls to ensure that staff development funds are being used appropriately to align professional learning with results in improved student achievement.

To phase in the new professional learning funding formula, beginning in FY2014, development funding will include school-level administrators in addition to other certified professional personnel. Beginning in FY2015, the amount will be equivalent to at least 0.9 percent of salaries of all certified professional personnel, including school-level administrators.

¹ This funding includes, but should not be limited to, Medicaid funds and partnerships with local hospitals or other health care facilities.

A new Code section will require the State Board of Education to provide professional development centered on state-wide strategic initiatives.² To phase in funding for these strategic initiatives, an amount equal to 0.15 percent of the salaries of certified professional personnel, including school-level administrators, should be appropriated to the State Board of Education in FY2014. In FY2015 and thereafter, that amount will increase to the equivalent of 0.25 percent of salaries.

House Bill 535

War Veterans Homes – Veterans Service Board

Effective Date: Became Effective Upon the Governor's Signature

This bill allows the Veterans Service Board (Board) to authorize, by rule, for a reasonable fee for residency in and services provided by a facility of the Georgia State War Veterans' home. The Board may also provide for a full or partial waiver of such fees based on economic need.

The Department of Veterans Services is authorized to receive, as full or partial payment for services, the assignment of any state or federal benefit.

House Bill 760

Capital Outlay Funds for Elementary and Secondary Education

Effective Date: July 1, 2012

This bill eliminates the exceptional growth program, whereby distribution of funds to school systems for construction projects are prioritized because of exceptional growth. The program is replaced with an expansion of the maximum entitlement level for regular capital outlay earnings. Language delineating the process to establish exceptional growth is deleted.

Funding requests for construction projects needed because of a local board's decision to close another school(s) could now be presented to the Department of Education by the local board sooner, partially due to the elimination of the petition process and the non-binding referendum requirements.

New language allows a local school system to request a redirection of bond proceeds from a project not yet started, or for which full reimbursement has not been requested, to another capital outlay project in the event of fire or natural disaster.

Additionally, the bill amends language regarding low-wealth capital outlay grants by allowing the state board to authorize an additional 1 percent of the state eligible cost on a first priority project, for each mill over 12 mills levied by the local school system up to 8 additional mills.

Finally, no local school system that qualifies for a low-wealth grant will have a required local contribution for its project that is greater than the revenue generated by its SPLOST over its five-year period. If the sum of the required local contribution and the low-wealth grant is less than the state eligible cost of the project, the state will make up the difference. However, the local school system must repay the difference through future earned regular entitlements.

House Bill 824

Quality Basic Education (QBE): Re-calculating equalization grants

Effective Date: July 1, 2012

The Quality Basic Education (QBE) was originally enacted in 1985. Before QBE, school systems received state allocations on the basis of the number of students enrolled, without any adjustment for the fiscal condition of the school system or its ability to raise revenues.

Under the "local fair share" provision, additional state funds were given to school districts that increased local funding.

The QBE also introduced the full-time equivalent (FTE) standard in funding.

² The strategic initiatives may include, but are not limited to, training on the now common core curriculum, support for under-performing educators, and mentoring programs in specific areas.

The amendment to O.C.G.A. § 20-2-165 re-defines key terms in calculating equalization grants, and in doing so; change the grant amount some school districts receive. In addition to removing certain exemptions from “guaranteed valuation,” the bill re-defines “guaranteed valuation” from 75th percentile to the “state-wide average” of assessed value per FTE count.

Second, the bill adds the definition of a “qualified local school system” that has a millage rate or “equivalent millage rate” of 12 mills beginning July 1, 2015; 12 1/2 millage rate beginning July 1, 2016; 13 millage rate beginning July 2, 2017; 13 1/2 millage rate beginning July 1, 2018; and, a 14 millage rate beginning July 1, 2019. “Equivalent millage” would be a combination of local option sales tax (LOST) in combination with property taxes equal to millage generated by property tax alone. Equivalent millage is available only to eligible school districts.

Additionally, the bill revises midterm adjustments to equalization grants. Currently, adjustments are made in the grant when a qualified school system ranks at or below the 75th percentile of assessed valuation of all school districts. The bill puts into effect a mid-term adjustment when the school district is at or below the “guaranteed valuation”—which is, as above, the “state-wide average” of assessed value per FTE count.

House Bill 1178

Bills Having Significant Fiscal Impact on Revenues and Expenditures – Fiscal Notes

Effective Date: July 1, 2012

This bill requires that for bills having a significant impact on the anticipated revenue or expenditure level of the Department of Education because of creating a new program or funding category, the fiscal note must include a ten-year projection of the costs.

House Resolution 1161

Compensation Resolution for Mr. James A Cauley

Effective Date: Became Effective Upon the Governor’s Signature

This resolution seeks to compensate Mr. Cauley with a lump sum payment of \$7,500.00 for his personal injury, lost wages, and emotional distress. Mr. Cauley suffered a head injury after falling at the Georgia Department of Labor in Americus, Georgia. He was there to sign up his son for the Job Corps.

The Department of Administrative Services is directed to pay the compensation in a lump sum payment, the amount of which will be excluded from his taxable net income for state income tax purposes.

BANKING

House Bill 110

Vacant and Foreclosed Property Registry

Effective Date: July 1, 2012

This bill authorizes counties and municipalities to establish vacant and foreclosed property registries and establishes the state-wide requirements for such registries. This bill preempts any requirements of a vacant or foreclosed real property registry established by a county or municipal ordinance or resolution in effect as of July 1, 2012, that conflict with the requirements of this bill. Except for county or municipal ordinances or resolutions that require registration for repeated ordinance violations that remain uncorrected for at least 90 days, counties and municipalities cannot require registration of vacant or foreclosed property except as required under this bill or as authorized by general law. This bill caps administrative fees at \$100.00 per registration and permits penalties for failure to register or update information as long as the fees do not exceed \$1,000.

If real property is acquired by foreclosure under power of sale or acquired pursuant to a deed in lieu of foreclosure, and a deed containing all of the information on the foreclosed real property registration form is filed within 60 days of the transfer, and proof is provided, then the transferee is not required to register with the foreclosed real property registry. Property that has been transferred pursuant to a deed under power of sale or deed in lieu of foreclosure, or to the first subsequent transferee, is not required to register within 90 days of such real property’s transfer.

House Bill 886**Derivative Transactions****Effective Date: July 1, 2012**

A provision of the federal Dodd-Frank Act, which passed in 2010, states that an insured state-chartered bank can engage in derivative transactions after January 2013 only if the lending limit law of the state in which the bank is chartered has a provision pertaining to credit exposure to derivative transactions. Currently the Georgia Code does not have such a provision; this bill adds the necessary provision. This bill includes derivatives exposure within the existing limits on loans to one person or corporation.

House Bill 898**Georgia Merchant Acquirer Limited Purpose Bank Act****Effective Date: Became Effective Upon Governor's Signature**

This bill enacts the Georgia Merchant Acquirer Limited Purpose Bank Act and provides the requirements for chartering a merchant acquirer limited purpose bank in Georgia. "Merchant acquirer limited purpose bank" is a corporation chartered under this chapter. It can only accept deposits from an entity that owns a majority of the shares of the merchant acquirer limited purpose bank. It cannot accept "brokered deposits." It can only conduct deposit-taking activities from a single location in Georgia. The business conducted is merchant acquiring activities. It must, at all times, maintain capital stock and paid-in surplus at a minimum of \$3 million. It cannot engage in self-acquiring activities.

Corporations that perform merchant acquiring activities can choose to obtain a charter from the Department of Banking and Finance (department). Only those corporations that receive a charter from the department will be subject to department regulation and the provisions of this chapter. Non-chartered corporations that perform merchant acquiring activities will not be regulated by the department. After receiving the articles of incorporation and the filings and fees, the department must conduct an investigation to determine whether the articles of incorporation satisfy the requirements; assess the character and fitness of the applicant, directors, and proposed officers; and ascertain whether the capital structure is adequate. If the department determines the requirements are satisfied, it will approve the charter. Once the following has been submitted to the Secretary of State, a certificate of incorporation will be issued immediately to the proposed merchant acquirer limited purposed bank: written approval of the department with articles of incorporation, affidavit that articles were published in a newspaper, and all fees. After certain other requirements are met, the bank can then begin business.

House Bill 945**Issuance of Non-Cash Shares and Certain Dividends****Effective Date: July 1, 2012**

Under this bill, bank shares can be issued for less than par value where the Department of Banking and Finance has deemed there is good cause and grants approval. Dividends by a bank or trust company can be paid from sources other than the retained earnings when approved in advance by the department.

ECONOMIC DEVELOPMENT**Senate Bill 427****Environmental Protection Division: Permits and Variances****Effective Date: July 1, 2013**

This legislation requires the Environmental Protection Division to develop procedures to ensure timely processing of permits or variances. Further, the status of the applications must be securely available via EPD's website.

Senate Bill 428**Administrative Procedures Act: Annual Reports****Effective Date: July 1, 2012**

This legislation requires each agency to provide annual reports detailing applicable federal mandates that require administrative action for rules and regulations. Further, the reports must detail federal and state regulatory duplicity.

House Bill 514

Distillery Tastings

Effective Date: July 1, 2012

This legislation authorizes licensed distillers to provide educational and promotional tours of distillery premises upon application to the State Revenue Commissioner. The tours may include a limited free tasting of one-half ounce per person per day.

House Bill 868

Income Tax Credits: Job Creation

Effective Date: Became Effective Upon Governor's Signature

This legislation amends existing incentives for job creation in Georgia.

Definitions and requirements are amended regarding less developed areas, research expenses, and headquarters relocation credits.

The purchase or acquisition of an existing Georgia business does not qualify.

Language regarding forfeitures of the credit if net employment increases fall below the tier requirement is deleted.

The tax credit is lengthened from four to five years. The existing prohibition against carrying forward the available credit is deleted.

The qualified research expenses credit may be earned beyond the first five years of state operations, and may be coupled with other available credits.

The MEGA job creation tax credit rampup period is expanded through six (6) and eight (8) year periods if continued investment property is added with up to \$600 and \$800 million, respectively.

The effective date for using the credit is January 1, 2012.

House Bill 897

Georgia Work Ready

Effective Date: July 1, 2012

This legislation amends and deletes language governing the Georgia Workforce Investment Board (GWIB).

The term "Georgia Work Ready" is deleted. The GWIB is empowered to draft rules and regulations.

Existing authorizations of the Governor's Office of Workforce Development (GOWD) are deleted including a reference to "work readiness," and are replaced with local, national, and international soft skill programs in order to develop a pertinent certification system. Provisions under these sections included the "[g]overnor's discretionary funds" and the requirement that GOWD institute the Georgia Work Ready program.

EDUCATION AND YOUTH

Senate Bill 153

Documentation for Teachers and Administrators Terminated for Financial Reasons

Effective Date: July 1, 2012

If a teacher, administrator, or other employee with a definite term contract is terminated or suspended due to a reduction in staff resulting from the loss of students or cancellation of programs and through no fault of his or her own, the local unit of administration must specify in writing to that employee that the termination or suspension is due to no fault or performance issues of the employee. The purpose of this is to ensure that the potential future employers of teachers who have been terminated only for financial reasons do not incorrectly assume that their termination was due to poor performance.

The bill also creates a new Code section relating to the timing of furlough days. Unless the local board of education provides otherwise, local school system furlough days for teachers and school personnel during the school year must either be on a Monday, Friday, or in conjunction with a holiday.

Senate Bill 183

Assistance with School Health Nurse Programs

Effective Date: July 1, 2012

This bill allows local boards of education to consult with off-site health care professionals through protocols and contracts for assistance with school health nurse programs. This will allow schools to better utilize technology and telemedicine.

Senate Bill 184

Professional Learning Rules Task Force

Effective Date: Became Effective Upon Governor's Signature

This bill creates the Professional Learning Rules Task Force to review and revise the State Board of Education's rules on professional learning.

Furthermore, under this bill, local boards of education are prohibited from adopting policies that use length of service as the primary factor when implementing a reduction in force. Local boards must instead consider educator performance.

Senate Bill 227

Interstate Compact on Educational Opportunity for Military Children

Effective Date: July 1, 2012 or when ten states join the Compact, whichever occurs last.

SB 227 contains provisions originally found in SB 219. The original provisions of SB 227 are included in HB 706.

This bill establishes a compact to remove barriers to educational success imposed on children of military families due to frequent relocation and parental deployment. The compact is designed to bring states together to allow for the uniform treatment of military children who transfer between school districts and states. While states may already support military children, individual states can only control what happens inside their state borders. This compact allows for cooperation and uniform treatment in all member states.

The compact, which becomes effective when at least ten states join, addresses the key issues encountered by military families: eligibility; educational records and enrollment; placement and attendance; and graduation. It also provides for a detailed governance structure at the state and national levels with both enforcement and compliance mechanisms.

The provisions of the compact would apply to local education agencies and the children of:

- Active duty members of the uniformed services, including active duty members of the National Guard and Reserve;
- Members or veterans of the uniformed services who have been medically discharged or retired due to severe injury; and
- Members of the uniformed services who die on active duty or as a result of injuries sustained while on active duty.

Senate Bill 289

Online Learning for Georgia Students

Effective Date: Varied

This bill requires the State Board of Education (BOE) to establish rules and regulations to maximize the number of high school students, beginning with students entering the ninth grade during the 2014-2015 school year, who complete at least one online learning course before graduation. Local school systems must offer students virtual instruction program options that enable students to use online and distance learning in the nontraditional classroom. Beginning with the 2013-2014 school year, all local school systems must provide opportunities for its students in grades 3-12 to participate in part-time and full-time virtual instruction program options.

Under this bill, local systems will be able to retain the full FTE amount for students taking these classes, but they must pay the Department of Education (DOE) costs for tuition, materials, and fees directly related

to the approved course taken by a student in its system through the Georgia Virtual School. Tuition charged must not exceed \$250 per student per course. Currently, local systems do not pay DOE but they also do not get to keep the full FTE, which is on average more than \$250.

Furthermore, by the 2015-2016 school year, the BOE must make all end-of-year course assessments available online and establish rules and regulations to maximize the number of students utilizing these online assessments.

Code provisions that prohibit the possession of electronic communication devices in school are also repealed by this bill.

Senate Bill 405

Liability Regarding Confidential Student Information Provided to the Office of Student Achievement by a Private College or University

Effective Date: Became Effective Upon Governor's Signature

Under this bill, when private colleges or universities provide the Office of Student Achievement (OSA) with confidential records concerning their students, the private institutions will not be held liable if actions by the OSA or its staff result in a breach of confidentiality, disclosure, use, retention, or destruction of that information, so long as it did not come from the transmission of the confidential information by the private college or university before it reached the OSA. This protection is already extended to public colleges and universities.

Senate Bill 410

Assessments of Schools and School Systems Using Numerical Score Ratings

Effective Date: July 1, 2012

Under this bill, the Office of Student Achievement (OSA), in coordination with the Department of Education (DOE), will be required to adopt and annually review, and revise as necessary, indicators of quality learning, financial efficiency, and school climate for individual schools and school systems. The bill expands, from current law, the types of indicators used to assess, and provides for the use of numerical scores and star ratings, for the individual schools and school systems.

Indicators of quality learning will be based on data that includes student achievement, achievement gap closure, and student progress. Based on these indicators, each public school and school system will receive, on an annual basis, a numerical score on a scale of 0-100, with a majority of the score being based on student achievement.

Each school will be assigned a star rating between one, for failing, and five, for excellent, based on its determined financial efficiency or school climate. Financial efficiency may include an analysis of how federal and state funds spent by local school systems impact student achievement and school improvement. Components used to determine financial efficiency may include: actual achievements, resources efficiency, and student participation in standardized testing. School climate determinations may utilize data from student health surveys, environmental and behavior indicators, student behavioral and school-based reactions, and teacher and parent survey instruments.

Each year, the OSA will distribute a report card to each school system, for the system and each school within the system, that includes performance data on quality of learning, financial efficiency, and school climate as calculated under the numerical scale. Each report card should include the following information for each school or school system, where applicable:

- A numerical rating between 0 and 100;
- A financial efficiency rating;
- A school climate rating;
- An explanation of the criteria that informs the school and school system rating; and
- An explanation of the criteria that informs the financial efficiency and school climate ratings.

Schools that receive an unacceptable rating on student achievement, achievement gap closure, or student progress, or any combination thereof, may be subject to the appropriate levels of assistance or intervention adopted in the State Board of Education's policies, rules, or regulations.

The changes associated with this bill align with the proposal approved by the U.S. Department of Education waiving Georgia's requirements for Annual Yearly Progress under No Child Left Behind.

Senate Bill 412

Delay of County Board of Education Composition and Election Requirements

Effective Date: Became Effective Upon Governor's Signature

This bill delays the effective date of OCGA § 20-2-52.1 from its original date of January 1, 2013, until January 1, 2015. The statute, which was enacted by Senate Bill 79 during the 2011 Legislative Session, relates to the composition and election of county boards of education in counties with a homestead option sales and use tax and a county sales and use tax for educational purposes. This change will delay implementation until the end of board member terms, instead of in the middle of the term.

Senate Resolution 590

CPR Classes and AED in Public Schools

Effective Date: N/A

Recognizing the danger of cardiac arrest in children ages 18 and under, the Senate urges the Department of Education to implement cardiopulmonary resuscitation (CPR) classes and automated external defibrillators (AED) in Georgia public schools.

Senate Resolution 646

High-Quality Digital Learning

Effective Date: N/A

Recognizing the importance of education and the necessary conditions for expanded high-quality digital learning opportunities for students in Georgia, this resolution expresses the will of the Senate to create future legislation and integrate the Digital Learning Council's Ten Elements of High Digital Learning.

House Bill 39

Parental Notification of Unexcused Absences and Enforcement of Compulsory Attendance

Effective Date: Sections One, Three, Four, and Five will be applicable beginning with the 2012-2013 school year. Section Two will be effective on July 1, 2012.

Section One

The amendments in Section One of this bill are similar to those originally introduced in Senate Bill 227 and the final passage of House Bill 706.

Section One requires that the declaration of intent to utilize a home study program, and attendance records for home study programs, be submitted annually to the Department of Education (DOE), rather than the local school superintendent. This bill also gives DOE the authority to allow electronic submission of the records.

Section Two

All children between the ages of six and 16 who have not completed all requirements for a high school diploma must attend a public school, private school, or home school program in Georgia. Every parent, guardian, or other person residing in the state with control or charge of any child within the ages of mandatory consent must enroll and send the child to the appropriate school.

This bill allows school systems to utilize first-class mail, in addition to the current method of certified mail, return receipt requested, to notify parents, guardians, and others residing in the state who have control or charge of a child between the ages of six and 16, of the possible consequences and penalties for failing to comply with compulsory attendance laws and after a child has five unexcused absences. Under this bill, the school system will now also be required to send notice to the parent, guardian, or other via certified mail, return receipt requested, before taking any action to commence judicial proceedings for violation of his or her duties.

Sections Three, Four, and Five

This bill directs the Department of Education to coordinate with local school superintendents and/or boards of education with respect to attendance records and notification for students in home study programs as they relate to court proceedings to enforce mandatory attendance laws, the administration and enforcement of compulsory attendance laws, and reporting truants to juvenile or other courts.

House Bill 175
Online Clearinghouse Act
Effective Date: July 1, 2012

This bill creates an online clearinghouse of computer-based distance learning courses offered by local school systems and charter schools to share, for a fee, with other local school systems and charter schools. In addition to establishing the clearinghouse, the Department of Education (DOE) must review the content of each course prior to including it in the clearinghouse to ensure that it meets state curriculum standards.

A student can enroll in a clearinghouse course only if his or her enrollment is approved by his or her school system or charter school, and that school system or charter school agrees to accept for credit the letter grade assigned by the local school system or charter school delivering the course. A student who takes a course included in the clearinghouse will be counted in the funding formula of his or her local school system or charter school just as if he or she were taking the clearinghouse course from that school system or charter school.

Appropriate fees for one-credit and half-credit courses will be set by DOE, which will be proportionally reduced for any student who withdraws prior to the end of the course. No later than the last day of the course, DOE will deduct the amount of the fee for each student enrolled in the clearinghouse course from the student's school system or charter school allotment and pay that amount to the local school system or charter school delivering the course. Those funds will be used to pay the teacher conducting the course an additional amount of compensation, set by DOE, based on the number of students taking the course and the course fee.

House Bill 692
Falsified Evaluations Resulting in a Bonus or Salary Increase
Effective Date: Became Effective Upon Governor's Signature

Under this bill, if a teacher or certificated professional personnel falsifies, or knows or causes to be falsified, the student assessment results, standardized test scores, or standardized test answers that were in whole or in part of an evaluation resulting in a salary increase or bonus, the increase or bonus is automatically forfeited. Likewise, he or she must repay any, and all, amounts that were previously paid.

House Bill 706
Title 20 Clean-Up Bill
Effective Date: July 1, 2012

Based on the recommendations of the State Education Finance Commission, this bill "cleans-up" Title 20 by deleting obsolete, unused, and unnecessary provisions relating to elementary and secondary education.

Sections 30 through 33 of this bill contain provisions related to the submission of home school records that were also included in the original Senate Bill 227 and the final passage of House Bill 39.

House Bill 713
Primary and Secondary Career Initiatives and Postsecondary Readiness
Effective Date: 2013-2014 School Year

This bill delays, until the fall of 2013, the pending requirement that Technical College System of Georgia (TCSG) institutions accept core curriculum completed by high school students for the purpose of admission. Also delayed, until 2013, is the deadline for the Department of Education to develop state models and curriculum framework for career cluster focused programs of study.

Under this bill, the State Board of Education must prescribe a minimum course of age appropriate study in career education for students in kindergarten through twelfth grades. These courses of study must include, but are not limited to, career awareness, career exploration, and career-oriented learning experiences.

Currently, the State Board of Education, the USG Board of Regents, and the State Board of the TCSG (Boards) are required to coordinate with each other to better prepare students for postsecondary education. As part of this coordination, the entities must identify one or more statewide common assessments to determine postsecondary readiness in reading, writing, and math, and inform students of

their performance no later than the end of tenth grade. The Boards must develop transitional courses in reading, writing, and math that local school boards must offer to and require all students who fail the mandated readiness assessment at the end of tenth grade to take. Furthermore, the Boards must establish a state-wide process for determining how the successful completion of the transitional courses will guarantee that students will meet readiness standards.

Application of the policies and guidelines adopted by the State Board of Education related to awarding units of high school credit based on a demonstration of subject area competency, instead of, or in combination with, classroom instruction, will be delayed until the 2013-2014 school year.

House Bill 797

State Charter Schools Commission- House Resolution 1162 Enabling Legislation

Effective Date: The provisions in this bill will only become effective on January 1, 2013, if a constitutional amendment expressly authorizing the General Assembly to create state charter schools as special schools is ratified at the November 2012 general election. If the amendment is not ratified, this act will not become effective and will stand repealed on January 1, 2013. The amendments to the funding of state chartered special schools will become effective on July 1, 2012, regardless of the November election.

This bill repeals Article 31A of Chapter 2 of Title 20, which relates to the Georgia Charter Schools Commission, and replaces it with new language creating the State Charter Schools Commission (Commission). The seven-member Commission is a state-level authorizing entity that would work in collaboration with the Department of Education (DOE) under the supervision of the State Board of Education (BOE). The Commission has the power to approve or deny petitions for state charter schools and renew, not renew, or terminate state charter school petitions according to rules and regulations. The Commission can preliminarily approve of a charter petition before the petitioner has secured space, equipment, or personnel, if it is necessary to raise working capital. By a majority vote of members of the BOE, the Commission's approval or renewal of a state charter school can be overruled within 60 days of the Commission's decision. The Commission also has the power to conduct facility and curriculum reviews of state charter schools.

Commission Duties

The duties granted to the Commission are as follows:

- Review state charter school petitions and assist in their establishment throughout the state, ensuring that their charters are consistent with state education goals;
- Develop, promote, and disseminate best practices for state charter schools to ensure high-quality charter schools;
- Develop, promote, and require high standards of accountability for state charter schools. If a state charter school does not meet the performance measures included in its approved charter, the Commission must report it to the DOE;
- Monitor and conduct annual reviews and evaluations of the state charter schools' academic and financial performance, holding them accountable for their performance pursuant to the charter;
- Review the citizenship and immigration status of each individual that works at a state charter school and aggregate the information by school on an annual basis;
- Direct state charter schools and those seeking to establish state charter schools to sources of private funding and support;
- Actively seek, with the assistance of the DOE, supplemental revenue from federal grant funds, institutional grant funds, and philanthropies;
- Make recommendations, after review, to the General Assembly of any necessary revisions to statutory requirements regarding standards and accountability for state charter schools;
- Act as a liaison for state charter schools in cooperating with local boards that may choose to allow state charter schools to utilize excess space within school facilities;
- Encourage collaboration with municipalities, counties, consolidated governments, universities, technical institutions, and regional education service agencies;
- Meet the needs of state charter schools and local school systems by uniformly administering high-quality state charter schools, thereby removing the administrative burdens from the local school systems;
- Assist state charter schools in negotiating and contracting with local boards that choose to provide certain administrative or transportation services to the state charter school;

- Provide training for members of state charter school governing bodies after the approval of the charter school;
- Establish rules and regulations that require each state charter school to give adequate notice of its enrollment procedures, including provisions regarding the use of a proper random selection process when the number of applications exceeds the capacity of the program, grade, or school; and
- Provide adequate notice regarding Commission meetings to local boards of education and the public. Such notice must include the charter petitions that will be discussed and acted upon.

Submission of Petitions to the Commission

The Commission may approve a petition for a state charter school if it has a state-wide attendance zone; or it has a defined attendance zone and demonstrates special characteristics or other features that enhance educational opportunities.

Petitioners seeking a state charter school with a state-wide attendance zone must concurrently submit their petition to the Commission and the local board of education where the school is proposed to be located for information purposes. However, this is not required for a proposed state charter school that will only provide virtual instruction.

Petitioners seeking a state charter school with a defined attendance zone must concurrently submit their petition to the Commission, the local board of education where the school is proposed to be located, and to each local school system from which the proposed school plans to enroll students. The Commission cannot act on a petition unless the local board of education where the school is proposed to be located denies the petition. Unless the petitioner has requested an extension, the local board must approve or deny the petition no later than 60 days after its submission. Failure to approve or deny the petition will constitute denial for these purposes. The local board that has denied a petition for a state charter school may present to the Commission, in writing or in person, the reasons for its denial and the deficiencies in such petition, which resulted in the denial. If, and when, the Commission votes to approve or deny a state charter school petition, it may take into consideration any support or opposition by the local board of education or local boards of education on the corresponding start-up charter school petition.

Preferential Requirements of a State Charter School

A state charter school must seek highly qualified, properly trained teachers and other qualified personnel for its school. State charter schools must give preference in hiring to an individual who is a citizen or national of the U.S. over an equally qualified candidate who is not a citizen or national of the U.S., unless the teacher is a foreign exchange teacher. Before hiring a non-U.S. citizen, national, or protected individual, the school must receive approval by the Commission after demonstrating that the hiring is warranted because qualified teachers and other personnel were sought but not available in the area.

A state charter school must also give contracting and purchasing preference for services and materials to businesses incorporated in Georgia or businesses that are qualified to do business in Georgia and have a regularly maintained and established place of business in Georgia, as long as such businesses are otherwise similarly situated and equally qualified as businesses outside of the state.

Submission of Petition by an Existing Charter School

An existing charter school approved by a local board or the BOE can submit a petition to the Commission if its obligations to the local or state board will expire before entering into a new charter with the Commission. The local board or state board may, upon the request of an existing charter school, agree to rescind or waive the obligations or a current charter to allow a petition to be submitted to the Commission. The school will be allowed to continue using all of the facilities, equipment, and other assets if used prior to the expiration or rescission of its local charter; however, the local board will be able to charge or continue to charge a reasonable fee for the use of the facilities.

Debt of a Terminated Charter School

The state charter school will be responsible for all debts in the event that its charter is not renewed or is terminated. Neither the BOE, nor the Commission, will be liable for any debts in such a case.

Funding of State Charter Schools

The earnings for a student in a state charter school will be equal to the earnings for any other student with similar characteristics in a state charter school, regardless of which school system the student resides in or where the school is located.

The DOE will pay each state charter school, through state fund appropriations, an amount equal to the sum of:

- QBE formula earnings and QBE grants earned by the state charter school based on the school's enrollment, school profile, and student characteristics as detailed in statute;
- A proportional share of earned state categorical grants, non-QBE state grants, transportation grants, school nutrition grants, and all other state grants, except state equalization grants;
- The average amount of the total revenues less federal revenues less state revenues other than equalization grants per FTE for the lowest five school systems ranked by assessed valuation per weighted FTE count. This is the equivalent of the amount of total local revenue and equalization funds averaged among the five systems with the lowest taxable property wealth per student; and
- The state-wide average total capital revenue per FTE.

If a state charter school offers virtual instruction, it will receive an amount equal to two-thirds of the average of total revenues less federal revenues and less state revenues other than equalization grants per FTE for the lowest five school systems ranked by assessed valuation per weighted FTE count. However, the amount may be adjusted for them to receive the total amount at the discretion of the Commission, if relevant factors warrant such an increase. The Commission can also reduce the capitol revenue the school receives in proportion to the amount of virtual instruction provided and based on factors that affect the cost of providing instruction.

The DOE can withhold up to 3 percent of the funding amount for each state charter school for use in administering Commission duties. No deduction in state funds, which a local school system is otherwise authorized to receive, will be made as a direct result of the enrollment in a state charter school of specific students who reside in the local school system.

Funding for state charter schools is subject to appropriations by the General Assembly. Such state charter schools will be treated consistently with all other public schools in this state with respect to statutory funding formulas and grants.

The same funding formula will apply to state chartered special schools after July 1, 2012. Currently, QBE formula earnings, applicable QBE grants, non-QBE state grants, and federal grant funding for state chartered special schools are distributed to the local board of education for the school system where the school is located, and then transferred to the special school.

Definitions

The bill includes definitions for the following terms as they relate to its provisions: Attendance Zone; Commission; Department; Governing Board; State Charter School; Assessed Valuation; and Assessed Valuation per Weighted FTE Count.

House Bill 845

Providing Parents with Information on the Flu Vaccine

Effective Date: July 1, 2012

This bill requires that all early care and education programs provide the parents and guardians of its enrolled children with educational information on the flu vaccine by September 1, each year. However, failure to provide the information does not subject the program to any civil or criminal liability, nor is the program required to provide or pay for the immunization.

The information provided should include, but is not limited to:

- The causes and symptoms of the flu and how it spreads;
- The risks associated with the flu;
- The availability, effectiveness, and known contradictions of the flu vaccine; and
- Related recommendations issued by the federal Centers for Disease Control and Prevention, including the recommended ages at which children should receive the vaccine.

House Resolution 1162
Constitutional Amendment on State Charter Schools
Effective Date: Ratification in November 2012 Election

This resolution seeks to amend the Georgia Constitution to allow for state or local approval to create charter schools.

Section One gives the General Assembly the authority to pass legislation that establishes public education policy.

Section Two still gives county and area boards of education the authority to establish and oversee the public schools within their area, but under the new amendment, local actions cannot take away from any of the authority granted to the General Assembly in Sections One and Three of this bill, including the authority to establish special schools.

Section Three defines a state charter school, the scope of special schools, and the mechanisms available for funding state charter schools. Currently, a majority of qualified voters in the system can approve bond debt and a school tax to support special schools. Under the proposed amendment, the debt and tax referendum must also have the approval of the local board of education.

Under the Constitution, the General Assembly already has the authority to create special schools in areas that may require them. This amendment clarifies that these special schools can include state charter schools, and that all special schools must be public schools. Under the amendment, "state charter school" is defined, as "a public school that operates under the terms of a charter between the State Board of Education and a charter petitioner," which cannot include private, sectarian, religious, for profit, or private schools. A local board of education can still establish local charter schools, which are distinct from state charter schools.

The amendment would allow the state to use state funds to support and maintain special schools, but in doing so, the state cannot reduce the amount of state funding a local school system would receive because students who live in the local school system enroll in a state charter school. One of the funding mechanisms previously used to fund charter schools under the Georgia Charter Schools Commission allowed the commission to determine an amount equal to a proportional share of local revenue from the local school system in which the student attending the commission charter school resides for each student enrolled. DOE would then pay this amount to each commission charter school through state and federal fund appropriations. This reduction of local funding would be unconstitutional under this portion of the proposed amendment.

Section Four spells out the question to be included on ballot for voters as the following: "Shall the Constitution of the State of Georgia be amended to allow state or local approval of public charter schools upon the request of local communities?" Those who want the amendments included in this resolution to become part of the Constitution will vote "Yes."

ETHICS

Senate Bill 92
Elections
Effective Date: Various Effective Dates

This legislation is the Secretary of State's annual housekeeping bill for election law. Among its various provisions, this legislation provides for the establishment of online voter registration and revises requirements for when the Governor must call a special election to fill a vacancy in the General Assembly. Other changes to election law include, but are not limited to, providing a second qualifying period for independent candidates that coincides with partisan qualifying; providing that an independent incumbent qualifying as a candidate to succeed himself or herself is not required to file a nomination petition; moving up the date of the publishing of qualified write-in candidates; and allowing a candidate who is disqualified, because of an error by the officer with whom he or she qualified, to receive a refund of qualifying fees. The bill also requires the qualifying period for candidates in nonpartisan elections or primaries to be reopened if an incumbent withdraws his or her candidacy prior to the close of the qualifying period, and it allows the qualifying period for candidates for a political party primary to be

reopened if an incumbent withdraws after the close of the qualifying period. In addition, the bill also clarifies that nonpartisan elections for members of consolidated governments are to be considered county, not municipal, elections.

Sections related to the qualifying of candidates become effective upon approval by the Governor or upon becoming law without such approval. The section related to elections for consolidated governments becomes effective on the first date of the qualifying period for the 2012 general primary, or if such implementation on such date is not permissible under the federal Voting Rights Act, then on January 1, 2013. All other sections of the bill become effective on July 1, 2012. *Note: Senate Bill 92 includes provisions which are similar to provisions contained in House Bill 725 and House Bill 776. The entire text of this bill, with the exception of the bill's effective dates, was originally found in the Senate Rules Committee substitute to House Bill 899.*

Senate Bill 101

Student Teen Election Participant (STEP) Program

Effective Date: Became Effective Upon Governor's Signature

This bill authorizes local school boards and election superintendents to establish a Student Teen Election Participant (STEP) program, which allows high school students to volunteer as poll officers during any primary, special, or general election. While participating in the STEP program, students will work four to six hours on an election day. The students will receive age-appropriate training for serving as a poll officer and will remain under the supervision of an adult poll officer or manager, who is 21 years old or older, at all times. All students who successfully participate in the program will be counted as present and given full credit for the school day on which they served.

FINANCE

Senate Bill 284

Georgia Land Bank Act of 2012

Effective Date: July 1, 2012

Dilapidated, abandoned, and tax delinquent housing lowers property values and tax revenues, increases costs of fire and police protection, and undermines community cohesion. Land banks that acquire these properties and make them available for new investment are one means of returning them to a productive; therefore, the Georgia Land Bank Act of 2012 provides for the creation and rules of operation for land banks. Under its provisions, counties, municipal corporations and consolidated governments may create land banks empowered to acquire vacant, abandoned or delinquent properties.

Land banks would acquire properties and transfer or sell them to parties who will use the land for publicly-beneficial uses, such as affordable housing, conservation areas, land trusts, or long-term investment into local private enterprise.

Powers of Land Banks

Land banks would be created by local governmental jurisdictions to operate within their geographical boundaries and would enjoy the powers of a number of other quasi-governmental public bodies. Land banks would be able to enter into agreements with local governments for staffing services for operations; and finance operations through borrowing, investing and issuing bonds. They would be able to purchase insurance; determine fees and rents of acquired properties; as well as lease, sell, transfer, or otherwise dispose of properties.

Further, the banks would enjoy certain exemptions and exercise some discretion over their properties. Their acquisitions would be exempt from taxation. Further, the acquisition of property would not be controlled by any governmental jurisdiction, unless otherwise provided for by law or intergovernmental contract.

The bank would also possess special powers related to prior debts or claims on acquired properties. If the bank is the sole or highest bidder on a court-ordered sale of a property, the bank would assume ownership of the property by entering a bid in an amount no higher than the total amount of all liens on the property and any accrued interest, penalties, and costs. Further, when acquiring a property that has

liens or claims owed to its members or governments, the board of the bank may elect to extinguish all such claims.

Liens or claim of property taxes owed to a school district may also be extinguished, provided the school district fails to object to the action within 30 days of receipt of its notice.

To meet ongoing financial obligations, land banks would be entitled to proceeds of properties they sell, and for five years following the sale, be entitled to up to 75 percent of property tax revenues, though the specific tax rate would be subject to ordinance of the jurisdiction. School districts would be exempted from remitting property taxes back to the banks, unless they agree to such terms in a separate contract.

The Act would also limit the powers of land banks, impose certain responsibilities, and forbid conflicts of interest. For example, land banks would not be able to lend money to nongovernmental entities, except when those funds are received by federal, state or local governments and those funds are designated for loans and when those loans are consistent with the mission of land banks.

In accordance with OCGA § 3-82-36, bonds issued by the banks are the responsibility of the banks themselves and not the debt of any municipal corporation, county, the state, or any political subdivision of the state. Board members may not acquire any interest, direct or indirect, in real property owned by or in the process of being acquired by land bank, or have an interest in contracts that land banks enter.

The banks have no power of eminent domain; moreover, the banks cannot own or hold property beyond their geographical jurisdiction.

If a land bank is dissolved, the assets of the bank will revert to the government in which the assets are located. The banks are not automatically entitled to revenues owed from the acquired property. Banks are required to remit the full amount received for liens or property taxes to the county, city school district, or other governments to which the payment were originally owed.

Senate Bill 293

License Plates: "In God We Trust"

Effective Date: July 1, 2012

This legislation requires that all license plates, upon request, display the nation's motto, "In God We Trust."

Applicants may, upon request, receive a license plate that designates the county name of the applicant.

Senate Bill 332

Retail Advertisements; Public Reporting of Surplus SPLOST Funding; Local Energy Excise Manufacturing Tax

Effective Date: Varies

Advertisements by retailers claiming that they will absorb an applicable tax (or that there is no tax liability) must inform buyers that the retailer is doing so on the buyer's behalf.

This bill also clarifies the public reporting of special purpose local option sales tax (SPLOST) funds by municipal and county governments. Local governments must publicly report a statement of surplus funds that have not been expended for a project or purpose, as well as the estimated date and cost of completing these unfinished projects. If available, this must be shown on the local government's website.

A Senate floor amendment added language regarding the local manufacturing excise tax (See HB 386 2012) authorizing the cities in a county where there is no intergovernmental agreement, or if the county does not levy the excise tax, to pass the excise tax by ordinance. The cities have 30 days to exercise the tax after the county; any levied tax would go into effect on the first day of the month following the adoption of the applicable ordinance.

House Bill 48

Ad Valorem Tax: Level 2 Freeport Exemptions

Effective Date: Became Effective Upon Governor’s Signature

A new definition is added for “foreign merchandise in transit,” and this expands the freeport exemption to inventory in storage or on docks awaiting shipment. A level 2 freeport exemption is authorized which grants a “catch all” inventory exemption. Eleven Georgia counties currently do not exercise a freeport exemption:

1. Baker
2. Bleckley
3. Calhoun
4. Echols
5. Glascock
6. Heard
7. Oglethorpe
8. Rabun
9. White
10. Wilcox
11. Wilkinson

House Bill 634

Population Brackets and Installment Payments of Unpaid Ad Valorem Taxes; Revising Population Brackets for Categorizing Delinquent County Taxes; and Population Brackets and Ad Valorem Tax Exemptions.

Effective Date: July 1, 2012

Currently, in counties that the 2000 U.S. Census shows a population of 800,000 or more, ad valorem taxes paid by installment bear interest until paid. House Bill 634 revises the minimum county requirement to 900,000 as measured by the 2010 U.S. Census.

Includes language from House Bill 407 and House Bill 289.

From House Bill 407: Currently, under O.C.G.A. § 48-5-24, tax delinquency deadlines, penalties, and interest on county taxes are classified by a county’s population bracket. The brackets currently refer to the 2000 U.S. Census.

Under existing O.C.G.A. § 48-5-24 (b), persons in counties with populations of not less than 625,000 and not greater than 700,000 owe half of their taxes to the county on July 1 of each year and are delinquent if not paid by August 15. The remaining half is owed by October 1, and considered delinquent by December 31. A penalty of not more than 5 percent accrues when the tax becomes delinquent. Taxes delinquent after December 31 are charged interest at a rate specified by law.

Under existing OCGA § 48-5-24 (e), persons in counties with populations of not less than 595,000 and not greater than 660,000 owe all of their taxes to the county on August 15 of each year and are delinquent if not paid by October 15. The penalty on the tax due is 5 percent of the total amount of the tax, with interest specified by Code, beginning after October 15.

Changes to Population Brackets

The amendment would refer to the 2010 U.S. Census for population statistics, and change the population brackets for these subparts as follows:

	Population Bracket under § 48-5-24 (b)		Population Bracket under § 48-5-24 (e)	
Current Bracket	625,000	700,000	595,000	660,000
New Requirement	690,000	800,000	680,000	690,000

From House Bill 289: Currently, under O.C.G.A. § 48-5-2, existing ad valorem tax exemptions are applied to counties, according to the 2000 U.S. Census, of populations no less than 19,200 and no greater than 19,750.

The language from House Bill 289 requires the use of the 2010 Census and to apply the tax exemption to counties with no less than 23,500 and no greater than 23,675.

House Bill 729

IRS Update

Property Tax Digests: Reference to State Quarter Mil Elimination

Rental Vehicles Transfers

Sales Tax Exemption:

- **Prescription Insulin; and**
- **National Organization Annual Meeting (NCSL)**

Effective Date: Became Effective Upon Governor's Signature

This legislation updates the Georgia Code to reflect and adopt annual changes in the Federal Internal Revenue Service Code. The only substantial federal tax legislation was the extension of the 2010 Tax Relief Act.

Reference to Georgia's quarter mil ad valorem tax is deleted because the quarter mil is being phased out by 2016 pursuant to House Bill 1055 (2010).

The definition for "lease or rental" is modified to reflect the amount of consideration necessary to effectuate the sale. This reflects the requirements of the Streamline Sales Tax Agreement.

Insulin is specifically included in the sales tax exemption for prescriptions.

A new sales tax exemption is provided from July 1, 2012, through December 2013 for a state-based organization holding an annual meeting in Georgia—NCSL.

House Bill 743

Motor Fuel Excise Tax Exemption: Public and Campus Transportation

Local Sales Tax Exemption: Jet Fuel

Sales Tax Exemption: Packaging Materials

Effective Date: July 1, 2012

This legislation extends an existing exemption from the motor fuel tax for public and campus transportation systems. It is set to expire on June 30, 2012, and will be extended by this legislation through June 30, 2015.

The fiscal note estimates the state revenue impact through FY2015 is (\$8,729,059).

It further exempts jet fuel at Atlanta's Hartsfield-Jackson airport from local sales tax and certain packaging materials.

House Bill 808

Income Tax Exclusion: Veteran Disability

Effective Date: Became Effective Upon Governor's Signature

The legislation authorizes disability income received from the US Department of Veteran's Affairs to be excluded from Georgia income tax liability. It is currently excluded from federal income tax liability.

"Disabled veteran" is defined as a wartime veteran honorably discharged with at least 90 percent disability and who is eligible due to loss of one or both feet, hands, or eyes.

House Bill 846

Department of Revenue Rulings

Effective Date: Became Effective Upon Governor's Signature

This legislation authorizes the Department of Revenue's Commissioner to draft regulations regarding rulings. Rulings will hold no precedential value except for the applicable party involved in that said ruling.

The Commissioner may sell or auction personal property to satisfy unpaid taxes; the auction may be conducted in public, online or via sealed bids, and the minimum bids may be set by the Commissioner. Payment requirements may be established by the Commissioner. Original or alias tax executions may be converted to electronic formats.

House Bill 851

Changed Population Brackets: Commission Payments

Effective Date: Became Effective Upon Governor's Signature

Currently, under O.C.G.A. § 48-6-73, officers collecting taxes for the Department of Revenue receive a 4 percent commission for those counties that, according to the 2000 U.S. Census, are more than 650,000 in population. House Bill 851 changes the population requirements that apply to the 4 percent commission. The 6 percent rate will apply to all counties equally.

House Bill 916

Conservation Use Properties

Effective Date: Became Effective Upon Governor's Signature

Owners of agricultural land, timberland, and environmentally sensitive land may currently qualify for conservation use assessment.

Conservation use property is assessed at 40 percent of current use value which gives a reduced assessment to the owner of this type property when compared to other property assessed at 40 percent of fair market value.

This favorable tax treatment is designed to protect these property owners from being pressured by the property tax burden to convert their land from agricultural use to residential or commercial use, hence the name "conservation use" assessment. In return for the favorable tax treatment, the property owner must keep the land undeveloped in a qualifying use for a period of ten years or incur stiff penalties.

Owners who breach their conservation use covenant must pay back to the taxing authorities twice the savings they have received over the life of the covenant up to the point it was breached.

This legislation makes exclusions for determining the value of the conservation use property to include the "underlying property" on which the residence is located whereby its minimum lot size is governed by local zoning ordinances or two acres—whichever is less; however, this exclusion will not apply for existing covenants until they come up for renewal.

Further, this legislation strikes the 25 minimum acreage that was adopted under HB 1081 (2008), but requires the property owner of less than 25 acres seeking qualification to submit additional proof, and an IRS Schedule E farm-related income loss form will serve as proof of such use and no other records are required.

A tax assessor must conduct a visual onsite visit of the property seeking qualification.

This legislation also defines the term "contiguous" to mean land within a county that has undivided common ownership or a property that is divided by a boundary or easement or railroad, but the conservation use applicant must elect its contiguous nature at the time of application. Additional and subsequently purchased property may be added to a conservation use property at the time of its purchase, but it cannot exceed 50 additional acres.

House Bill 932

The "Nonresident Contractor" Withholding

Effective Date: July 1, 2012

Currently, under O.C.G.A. § 48-8-63, a general contractor in Georgia must withhold 4 percent of the payment on contracts from a nonresident contractor, provided the total amount of the contract is equal to or greater than \$250,000. The withholding is used to satisfy the state sales and use tax. The general contractor will continue to withhold the percentage until the nonresident contractor can produce certification from the tax commissioner that the state sales and use taxes have been paid.

This legislation would lower the withholding from 4 to 2 percent.

House Bill 965

Fiduciaries Estimated Tax Liability

Effective Date: Became Effective Upon Governor's Signature

Under O.C.G.A. § 48-7-114, all taxpayers must file an estimated tax return if his or her gross income:

1. Exceeds \$1,000 in wages; and
2. Exceeds \$1,500 if single or separated from their spouse; or
3. Exceeds \$3,000 if married and living with his or her spouse.

Currently, under O.C.G.A. § 48-7-114, fiduciaries of decedent's estates or of a testamentary trust must comply with all requirements above. This legislation would delay the filing of an estimated return by fiduciaries for two years after the death of the deceased.

Includes language from House Bill 967: Members of partnerships, 'S' corporations and limited liability companies who are not residents of Georgia are nevertheless liable for taxes on the income they derive from business they do within the state. As a consequence, the companies they are members of are required to withhold the tax these members would have paid as residents. The companies are then required to remit the tax owed.

Currently, under O.C.G.A. § 48-7-129 (4)(d)(1), the withholding tax must be paid within the calendar month following the month in which the income was withheld; House Bill 965 removes this provision.

Additionally, the current law defines the taxable income of nonresident partners with the language "distributions paid" and as "distributions paid but not credited." The legislation substitutes the phrase "a nonresident member's share of taxable income sourced within the state" (O.C.G.A. § 48-7-129, throughout). Similar language, relating to partnerships, 'S' corporations, and limited liability companies, is substituted with this phrase as well.

Further, the bill defines "taxable income sourced to this state" according to provisions in O.C.G.A. § 48-7-31, which determines how taxable corporate income is allocated and apportioned.

House Bill 1027

Tax Credits: Film and Television; Interactive Entertainment Products

Effective Date: Became Effective Upon Governor's Signature

The MEGA Jobs Tax Credit is amended to include affiliates. *See House Bill 868 for additional discussion.*

This legislation revises the existing tax credits for Georgia film production by contracting it to de-qualify an interactive entertainment production company. It does not encompass local interest programming or instruction videos or projects created, shot, or recorded in Georgia.

The credit is modified by excluding expenditures for post-production of footage shot outside Georgia; however, expenditures will include payments to loan-out companies for services performed in state. Non-resident loan-out company employees will be considered taxable nonresidents.

Currently, incentives are provided for the Georgia logo to be shown in the credits; however, there have been complaints that the logo incentive is too lucrative and narrowly displayed. The new language would require the logo to be displayed before the crew and include a link to the Georgia film projects webpage. Alternative marketing may be negotiated with the Department of Economic Development.

A company that hires another firm for production will be eligible to receive the credit.

Aggregate credits are capped at \$25 million for interactive entertainment production (\$5 million each).

House Bill 1071

Tobacco Excise Tax

Effective Date: July 1, 2013

This legislation amends laws relating to tobacco excise taxes—specifically cigars—in an effort to minimize fraudulent activities. The definition for cigar is expanded to include little cigars (weighing less than three pounds per thousand).

The tobacco tax is imposed pursuant to O.C.G.A. § 48-11-2, but the new definition does *not* change the rate at which “any cigar weighing not more than three pounds per thousand” is charged. So, the new definition does not affect the tax rate. Also worth noting is that “three pounds per thousand” is a customary cut-off for defining cigars v. little cigars.

The excise tax will be levied against the dealer or licensed distributor and collected on the first transaction in the State; moreover, tobacco products will be prohibited from being received, sold, or shipped into Georgia unless originating from a licensed person or duly permitted imported.

A new \$10 fee will be required on tobacco dealers plus a first-year registration fee of \$250. Renewal applications must be filed 30 days before license expiration. Dealers who are also licensed to sell alcohol may request to have their licenses coincide for renewal.

Licensed dealers will be assessed a \$25 fee for each day their required monthly reports are late.

Current inventories must be documented by invoices to be produced on demand for inspection. Other records may be kept at other locations and produced within two days of demand by Department of Revenue

Transportation of improperly stamped tobacco goods will be assessed a \$50 penalty for each carton or loose tobacco. Intent to evade excise taxes will be subject to the following penalties:

20 and 60 cigars; 200 to 600 cigarettes; or Less than 18 loose tobacco boxes.	Misdemeanor
60 to 200 cigars; 600 to 2000 cigarettes; or 18 to 60 loose tobacco boxes.	High and Aggravated Misdemeanor
More than 200 cigars; More than 2000 cigarettes; or More than 60 loose tobacco boxes.	Felony 3 to 10 years jail time

GOVERNMENT OVERSIGHT

Senate Bill 343

Office of the Comptroller General of the State of Georgia

Effective Dates: July 1, 2012 and July 1, 2013

This Act will become effective on July 1, 2012, except for Sections 3 and 4.

Section 3 will become effective on July 1, 2012, and will remain effective until December 31, 2012.

Section 4 will become effective on January 1, 2013.

Currently, the title of Comptroller General is reserved for the Commissioner of Insurance. This bill removes that title and office from the Department of Insurance and creates a new office in the State Accounting Office.

The state accounting officer will serve as the Comptroller General to perform, among other things, the following duties:

- Keep an account of the several appropriations authorized by law, the time they are drawn from the treasury, in whose favor they are drawn, and to what fund they are charged;
- Examine, check, and countersign all warrants upon the treasury drawn down by the Governor, President of the Senate, and Speaker of the House, charging the amounts to the respective funds prior to being presented to the Office of State Treasurer for payment;
- Audit all accounts against the state and allow or reject the same before submitted to the Governor;
- Countersign no draft or warrant to be paid out of an exhausted appropriated fund;
- Receive and collect all evidence of debt due to the state from any source other than taxes and pay over the debts to the state treasurer as soon as collected;
- Keep a book with all bonds taken and file the originals in his or her office; and
- Keep in his or her office a bound book with the full amount of all annual appropriations entered in alphabetical order to exhibit the true finances of the state.

House Bill 642

Abolishing the State Personnel Administration

Effective Date: July 1, 2012

This bill abolishes the State Personnel Administration and transfers certain functions to the Department of Administrative Services and the Commissioner of Administrative Services. Likewise, the bill transfers duties, personnel, equipment, facilities, and appropriations from the State Personnel Administration to the Department of Administrative Services on July 1, 2012.

House Bill 766

Foundations of American Law and Government Displays

Effective Date: July 1, 2012

The language in this bill mirrors Senate Bill 424, which did not pass.

Currently, the Foundations of American Law and Government display can be posted publicly in the judicial facilities of each municipality and political subdivision. Under this bill, displays of educational and informational material about the history and background of American law, and the Foundations of American Law and Government display, may be in any public building of the state.

The Foundations of American Law and Government display must include the following documents and a context for acknowledging formative, historically significant documents in American history as prescribed in the Code:

- The Mayflower Compact, 1620;
- The Ten Commandments as extracted from Exodus Chapter 20;
- The Declaration of Independence;
- Magna Carta;
- "The Star-Spangled Banner" by Francis Scott Key;
- The National motto;
- The Preamble to the Georgia Constitution;
- The Bill of Rights of the United States Constitution; and
- The description on the image of Lady Justice.

House Bill 805

Amendments Related to House Bill 642 and the Abolition of the State Personnel Administration

Effective Date: July 1, 2012 if House Bill 642 is also enacted

This bill makes amendments and cross-reference corrections necessary if the State Personnel Administration is abolished and its functions are transferred to the Department of Administrative Services. These changes are required to make the name-change official.

House Bill 863

Competitive Bidding Requirements and the Small Business Act of 2012

Effective Date: July 1, 2012 (Sunset July 1, 2015)

Currently, purchases of supplies, materials, equipment, or services, do not require competitive bidding if they are reasonably expected to cost less than \$5,000, and are not available on state contracts or through statutorily required sources. This bill would allow such products to be purchased without competitive bidding if they are reasonably expected to cost less than \$25,000.

This bill also revises “The Small Business Assistance Act of 1975” and renames it “The Small Business Assistance Act of 2012” (Act). Under the amended Act, a “Georgia resident business” is any business that regularly maintains a place, where business is physically conducted, in Georgia for at least one year prior to any bid or proposal to the state, or a new business that is domiciled in Georgia and regularly maintains a place where business is physically conducted in the state. However, the place where business is conducted does not include a P.O. Box, a leased private mailbox, a site trailer, or a temporary structure. Furthermore, this bill amends the definition of “small business” to mean an independently owned and operated Georgia resident business with less than 300 employees or less than \$30 million in gross receipts per year.

The provisions set forth in this bill will become effective on July 1, 2012, and will sunset on July 1, 2015, unless renewed. If the provisions are not renewed, the law will revert back to its current state.

HEALTH AND HUMAN SERVICES

Senate Bill 338

Special Licenses for Dentists and Dental Hygienists Licensed in Other Jurisdictions; Requirements for a License to Practice Dentistry

Effective Date: July 1, 2012

Under this bill, dentists and dental hygienists who have a license in good standing in any U.S. jurisdiction may receive a special license from the Georgia Board of Dentistry to volunteer their services. The special license holder may only practice dentistry or dental hygiene while in the noncompensated employ of a public or nonprofit entity that provides services to indigent patients in areas that are underserved by dentists or dental hygienists or critical need population areas of the state. This bill also clarifies that all applicants for a license to practice dentistry must have received a doctor of dental surgery (D.D.S.) or doctor of dental medicine (D.M.D.) degree.

Senate Bill 346

Mail-Order Prescription Drugs/ Remote Order Entry for Hospital Pharmacies

Effective Date: July 1, 2012

Under current law, a pharmacy in Georgia may mail drugs only if: (A) such drug is either mailed directly to the patient or the patient’s guardian, provided that the drug is prescribed for a complex chronic, terminal, or rare condition; the drug is not carried in the regular inventories of retail pharmacies; and the drug has an annual retail value of more than \$10,000, among other requirements; or (B) the pharmacy is operated by a health maintenance organization (HMO) and is sending the drugs to an enrollee in the HMO. This bill allows a prescription to be mailed to a patient on behalf of a pharmacy. It also allows a pharmacy to mail a prescription to another pharmacy for a patient to receive the prescription and to receive patient counseling, as required by Georgia law.

This bill also allows hospital pharmacies to dispense prescription drugs upon the review and approval of a pharmacist from a remote location (“remote order entry”). Hospital pharmacies can only use remote order entry when: (i) a licensed pharmacist is not present in the hospital, the pharmacy is closed, and a licensed pharmacist will be present in the pharmacy within 16 hours; OR (ii) when at least one pharmacist is physically present in the hospital pharmacy and at least one other pharmacist is practicing pharmacy in the hospital but not physically present in the hospital pharmacy. Hospital pharmacies must submit written policies and procedures to the Board of Pharmacy that address quality assurance and safety, confidentiality, and mechanisms for real-life communication with patient caregivers, among other issues before using remote order entry.

Senate Bill 361

Hospital Accreditation

Effective Date: July 1, 2012

This bill deletes references in the Georgia Code to the Joint Commission on the Accreditation of Hospitals or the Joint Commission on the Accreditation of Healthcare Organizations, former names of the organization now known as the Joint Commission. In place of these deleted references, these Code sections will now refer to “a nationally recognized health care accreditation body.”

Senate Bill 370**Controlled Substances****Effective Date: Became Effective Upon Governor's Signature**

This bill adds to and revises the lists of drugs classified as Schedule I or Schedule V Controlled Substances, and it adds drugs to the definition of dangerous drugs. Among its revisions, the bill modifies provisions related to synthetic marijuana.

This legislation is dedicated to the memory of Chase Corbitt Burnett and may be cited as "Chase's Law."

Senate Bill 407**Health Strategies Council and the Clinical Laboratory, Blood Bank, and Tissue Bank Committee****Effective Date: July 1, 2012**

This bill repeals the creation of the Health Strategies Council and the Clinical Laboratory, Blood Bank, and Tissue Bank Committee.

Senate Bill 414**Music Therapists****Effective Date: July 1, 2012**

This bill defines a scope of practice for music therapists and provides that, after July 1, 2014, persons practicing as music therapists in Georgia must be licensed by the Secretary of State. The bill establishes criteria for receiving a license as a music therapist, including requirements for education, clinical training, and examination. It also creates the Music Therapy Advisory Group, which is to advise the Secretary of State on issues related to music therapy and analyze disciplinary actions taking against licensees, among other functions.

Senate Bill 416**Electronic Prior Authorization of Drug Requests****Effective Date: July 1, 2012**

This bill requires the Insurance Commissioner to adopt standards by which pharmacy benefits managers are to exchange standard e-prior authorization requests with health care providers for drugs and devices. Such standards are to be consistent with those adopted by the National Council of Prescription Drug Programs and are to support clinical workflow decision support of physician providers. These standards must be adopted within 24 months of the adoption of standards by the National Council of Prescription Drug Programs. Within this same timeframe, e-prior authorization requests are to be accessible and submitted by providers to pharmacy benefits managers and health plans through secure electronic transmissions.

These provisions are not to be interpreted to require a health care provider to participate in electronic prior authorization.

Senate Bill 489**Georgia Trauma Care Network Commission****Effective Date: July 1, 2012**

This bill requires the Georgia Trauma Care Network Commission to make annual reports to the House and Senate Health and Human Services Committees. These reports are to include an update on statewide trauma system development and the impact of distributions from the Georgia Trauma Trust Fund on trauma patient care and outcomes.

House Bill 247**Firefighters/ Emergency Medical Services Personnel****Effective Date: July 1, 2012**

Current law requires the Department of Community Health to establish a procedure for requesting a criminal background check for applicants for emergency medical services personnel certification. This bill revises the provisions for such background checks, so as to allow applicants for a firefighter's certification to obtain a criminal background check by a state or local law enforcement agency or a private vendor. The bill also provides that conviction data received by a law enforcement agency is to be privileged and may not be disclosed to any person.

In addition, under this bill, a certified firefighter's certification is to be automatically revoked if the firefighter is convicted of a felony.

House Bill 434

Social Workers

Effective Date: July 1, 2012

Licensed social workers are authorized under current Georgia law to provide psychological evaluation and analyses to "determine the nature of an individual's... problems or conditions." This bill replaces the word "determine" with "diagnose" and makes a similar change in the definition of social work.

House Bill 675

Approved Nursing Education Programs

Effective Date: Became Effective Upon Governor's Signature

Under current law, an applicant for licensure as a registered professional nurse (RN) or as a licensed practical nurse (LPN) must have graduated from an "approved nursing education program" approved by the Board of Nursing or the Board of Examiners of Licensed Practical Nurses. Programs of the University System of Georgia or Technical College System of Georgia or that are accredited by a federally recognized regional accrediting agency may qualify as approved nursing education programs for either RNs or LPNs. An RN program that does not meet these accreditation requirements currently may still be approved by the Board of Nursing only if it is a four-year nonprofit institution. This bill removes the four-year and nonprofit requirements. Similarly, this bill gives the Board of Examiners of Licensed Practical Nurses the ability to approve programs that are not regionally accredited, latitude that this Board does not currently have.

House Bill 822

Georgia Taxpayer Protection False Claims Act

Effective Date: July 1, 2012

This legislation, the Georgia Taxpayer Protection False Claims Act, aims to combat fraudulent activity with taxpayer money. The Act establishes civil penalties for certain fraudulent acts related to government programs and contracts and gives the Attorney General the authority to investigate and bring civil actions against persons or entities that engage in such fraudulent activities. Alternatively, the Attorney General may delegate such authority to a local government that has allegedly sustained damages because of such fraud, or the Attorney General may allow a private person to bring a civil action. The Act includes various provisions of civil procedure and protections for whistleblowers. The Act also updates the State False Medicaid Claims Act.

House Bill 861

Social Responsibility and Accountability Act

Effective Date: July 1, 2012

This legislation requires most applicants for Temporary Assistance for Needy Families (TANF) to take a drug test as a condition for receiving benefits. TANF applicants who are not enrolled in Medicaid will be responsible for the full cost of the test, although individuals who test negative for controlled substances will be reimbursed for the cost via an increase in the amount of their initial TANF payment. TANF applicants who are currently enrolled in Medicaid are to pay a \$17 drug screening application fee and will not be eligible for direct TANF reimbursement for the cost of the test. All TANF applicants must be drug tested no later than 48 hours after their application has been approved by the Department of Human Services (DHS) for TANF eligibility. TANF assistance payments may not be delayed because of the drug testing requirement, and any TANF payments made prior to a failed drug test are recoverable. Individuals who test positive for controlled substances will be ineligible for TANF benefits as follows:

- For a first positive result, the applicant will be ineligible for benefits for one month and until he or she tests negative in a retest;
- For a second positive result, the applicant will be ineligible for benefits for three months and until he or she tests negative in a retest;
- For a third and for each subsequent positive result, the applicant will be ineligible for benefits for one year and until he or she tests negative in a retest. However, if the applicant successfully completes a substance abuse treatment program and passes a drug test, the applicant can reapply for benefits after six months.

For two-parent families, only one parent must comply with the drug testing requirements. Dependent children under the age of 18 are exempt from the drug testing requirements, but teen parents who are not required to live with a parent, legal guardian, or other adult caretaker relative must comply with the requirements. If a parent is deemed ineligible for TANF as a result of failing a drug test, the eligibility of the parent's dependent child will not be affected, and an appropriate protective payee is to be designated. The bill exempts certain persons from the drug testing requirements, including persons with disabilities, persons in Medicaid waiver programs, and nursing home residents. Drug testing results are exempt from Georgia's Open Records Law and may not be used in a criminal or civil action without consent. DHS is to adopt rules related to the drug tests of applicants for TANF, provided however, that where possible and practicable, a swab test should be used in lieu of urinalysis. *Note: the provisions of this bill are nearly identical to those contained in Senate Bill 292.*

House Bill 879

Care of Students with Diabetes while at School

Effective Date: July 1, 2012

This bill requires the Department of Education to develop guidelines by August 1, 2012, on the training of school employees in the care needed for students with diabetes. Such guidelines must include instruction on the recognition and treatment of hypoglycemia and hyperglycemia, the performance of certain blood glucose level monitoring tests and basic insulin pump functions, and recommended food intake, among other issues. Each local school board and state chartered special school must ensure that at least two employees of schools attended by a diabetic student undergo such training to become trained diabetes personnel. Schools must provide information on the recognition of diabetes related emergency situations to school bus drivers responsible for transporting diabetic students. The parent or guardian of a diabetic student who seeks diabetes care while at school must submit to the school a diabetes medical management plan. In accordance with such a plan, the school nurse, or in the absence of a school nurse, trained diabetes personnel are to perform functions related to diabetes care. A school nurse or at least one trained diabetes personnel must be on site at school and available during school hours to provide care to students with a diabetes medical management plan, and a parent or guardian may accompany such a student on field trips. If authorized by the student's diabetes medical management plan, a diabetic student may perform activities related to the monitoring and treatment of his or her diabetes in any area of the school or school grounds and at any school related activity, and he or she must be permitted to possess, on his or her person, necessary supplies and equipment.

A student's school choice may not be restricted because the student has diabetes. The bill provides immunity from civil damages or from professional disciplinary action to health care providers, school employees, local school systems, and state chartered special schools who carry out these provisions with reasonable prudence. A private school that complies with these provisions will also have such limited liability.

House Bill 954

Abortion

Effective Date: Became effective for rulemaking purposes upon Governor's signature. For all other purposes, effective date is January 1, 2013.

Based on legislative findings that an unborn child is capable of experiencing pain by at least 20 weeks after fertilization, this bill prohibits abortions in cases in which the probable gestational age of the unborn child has been determined to be 20 weeks or more, unless the pregnancy is diagnosed as medically futile or, in reasonable medical judgment, the abortion is necessary for one of the following reasons:

- To avert the death of the pregnant woman or to avert serious risk of substantial and irreversible physical impairment to a major bodily function of the pregnant woman. A claim of a mental or emotional condition or that the pregnant woman will harm herself does not satisfy this provision; OR
- To preserve the life of an unborn child.

When an abortion is performed on or after 20 weeks pursuant to one of these two exceptions, the physician must terminate the pregnancy in the manner which, in reasonable medical judgment, provides the best opportunity for the unborn child to survive, unless that manner would pose a greater risk of either the death of the pregnant woman or substantial and irreversible physical impairment to a major bodily function of the pregnant woman.

The bill requires physicians to make a determination of the probable gestational age of an unborn child before performing an abortion, except in the case of a medical emergency or a medically futile pregnancy. Failure to comply with this requirement will constitute unprofessional conduct and subject the physician to medical licensing sanctions. Any physician who performs, or attempts to perform, an abortion must report certain information to the Department of Community Health (DCH), and DCH is to issue a public report providing statistics on the information submitted, provided that the identities of women who received an abortion and physicians are to be confidential. The bill also provides that a plaintiff seeking relief in a civil suit for violations related to determining probable gestational age prior to an abortion must produce clear and convincing evidence that the physician determining the probable gestational age of the fetus was negligent in his or her determination. Moreover, a female who makes a false representation of her age or name in soliciting an abortion will not have standing to make a claim against any party for violations of the above provisions or pursuant to the Woman's Right to Know Act.

House Bill 1110

Elder and Disabled Adults

Effective Date: July 1, 2012

This bill makes the following revisions to Georgia law related to the care of elder and disabled adults:

- It clarifies that the neglect of a disabled or elder person by a guardian or caretaker is unlawful.
- Current law requires that the Department of Community Health (DCH) do criminal background checks of owners and employees of personal care homes and other facilities to check for convictions of certain crimes. This bill allows DCH to include additional offenses that would indicate unfitness of an individual to provide care to or be in contact with persons residing in such facilities.
- It revises provisions on unlicensed personal care homes. It provides that the notice that DCH is required to send to such unlicensed facilities must express DCH's intent to impose a civil penalty. The bill also provides that the owning or operating of an unlicensed personal care home constitutes a nuisance dangerous to public health and is punishable as a misdemeanor upon first violation; a second violation constitutes a felony.
- It authorizes the Georgia Bureau of Investigation to investigate incidences of abuse of elder adults and disabled adults.

House Bill 1146

Vocational Rehabilitation Services

Effective Date: July 1, 2012

This bill creates the Georgia Vocational Rehabilitation Agency ("the agency") and transfers all the powers and functions of the Division of Rehabilitation Services from the Department of Labor to this new agency, effective July 1, 2012. The agency is to be governed by the newly created Georgia Vocational Rehabilitation Services Board ("the board"). The board is to be composed of nine members appointed by the Governor who have experience working in the area of vocational rehabilitation or who are part of the vocational rehabilitation community; five of the members are to be persons with disabilities or family members of persons with disabilities. The agency will have an executive director nominated by the Governor and approved by the board.

INSURANCE

Senate Bill 203

Domestic Farmers' Mutual Fire Insurance Companies;

Portable Electronics Insurance Policies

Effective Date: July 1, 2012

Domestic Farmers' Mutual Fire Insurance Companies

This legislation expands the ability of domestic farmers' mutual fire insurance companies to insure more property. These mutual insurers are organized to insure rural property against loss or damage by fire, lightning, windstorm, extended coverage, and hail. Currently, they can only underwrite in the county in which they are located as well as any contiguous counties.

This legislation allows the mutual insurers to spread more of the insured risk by allowing them to cover all counties in the state. This legislation also requires each mutual insurer to have at least \$150,000 in reserves (surplus). The maximum amount of insurance that a mutual insurer may retain on any property

reasonably exposed to loss from the same fire must not exceed 10 percent of its surplus. Current law caps the maximum risk at \$50,000.

Portable Electronics Insurance Policies

This legislation also authorizes the Insurance Commissioner to issue to retail portable electronics vendors, a limited license to sell portable electronics insurance policies. The limited license authorizes any employee of the vendor to sell portable electronics insurance to customers at each location.

Senate Bill 331

Title Insurers

Effective Date: Became Effective Upon Governor's Signature

This legislation defines which tasks and duties title insurers are authorized to execute. A title insurer may issue closing protection letters only for real estate transactions where its title insurance policies are issued and where its issuing agent or agency is also responsible for the disbursement of settlement funds.³ The premium charged by the title insurer for closing protection letters must be filed with and approved by the Insurance Commissioner and must not be subject to any agreement requiring a division of the premium collected on behalf of the title insurer. Companies issuing closing protection letters must maintain adequate reserves for such letters.

Senate Bill 337

Health and Life Insurance Wellness Plans

Effective Date: July 1, 2012

Current law allows individual and group health plans to include and operate wellness and health promotion programs, disease and condition management programs, health risk appraisal programs, and similar provisions that provide for rewards or incentives.

Insurers that include such programs in their policies will not be considered to be engaging in unfair trade practices under Code Section 33-6-4, with respect to references to the practices of illegal inducements, unfair discrimination, and rebating if such programs are filed with and approved by the Insurance Commissioner.

This legislation expands wellness plans to allow insurers to offer premium credits or cash value as a wellness incentive. This legislation also authorizes life insurers to offer wellness and health promotion programs.

Senate Bill 385

Insurance and Reinsurance

Effective Date: July 1, 2012

- Provides that the analysis by the Insurance Commissioner's office of the financial condition or market conduct of an insurer must remain confidential.
- Clarifies existing law related to the state portion of the insurance premium tax imposed on surplus line insurers so that the tax can be applied when cooperative agreements, compacts, and reciprocal agreements exist with other states or in situations when such agreements do not exist.
- Establishes additional methods for how credit for reinsurance can be ceded to an assuming insurer.
- Allows an insurer to send a cancellation notice for nonpayment of the premium with a monthly bill when the insured is paying on a monthly basis and the bill is mailed at least ten days before the due date.

³ Closing protection letter is insurance that indemnifies a buyer, lender, or seller against acts of fraud in transactions where title to real estate is being conveyed.

House Bill 347

Unemployment Insurance

Effective Date: Upon Governor's Signature; July 1, 2012; and January 1, 2013

Section 1 – Unemployment Insurance Taxes on Wages

Employers are currently assessed an unemployment insurance tax on the first \$8,500 of each employee's wages. This legislation increases the taxable wage base to the first \$9,500 starting on January 1, 2013.

Section 2 – Suspension of the Statewide Reserve Ratio Surcharge

In addition to paying unemployment insurance payroll taxes, solvency taxes are assessed on employers when the balance in the state's unemployment fund falls below a specified level. Georgia's solvency tax is commonly referred to as the Statewide Reserve Ratio surcharge. Current law has suspended this surcharge through December 31, 2012; however, in the event the Statewide Reserve Ratio is less than 1.25 percent, the Commissioner of Labor has the option to impose an increase in the overall rate of up to 50 percent, as of the computation date, for each employer whose rate is computed under a rate table in O.C.G.A. § 34-8-15.⁴

This legislation extends the suspension of the Statewide Reserve Ratio surcharge through December 31, 2013. However, if any funds borrowed by the Commissioner from the United States Treasury to help maintain the unemployment fund remain unpaid, or if the fund balance is less than \$1 billion, then the Commissioner will impose a 50 percent increase.

Section 3 – Maximum Benefits Available each Benefit Year

Under current law, an individual can collect up to 26 weeks of unemployment benefits or one-fourth of the base period wages, whichever is less. This legislation reduces the number of weeks from 26 to 14 when the state's average unemployment rate is at or below 6.5 percent. An additional weekly amount is added for each 0.5 percent increment in the state's average unemployment rate; up to a maximum of 20 weeks if the unemployment rate equals or exceeds 9 percent, or one-fourth of the base period wages, whichever is less.

House Bill 463

Limited Insurance Agent License

Effective Date: July 1, 2012

This legislation authorizes the Insurance Commissioner to establish a limited insurance agent license allowing self-service storage facilities to sell property insurance to their customers. The policy offered may only be in connection with a rental agreement and only for either an individual policy issued to an individual occupant or as a group policy for occupants for personal property insurance. Coverage may only be provided for the loss of or damage to personal property stored at a facility; or such other loss directly related to an occupant's rental agreement.

House Bill 477

License Renewals – Transition from Annual to Biennial

Effective Date: Became Effective Upon Governor's Signature

Current law provides a process for the biennial renewal of insurance-related licenses. This legislation clarifies this law by providing that all licenses that expire on December 31, 2012 will be transitioned to a biennial term and will expire on the last day of the licensee's birth month. The Insurance Commissioner may, as provided by rule or regulation, renew such licenses for a term longer or shorter than the biennial term and prorate the renewal fees.

⁴ The Statewide Reserve Ratio is computed on June 30 of each year by dividing the balance in the trust fund, including accrued interest, by the total covered wages paid in the state during the previous calendar year.

House Bill 548
Workers' Compensation
Effective Date: July 1, 2012

This legislation excludes individuals who are parties to a franchise agreement from workers' compensation coverage.

House Bill 785
Dentist and Physician Licensure
Effective Date: July 1, 2012

This legislation prohibits using a dentist's or physician's participation in any public or private health insurance plan, public health care system, public service initiative, or emergency room coverage as a condition of granting a state license to practice medicine. State licensure requirements for physicians and dentists in this state must be granted based on demonstrated skill and academic competence.

This legislation also declares that the Georgia Composite Medical Board and the Georgia Board of Dentistry are solely responsible for the licensure of physicians and dentists, respectively, in Georgia.

House Bill 786
Suspension of Rate Filings with the Consumers' Insurance Advocate;
Updates the Georgia Life and Health Insurance Guaranty Association Act
Effective Date: July 1, 2012

Current law requires certain insurance rate filings to be filed with the Consumers' Insurance Advocate. This legislation suspends this requirement until the General Assembly appropriates funds for the Consumers' Insurance Advocate's Office.

This legislation also brings the Georgia Life and Health Insurance Guaranty Association Act up to date so that the association can continue to coordinate and cooperate with associations in other states that have already revised their Act.

House Bill 971
Workers' Compensation
Effective Date: July 1, 2012

This legislation makes the following revisions and updates to the worker's compensation statute:

- Allows the Workers' Compensation Board (Board) or any party to a settlement agreement to require language in the settlement agreement that prorates a lump sum settlement. Currently, only the agreeing parties, with the approval of the Board, may authorize this;
- Allows the Board to waive certain fines related to delayed settlement awards if the delay was attributable to an error committed by the Board;
- Expands the Board's authority to appoint a conservator for a minor or incompetent person when the settlement amount is less than \$100,000. The current threshold is \$50,000. Also waives the need for a conservator when the settlement is under \$15,000; and
- Updates hearing loss standards in order to reflect current medical standards.

House Bill 1067
Various Insurance Provisions
Effective Date: July 1, 2012

Portable Electronics Insurance Policies

This legislation authorizes the Insurance Commissioner (Commissioner) to issue to retail vendors of portable electronics a limited license to sell portable electronics insurance policies. The limited license authorizes any employee of the vendor to sell portable electronics insurance to customers at each location.

Adjusters – Licensing Requirements and Exemptions

This legislation also exempts individuals who are employed by a portable electronics insurer, who collect claim information from, or furnish claim information to, insureds or claimants, and who conduct data entry including entering data into an automated claims adjudication system from having to be licensed as an agent, subagent, counselor, or adjuster. However, the individual must be an employee of a licensed independent adjuster or its affiliate where no more than 25 such persons are under the supervision of one licensed independent adjuster or licensed agent.

This bill also prohibits Canadian residents from being licensed as an independent adjuster until they pass the adjuster examination. Moreover, no Canadian resident may be licensed as a nonresident independent adjuster unless they have obtained a resident or home state independent adjuster license.

Vehicle Service Agreements or Extended Warranty Agreements

This legislation exempts vehicle service agreements or extended warranty agreements sold by a retail installment seller from insurance regulations when the retail installment seller:

- Maintains, or has a parent company maintain, a net worth or stockholders' equity of at least \$100 million, provided the parent company guarantees the obligations of the retail installment seller;
- Complies with the registration requirement prescribed by the Commissioner through regulation;
- Files with the Commissioner, a true and correct copy of the vehicle service agreement or extended warranty agreement in a form that is consistent with the terms prescribed by the Commissioner;
- Files a copy of its Form 10-K or Form 20-F disclosure statements, or if it does not file such statements with the Securities and Exchange Commission, a copy of its audited financial statements reported on a GAAP basis; and
- Upon the request of the Commissioner, posts a security deposit or surety bond in an amount up to \$250,000.00 and in the manner prescribed by the Commissioner through regulation.

Retail Installment Sellers

This legislation also exempts retail installment sellers from being required to insure their guaranteed asset protection waiver obligations under a contractual liability policy or other such policy issued by an insurer if the retail installment seller does both of the following:

- Maintains, or has a parent company that maintains, a net worth or stockholders' equity of at least \$100 million, provided the parent company guarantees the obligations of the retail installment seller arising from guaranteed asset protection waivers; and
- Files a copy of its Form 10-K or Form 20-F disclosure statements, or if it does not file such statements with the Securities and Exchange Commission, a copy of its audited financial statements reported on a GAAP basis.

Insurance Transaction in Language other than English

This legislation provides that in the event of a dispute or complaint wherein an insurer provided any material in a language other than English, the English language version of the policy will control the resolution of the dispute or complaint.

House Bill 1166

Child-only Health Insurance Policies

Effective Date: January 1, 2013

This legislation requires insurers issuing individual health policies to offer at least one child-only policy. A "child-only policy" means individual health insurance coverage for children less than 19 years of age. The policy does not include dependent health insurance for a child under another person's health insurance.

Insurers must offer guaranteed-issue coverage to primary subscribers under the age of 19 during open enrollment periods or during a special enrollment period within 30 days of a qualifying event. A "qualifying event" means the loss of employer-sponsored health insurance or the involuntary loss of other existing health insurance for any reason other than fraud, misrepresentation, or failure to pay a premium.

A special enrollment period must last 30 days from the date the insurer receives notice of loss of coverage if the notice is provided to the insurer no later than the sixtieth day after the loss of coverage and the loss of other coverage results from:

- Birth or Adoption;
- Marriage or Divorce;
- Loss of employer sponsored insurance Medicaid, or PeachCare coverage;
- Entry of a valid court or administrative order mandating the child be covered; or
- Involuntary loss of other coverage for reasons other than fraud, misrepresentation, or failure to pay premium.

An insurance carrier may deny coverage to an applicant if the applicant is currently enrolled in a high-risk pool insurance policy. In the event that the applicant is a dependent on a policy with a primary subscriber

who is over the age of 19, and the primary subscriber drops the policy, the child may apply for child-only policies during the open enrollment period or, in the case of a qualifying event, during a special enrollment period.

JUDICIARY

Senate Bill 50

Changes to the Priority List for Court Fees and Fines

Effective Date: July 1, 2012

This legislation permits a criminal jury trial, in some counties, to be held outside the courthouse only if the alternate facility is owned or leased by the governing authority of the county, and no longer requires the consent of the accused. This bill also amends the priority list for distribution of fines and fees collected in superior court for use if the full amount is not collected.

Senate Bill 117

Raising Exemption Amounts for Levy, Bankruptcy

Effective Date: Became Effective Upon Governor's Signature

This bill provides the option to exempt either \$5,000 or \$21,500 for real or personal property that is the debtor's primary residence. This bill also increases the amount exempted for bankruptcy purposes. Any debtor (who is a natural person) may exempt his aggregate interest in real or personal property used as the debtor's residence, or a burial plot, up to \$21,500. Previously, the limit was \$10,000. If title to the property is in the name of one of two spouses, this bill increases the exemption amount from \$20,000 to \$43,000.

Senate Bill 136

Right to Control a Condominium Association

Effective Date: July 1, 2012

The right to control a condominium association may pass from the declarant to the unit owners prior to the usual expiration of the declarant's right to control the association if the declarant fails to: incorporate the association; appoint the board of directors and arrange for the election of officers; maintain a list of the board members' names and addresses; call meetings according to the association's bylaws, at least annually; or prepare an annual operating budget, establish the annual assessment, and distribute such to the owners. Any owner may send the declarant notice of a failure to comply with one of these requirements. If the declarant fails to cure the deficiency within 30 days, the owner may file a petition in superior court for an order granting the owners control of the association.

Senate Bill 181

No Contingency Fees for Prosecutors in Criminal Forfeiture Actions

Effective Date: July 1, 2012

Prosecuting attorneys and private attorneys will be prohibited from being compensated on a contingent basis based on a percentage of assets that arise from a forfeiture action. The bill also prohibits such attorneys from being compensated on an hourly, fixed fee or similar arrangement that is contingent on the successful prosecution of a criminal forfeiture case. *This bill incorporates language from House Bill 64,* which allows a party in a civil action to petition the court for a determination on the reasonableness of attorney's fees if such fees exceed \$20,000, although not in tort actions.

Senate Bill 236

Encouraging Increased Participation in DUI Courts

Effective Date: January 1, 2013

This bill requires the Georgia Alcohol Drug Awareness Program to contain a voluntary guardian participation component, requires the Commissioner of Driver Services to provide for the approval of other state's courses for active military children moving to Georgia within nine months of their sixteenth birthdays, and clarifies the DUI conviction standards for offenders younger than 21 years of age.

Limited driving permits that require the use of an ignition interlock device must be restricted to allow the holder to drive solely for certain purposes, and will be valid for eight months and may be renewed for additional six month periods. Limited driving permits after a second DUI conviction within five years must

require the use of an ignition interlock device and involve participation in a substance abuse treatment program for a set time.

The Department of Driver Services (DDS) must not issue an ignition interlock device limited driving permit without the specific documents, and DDS may not issue a probationary license for habitual violators until at least two years have passed since the conviction. Limited driving permits and probationary licenses must be marked with the restriction that the holder may only operate motor vehicles equipped with an ignition interlock device.

If a court revokes an offender's probation for violation of the certificate of eligibility for an ignition interlock device limited driving permit, DDS must revoke that person's driving privilege for one year. If an offender has his or her probation revoked for twice violating the terms of the limited driving permit or probationary license, DDS must revoke driving privileges for five years.

Senate Bill 333
Foreclosure Sale Notice Requirements
Effective Date: July 1, 2012

Currently, the foreclosure sale notice requirements apply only to property that the debtor uses as a dwelling place. Under this bill, notice of foreclosure sale would be required for all property.

Currently, all deeds under power must include a statement of compliance with notice requirements or why notice compliance was not applicable. This bill amends the provision to require a statement of notice compliance for all deeds under power.

Senate Bill 350
Disposition of Firearms
Effective Date: Became Effective Upon Governor's Signature

If a forfeited firearm is another person's property, it must be returned to its innocent owner when it is no longer needed for evidentiary purposes. The innocent owner must bear the costs of retrieving the firearm within six months. If personal property is involved in a crime, abandoned, or seized, and it is used as evidence in a trial, it must be returned to the rightful owner within 30 days following a final judgment of guilt.

Before disposing forfeited or abandoned firearms it has acquired, but no longer needs, the political agency or state custodial agency must use best efforts to determine if the firearm was lost or stolen from an innocent owner. If it was, the agency must return the firearm to the owner. The disposal procedure for forfeited and abandoned firearms by municipal corporations and state custodial agencies or political subdivisions is outlined in the bill, and agencies must keep records of the firearms acquired, firearms disposed, the proceeds of sale, and disbursement of proceeds.

Senate Bill 351
Municipal Court Judge Training
Effective Date: July 1, 2012

Under this legislation, all judges of courts exercising municipal court jurisdiction will join municipal court judges in their training requirements. Any person who becomes a judge of a court exercising municipal court jurisdiction on or after July 1, 2012, must complete 20 hours of initial training within one year after his or her election or appointment date in order to become certified, and must complete the same continuing training requirements as municipal court judges to maintain certified status thereafter. The Judicial Qualifications Council has the option to remove a judge if he or she does not complete the training requirements. Magistrate court judges, probate judges, and judges of courts of record presiding in courts exercising municipal court jurisdiction are exempted from these requirements.

Senate Bill 352
Prosecuting Attorneys
Effective Date: Became Effective Upon Governor's Signature

This bill establishes the procedure for establishing an office of prosecuting attorney; requirements to be appointed as a prosecuting attorney; duties, authority, and compensation of the attorney; provisions for additional assistant prosecuting attorneys; and the procedure in the event of a solicitor general's death.

This legislation authorizes district attorneys and solicitors-general to bring actions to enforce the Code section related to vehicles overtaking school buses, and also grants jurisdiction of transactions in drug related objects to municipal courts, if the offense occurred within the corporate limits of the municipality.

Senate Bill 356

Number of Judges Increased in Certain Judicial Circuits

Effective Date: For Purposes of Making Initial Appointments, Became Effective Upon the Governor's Signature; Otherwise, January 1, 2013

This bill increases the number of superior court judges in both the Bell-Forsyth Circuit and Piedmont Circuit from two to three. This legislation adds provisions for the selection of a chief judge and grants authority to promulgate rules of court procedure upon and after qualification of an additional judge to the Gwinnett Judicial Circuit.

Senate Bill 365

Settlement Agents; Licensure and Discipline of Appraisers and Brokers

Effective Date: July 1, 2012

This bill requires a settlement agent to be a lender or Georgia attorney, and makes it a misdemeanor to conduct a settlement and disbursement of loan funds without being the settlement agent. The statute governing the disbursement of settlement proceeds would apply to purchase money loans made by a lender and refinance loans made by the current or a new lender to be secured on real estate located within Georgia.

This bill includes language from House Bill 880, which defines and excludes "relocation company" from the definition of "appraisal management company"; clarifies language related to the revocation of real estate appraisers' and brokers' licenses; provides for "letters of findings" as an alternative disciplinary measure; extends the minimum number of years a person must hold a real estate license before taking an examination for a real estate broker's license; and raises the maximum amounts for which the Real Estate Appraisers Board is liable when an "aggrieved party" has won compensation in court.

Senate Bill 383

The Georgia International Commercial Arbitration Code

Effective Date: July 1, 2012

The purpose of the Georgia International Commercial Arbitration Code is to: encourage international commercial arbitration in Georgia; enforce arbitration agreements and arbitration awards; facilitate prompt and efficient arbitration proceedings; and provide a conducive environment for international business and trade.

This bill updates and modernizes Georgia's International Commercial Arbitration Code by separating the international code from the domestic process. It provides for the procedural parameters to apply in international arbitration and for court intervention if necessary.

Senate Bill 431

Gaming, Lottery, and Coin Operated Amusement Machines

Effective Date: Became Effective Upon Governor's Signature

With limited exception, any promotion involving an element of chance during the playing of a game on a computer, mechanical device, or electronic device at a place of business is an unlawful lottery, as is the promotion of playing a game of no-skill on a computer, mechanical device, or electronic device at a place of business

This bill expands the definition of "lottery" in the statute relating to offenses against public health and morals to include payments in cash or other consideration, and the option to play a no-skill game for prizes on a computer, mechanical, or electronic device. However, "lottery" does *not* mean a national or regional promotion or contest conducted by a corporation, if the corporation is registered under the federal Securities Exchange Act and has total assets of at least \$100 million. This does not apply to games offered by the Georgia Lottery Corporation pursuant to the Georgia Lottery for Education Act.

The bill clarifies the definitions of Class A and B bona fide coin operated amusement machines, and it also authorizes counties and municipalities to enact and enforce ordinances regulating bona fide coin operated amusement machines outlined in the bill.

Senate Bill 432**Local Government Prohibited from Further Constraining Knife Use****Effective Date: July 1, 2012**

This legislation prohibits any county, municipality, or consolidated government from constraining the possession, manufacture, sale, or transfer of a knife more restrictively than is otherwise provided in the Code part regarding the carrying and possession of firearms. This restriction does not apply to the local government's regulation of knives in courthouses or government buildings.

House Bill 46**Uniform Interstate Depositions and Discovery Act****Effective Date: Applies to Subpoenas Served on or after July 1, 2013**

This bill repeals the Uniform Foreign Depositions Act and replaces it with the Uniform Interstate Depositions and Discovery Act, which provides the procedure to use when issuing a foreign subpoena in Georgia. The requirements for submitting a foreign subpoena will only apply if the foreign jurisdiction that issued the subpoena has adopted a version of the Uniform Interstate Depositions and Discovery Act.

House Bill 100**Georgia Tax Tribunal****Effective Date: Varied; either July 1, 2012 or January 1, 2013**

This legislation creates the Georgia Tax Tribunal and provides for its application in certain cases, procedure, and appeal procedure. The tribunal will have no jurisdiction over Title 3 (alcohol) or Title 40 (motor vehicles and traffic) actions; surety bonds and security are not allowed in tribunal actions. The bill provides for administrative law judge appointment, the hiring of other court employees, and appeals of the tribunal's final judgments. The bill establishes a small claims provision within the tribunal, wherein certain actions, less than a set monetary amount, may be heard if a party elects for them to be heard in small claims.

House Bill 198**Extended Sunset Dates for Property Filing Fees in Superior Court****Effective Date: July 1, 2012**

Current law sets superior court fees pertaining to real estate and personal property to expire on July 1, 2014; this bill repeals that sunset date. Current law related to the collection of fees and remittance to the Georgia Superior Court Clerks' Cooperative Authority is set to be repealed on July 1, 2014; this bill deletes that repealer, thus allowing the continuation of the fee collection.

House Bill 237**Foreclosure Fraud****Effective Date: July 1, 2012**

The term "mortgage lending process" is amended to include the execution of deeds under power of sale and the execution of assignments required to be recorded. Under this bill, one cannot be charged with residential mortgage fraud based solely upon truthful information filed with the county registrar of deeds to correct scrivener's errors, mistakes, or omissions in previously filed documents.

House Bill 397**Open Meetings Act Revision****Effective Date: Became Effective Upon Governor's Signature**

This legislation simplifies the law regarding open meetings and open records by eliminating ambiguities and incorporating judicial interpretations of the law. This legislation clarifies the definition of a "meeting" and requires that all final votes be taken in an open session. If an action is taken during an illegal meeting, a suit to void that action may be brought within six months. The use of meetings by telephone for local governments is limited. Likewise, this legislation defines an "executive session" as a portion of meetings lawfully closed to the public.

Under the open records provisions, data and data fields are now considered to be "records." An agency may designate an open records officer to whom requests should be directed. Fees for copying records are reduced from \$.25 per page to \$.10 per page. Requests for records may be oral or written, but only written requests are subject to criminal and civil enforcement proceedings and penalties.

The exemptions from disclosure are clarified. The time period during which records related to the hiring of a president of a unit of the University System of Georgia must be available to the public is shortened from 14 days to 5 days. The attorney-client privilege and work product is broadened. New exemptions include records pertaining to the rating plans or proprietary information used to administer liability insurance or self-insurance to any agency, as well as Department of Economic Development documents pertaining to economic development projects. The economic development projects are exempt only until the project is secured by a binding commitment. Finally, records related to a training program, disclosing an economic development project prior to a binding commitment having been secured, are exempt.

Civil and criminal penalties are imposed for violations of the open meetings and open records acts.

House Bill 534
Population Eligibility Requirements for Probate Courts
Effective Date: July 1, 2012

In counties with populations exceeding 90,000 persons based on the 2010 U.S. Census, probate judges must be at least 30 years old and have been admitted to practice law for at least seven years, and the chief clerk or designated clerk may exercise the probate judge's jurisdiction in uncontested matters in the court.

House Bill 541
Intimidation of Law Enforcement Officers
Effective Date: July 1, 2012

This legislation would prohibit anyone from threatening or intimidating a law enforcement officer, outside the scope and course of the officer's employment, in retaliation to the officer's official duties. This protection would also extend to the officer's family. This felony offense is punishable by a maximum fine of \$5,000, one to five years imprisonment, or both.

House Bill 665
Superior Court Clerks
Effective Date: July 1, 2012

This bill modernizes provisions related to storage, collection, access, and transmittal of documents housed in superior court clerk offices. The bond amount a clerk must issue is increased. Superior court clerk offices would be allowed to close for a reason other than inclement weather and to conduct employee training in certain circumstances. If a case from magistrate court is transferred to state or superior court, the filing fee paid to the magistrate court must also be transmitted to the state or superior court clerk.

The Governor would be authorized to decide whether to investigate a superior court clerk because of criminal charges, alleged misconduct in office, or alleged incapacity to perform functions, and the procedure for removal is provided for in the bill. The removal language was drafted to more closely reflect the sheriff removal language.

This bill includes language from House Bill 763, which states that no convicted felon whose civil rights have not been restored, nor any person who has been judicially determined to be mentally incompetent, is eligible to serve as a trial juror or a grand juror. This bill also clarifies that jurors summoned prior to July 1, 2012 are eligible to comprise the jury panel.

House Bill 683
Non-attorney Response to Summons of Garnishments
Effective Date: Became Effective Upon Governor's Signature

When an entity is a garnishee in a garnishment proceeding, the execution and filing of the garnishee's answer shall not constitute the practice of law and does not require an attorney. The entity's payment of garnishment shall not constitute the practice of law. This bill also increases the amount of attorney's fees a garnishee may deduct from the sums paid into court from \$25.00 to \$50.00, or 10 percent of the amount paid into court, whichever is greater, but not to exceed \$100.00.

House Bill 685**Responsible Dog Ownership Law****Effective Date: July 1, 2012**

This bill creates the Responsible Dog Ownership Law, which requires the classification of dogs as dangerous or vicious and provides for regulation of those dogs by requiring: dog control officers in local governments; minimum safety standards for classified dogs; euthanasia in some specific circumstances; and hearing procedures for determination and classification purposes. Some dogs are excluded from some of the law's requirements, including law enforcement or military dogs in official use, hunting dogs, herding dogs, predator control dogs, and dogs injuring a person who is trespassing, abusing the dog, or committing a crime against a person. Localities are not prohibited from adopting more restrictive regulations.

House Bill 711**Confidential Communications in Domestic Violence Cases****Effective Date: January 1, 2013**

This bill provides for confidential communication between family violence victims and their advocates at domestic violence and sexual assault centers. It also provides new exceptions to the general rule of the spousal privilege concerning confidentiality. Specifically, a spouse cannot be compelled to testify against the other spouse unless one spouse is charged with a crime against his or her spouse, one spouse is charged with causing damage to his or her spouse's property, or the spouse's crime against his or her current spouse occurred prior to their marriage.

House Bill 728**Covenants Running with the Land****Effective Date: July 1, 2012**

If a zoning ordinance expressly acknowledges the continuing application of a restrictive covenant upon the ordinance's initial enactment, the covenant will be effective until it expires on its own terms. This applies to covenants created before the county or municipality adopted zoning laws.

House Bill 744**Uniform Partition of Heirs Property Act****Effective Date: January 1, 2013**

This bill enacts the Uniform Partition of Heirs Property Act, which lays out the means by which property, if determined by the court to be heirs property, shall be partitioned in a consistent and economically advantageous manner. If heirs property is to be partitioned, the bill provides for the procedure to use in determining fair market value, partitions by sale, partitions in kind, and open-market sales for heirs property.

House Bill 942**Code Revision****Effective Date: Upon Governor's Signature; except Section 24 and paragraph (2) of Section 29 shall become effective January 1, 2013.**

This legislation revises, modernizes, and corrects errors or omissions in the Code in furtherance of the Code Revision Commission's work by repealing portions of the Code which have become obsolete, have been declared unconstitutional, or have been preempted or superseded by subsequent laws.

House Bill 997**False Lien Statements against Public Officers or Employees****Effective Date: July 1, 2012**

This legislation creates the criminal offense of filing a false lien statement against public officers or public employees. This felony offense is committed when a person knowingly files a false lien in a publicly available record against a public officer's or employee's property on account of the officer or employee's performance of official duties, while also knowing that the lien is false or contains a materially false representation. This crime is punishable by imprisonment for one to ten years, a maximum fine of \$10,000, or both.

House Bill 1048**Process Servers****Effective Date: July 1, 2012**

This legislation imposes a filing fee of \$58 on applications for appointment as a certified process server. This legislation provides that process may be served by a certified process server as provided in O.C.G.A. § 9-11-4.1.

House Bill 1093**Store Postings Regarding Removal of Shopping Carts****Effective Date: Became Effective Upon Governor's Signature**

Previous law required that a copy of the Code section criminalizing the removal of shopping carts be posted on store premises in order for any person to be guilty of committing that offense. This legislation no longer requires the posting of the Code section as an element of the offense.

House Bill 1114**Prohibition of Assisted Suicide****Effective Date: Became Effective Upon Governor's Signature**

Under this bill, it is a felony if a person knows that someone intends to commit suicide and knowingly and willfully assists in that person's suicide. The offense is punishable by imprisonment for one to ten years. Certain people are exempted from this prohibition, including:

- Those providing palliative care with the patient's consent, although the medical care must be intended to relieve pain and not calculated to cause death;
- Those withholding treatment with the patient's consent;
- Those providing medicine pursuant to a living will or similar document, although the medical care must be intended to relieve pain and not calculated to cause death;
- Those withholding treatment pursuant to a living will or similar document; and
- Those advocating on behalf of a patient in accordance with one of the above exceptions.

Any health care provider convicted of committing this offense must notify the applicable licensing board within ten days, and, upon such notification, the board must revoke the provider's license. Any health care provider against whom a judgment is made in tort must notify the applicable licensing board within ten days of the judgment against him.

House Bill 1198**Grandparent Visitation Rights****Effective Date: Became Effective Upon Governor's Signature**

This legislation sets out factors a court must consider when determining whether the health or welfare of a child would be harmed without grandparent visitation. Previously, there was no presumption in favor of grandparent visitation, but this legislation strikes that language. Instead, this legislation creates a rebuttable presumption that a child denied contact with his grandparents may suffer emotional injury harmful to his health. A parent's decision regarding grandparent visitation is not conclusive when the lack or absence of grandparent contact would result in emotional harm to the child.

A court may award grandparent visitation in cases where the parent is deceased, incapacitated, or incarcerated if it finds that visitation would be in the child's best interests. The custodial parent's judgment regarding the child's best interests is given deference, but is not conclusive.

NATURAL RESOURCES**Senate Bill 309****Taylor's Law****Effective Date: July 1, 2012**

This legislation authorizes the Commissioner of the Department of Natural Resources (DNR) to issue special authorization to hunt big game or alligators to any person not older than 21 years of age who has been diagnosed with a terminal illness. The term "terminal illness" means an incurable or irreversible condition with a life expectancy that does not exceed 12 months. Special authorization may include waiving legal weapons requirements, quota limitations, or hunter education requirements. However, a

person who receives special authorization must hunt only under the direct supervision of a licensed adult hunter.

Senate Bill 319

Use of Boats on State Park Lakes; Coastal Marshland Permit: Live-aboard

Effective Date: July 1, 2012

Use of Boats on State Park Lakes

This bill prohibits the use of boats on all state park lakes and other areas when DNR has posted a sign or other form of notice restricting such use; exceptions exist for law enforcement and official use by DNR.

Coastal Marshland Permit: Live-aboard

Current law requires a person to obtain a permit from the Coastal Marshlands Protection Committee before filling, dredging, or altering marshlands, or constructing or locating a structure on or over any marshlands. Occupying a live-aboard for more than 30 days is considered contrary to public interest when located in a marshland; however, the Commissioner of DNR may grant extensions of time beyond 30 days. This legislation clarifies the definition of a "live-aboard" and increases the time periods from 30 days to 90 days.

Senate Bill 396

Herty Advanced Materials Development Center

Effective Date: July 1, 2012

The Herty Advanced Materials Development Center (Center) conducts research, development, and commercialization of our forests and the pulp and paper industry. This legislation: renames the Center as the Georgia Southern Herty Advanced Materials Development Center; eliminates its Board of Trustees as of July 1, 2012; and provides for the Board of Regents of the University System of Georgia to be the successor to the former Board of Trustees, which will continue the mission of the Center.

This bill also establishes an advisory board for the Center, to consist of three persons appointed by the Governor and two persons appointed by the president of Georgia Southern University, who will serve without compensation.

Senate Bill 464

Commercial Crabbing Licenses; One-Day Saltwater Fishing License

Effective Date: July 1, 2012

Current law authorizes DNR to issue commercial crabbing licenses. This bill limits, beginning May 1, 2013, the number of new commercial crabbing licenses to 100. The commercial crabbing licenses issued prior to May 1, 2013 will remain active until the time a license is not renewed. The bill also removes the prohibition on the sale of licenses; however, licenses may only be sold to any person not holding a current commercial crabbing license.

Current law prohibits and penalizes a person for taking crabs without a license or intentionally damaging or destroying a crab trap/float. This bill provides additional penalties for violations that are specifically related to licensure: a first offense will result in a three-month suspension; a second offense will result in a six-month suspension; and a third or subsequent offense will result in permanent revocation of a license.

This legislation also creates a one-day salt-water shore fishing license that may be purchased by residents and non-residents for a fee of \$5.00.

Senate Resolution 848

EPA Regulation of Greenhouse Gases/Air Quality

Effective Date: July 1, 2012

This legislation urges the United States Congress to adopt legislation prohibiting the federal Environmental Protection Agency (EPA) from regulating greenhouse gas emissions or enacting new air quality regulations without studying the environmental and economic impacts. Further, Senate Resolution 848 requires the Obama Administration to identify all regulatory activity EPA intends to undertake.

House Bill 869

Department of Natural Resources: Saltwater Fishing Bill

Effective Date: Sec. 1, 29, 30 Became Effective Upon Governor's signature; Remaining Sections Effective January 1, 2013.

This bill extensively revises various provisions relative to salt water fisheries management. Of significance, House Bill 869: authorizes the Board of Natural Resources to promulgate regulations establishing seasons, harvest limits, gear and methods to take fish in fresh and salt waters; and authorizes the Board to manage bait shrimp dealers and bait shrimp fishing. The Senate adopted a floor amendment which clarifies that a cashier employed by a licensed bait dealer does not have to obtain a commercial fishing license; and establishes a Coastal Finfish Advisory Panel within DNR, which was adopted by the Senate in a floor amendment. The DNR must consult with the Panel on all issues affecting salt-water finfish fisheries.

House Bill 1102

Brownfields; Water Usage; Sunset Dates

Effective Date: Became Effective Upon Governor's Signature

Brownfields

Current law provides liability protection from third-party claims and the cost of ground water clean-up for a prospective purchaser of contaminated property, provided that the Director of the Environmental Protection Division approves, and cleanup standards are met. This bill allows a prospective purchaser to apply for a limitation of liability within 30 days of acquiring the title to a property. Under current law, property classified as brownfield property was eligible to be assessed at 40 percent of its fair market value for 10 consecutive assessment years. This bill contains the language of House Bill 994 which allows brownfield property to be eligible for the preferential tax assessment for a 15-year period under certain circumstances.

Water Usage

House Bill 1102 also requires certain public water suppliers to transmit customer water consumption data to local governments and to suspend water supply to customers who have failed to pay waste-water sewer system use charges.

Regulation of Certain Land Disposal Sites

This bill also extends the sunset date from July 1, 2012 to July 1, 2014 to authorize DNR and the Department of Human Resources to permit and regulate land disposal sites that receive septic tank waste.

PUBLIC SAFETY

Senate Bill 231

Probation Prohibited for Certain First Offenders

Effective Date: July 1, 2012

This legislation provides that a first-time offender who is convicted of, or pleads *no lo contendere* to, the following crimes against a law enforcement officer will be ineligible for probation:

- Aggravated assault;

- Aggravated battery; or
- Obstructing or hindering an officer, when such action results in serious physical harm or injury to the officer.

Senate Bill 366

Contraband and Juvenile Detention Centers and Youth Development Centers

Effective Date: July 1, 2012

Establish Guard Lines

This legislation requires guard lines to be established at Juvenile Detention Centers (JDCs) and Youth Development Centers (YDCs) in the same manner that land lines are established, except that, at each corner of the lines, signs must be used which plainly state: "Guard line of _____." Signs must also be placed at all entrances and exits for vehicles and pedestrians at the institutions and at such intervals along the guard lines as will reasonably place all persons approaching the guard lines on notice of the location of the institutions.

Prohibited Acts while Crossing Guard Lines

This legislation prohibits any person without proper authorization from bringing across a JDC or YDC guard line any of the following:

- Firearms, knives, or any other weapon, ammunition, or explosive devices; or
- Liquor, amphetamines, biphetamines, marijuana, or any other hallucinogenic or other drugs.

Prohibited Acts within JDCs and YDCs

This legislation also prohibits any person from bringing into a JDC or YDC any item in which the person has been directed not to bring into a center by a staff member. Such items brought into centers will be considered contraband and confiscated. It will also be unlawful for any person to trade, traffic, buy, or sell any article to a youth assigned to a JDC or YDC without the knowledge or consent of the Correction's Commissioner or the center's director.

Providing and Possessing any Prohibited Items

This legislation also prohibits any person from obtaining for, procuring for, or giving to any youth assigned to a JDC, any specific prohibited items without the director's authorization. Moreover, such youths are prohibited from possessing the prohibited items.

A violation and conviction under this legislation will be punishable by imprisonment from one to four years.

Maximum Number of Days in YDCs

On and after July 1, 2013, the maximum number of days a child may be detained in a YDC will be 60 days involving certain crimes. This legislation repeals this automatic increase and retains the current time limit of 30 days.

Senate Bill 441

Unlawful Pointing of a Laser Device at a Law Enforcement Officer or Aircraft

Effective Date: July 1, 2012

This legislation prohibits anyone from knowingly and intentionally aiming or pointing a laser device at or toward a law enforcement officer without the officer's permission if:

- The law enforcement officer is lawfully acting within the course and scope of employment; and
- The person has knowledge or reason to know that the law enforcement officer is employed as:
 - A peace officer;
 - A probation officer, or other employee with the power of arrest, by the Department of Corrections;
 - A parole supervisor, or other employee with the power of arrest, by the State Board of Pardons and Paroles;
 - A jail officer or guard by a county or municipality and has the responsibility of supervising inmates; or
 - A juvenile correctional officer by the Department of Juvenile Justice.

Any person who violates this legislation will be guilty of a high and aggravated misdemeanor. A violation constitutes a separate offense and a sentence may be imposed consecutive to, or concurrent with, a sentence for any other related offense. Moreover, it will not be a defense to a prosecution that the officer

was behind glass, a window, or other transparent or translucent object at the time that a laser device was pointed.

This legislation also prohibits pointing a laser device at an aircraft or at the flight path of an aircraft. A violation of this provision is considered a misdemeanor.

Senate Bill 446

Transfer of Functions from the Georgia Department of Labor to the Office of Safety Fire Commissioner

Effective Date: Became Effective Upon Governor's Signature

This legislation transfers the following functions currently held by the Georgia Department of Labor to the Office of Safety Fire Commissioner:

- Chapter 2 of Title 8: Oversight and inspection of elevators, dumbwaiters, escalators, manlifts, and moving walks;
- Chapter 1 of Title 34: Requirements for and inspection of scaffolding and staging design;
- Chapter 11 of Title 34: Regulation of boilers and pressure vessels;
- Chapter 12 of Title 34: Amusement ride safety and inspection; and
- Chapter 13 of Title 34: Carnival ride safety and inspection.

The legislation also removes the bond requirements for the chief boiler and pressure vessel inspector and deputy inspectors employed by the State.

Senate Resolution 858

Cellular Jammers in Prisons and Jails

Effective Date: N/A

Current federal law prohibits the manufacture, importation, marketing, sale, and operation of "cellular jammers" within the United States. This resolution urges Congress to amend the Communications Act of 1934 and the Federal Communication Commission's rules so as to permit the use of "cellular jammers" for the prevention of illegal cell phone use in prisons, jails, and youth detention facilities.

House Bill 253

Surplus and Obsolete State Patrol Vehicles

Effective Date: Became Effective Upon Governor's Signature

This legislation authorizes the Commissioner of Public Safety to transfer obsolete State Patrol cars to the Georgia Public Safety Training Center for training purposes. The vehicles may also be sold or traded and the proceeds used toward the purchase of new motor vehicles for the Department of Public Safety.

House Bill 732

License Plates

Effective Date: July 1, 2012

Transporter License Plate

Section 1 clarifies language to allow trailers being pulled to receive a transporter plate.

Special License Plates for Disabled Veterans

Current law allows partially disabled veterans to receive a special license veteran plate. Section 2 of this legislation waives the initial plate and renewal fees and extends eligibility of this plate to current partially disabled service members.

Section 3 of the legislation requires disabled veteran plates to include an image of the International Symbol of Access.

Purple Heart License Plate

Currently, the Purple Heart license plate is only available to discharged veterans who received a Purple Heart citation. By amending the definition of a "Veteran," Section 4 of this legislation expands availability of the plate to include recipients who are currently serving on active duty or in the reserves.

Additional Special License Plates for Veterans

Section 5 of this legislation establishes two new plates for veterans and current service members: the Military Medal Award Recipient Plate and the Commemorative Service Plate.

Additional Special License Plates

Section 6 establishes three new special license plates:

- A prostate cancer awareness license plate;
- A lung cancer awareness license plate; and
- A Georgia nurses license plate.

Firefighters License Plate

Section 7 of this legislation waives the \$35.00 special plate and renewal fee for the Firefighters License Plate.

House Bill 795

All-Terrain Vehicles

Effective Date: Became Effective Upon Governor's Signature

A Class I All-Terrain Vehicle (ATV) is now defined as a motorized, off-highway recreational vehicle 50 inches or less in width, 1,200 pounds or less, that travels on three or more nonhighway tires, and is capable of cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland, or other natural terrain.

The newly-defined Class II ATV means a motorized, off-highway recreational vehicle which is not a Class I ATV and which is 65 inches or less in width, 2,000 pounds or less, that travels on four or more nonhighway tires, and is capable of cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland, or other natural terrain.

The newly-defined recreational off-highway vehicle means a motorized vehicle designed for off-road use which is equipped with four or more nonhighway tires and which is 65 inches or less in width.

House Bill 827

Editorial Corrections

Effective Date: July 1, 2012

This legislation makes clarifying and editorial corrections to the statute addressing fleeing or attempting to elude a police vehicle or officer.

House Bill 895

GBI to Provide Certain Information to the Sexual Offender Registration Review Board

Effective Date: July 1, 2012

This legislation expands the Georgia Bureau of Investigation's (GBI) duties to include acquiring, collecting, analyzing, and providing to the Sexual Offender Registration Review Board (Board) any information which will assist it in determining a sexual offender's risk assessment classification, including, but not limited to, obtaining:

- Incident, investigative, supplemental, and arrest reports from law enforcement agencies;
- Records from clerks of court;
- Records and information maintained by prosecuting attorneys;
- Records maintained by state agencies; and
- Other documents or information as requested by the Board.

The Board is directed to utilize the GBI to assist in obtaining information relative to its evaluation of sexual offenders and the GBI must provide it with any requested information.

This legislation also transfers all investigators employed by the Sexual Offender Registration Review Board to the GBI on July 1, 2012.

House Bill 900

Scrapped Trailers and Certificate of Title Cancellation

Effective Date: July 1, 2012

This legislation provides that in order for a trailer to be scrapped, the owner must also surrender the trailer's certificate of title. No title is required if the trailer is at least 12 models years old, is worth \$1,700 or less, and the owner states this on a signed statement delivered to the Department of Revenue.

House Bill 985
Temporary License Plates
Effective Date: July 1, 2012

This legislation clarifies and streamlines provisions related to temporary license plates. Specific changes include:

- No longer requiring temporary plates to be surrendered to the county tag office;
- Granting an extension of the temporary plate's initial registration period when the transferor, purchaser, or transferee can demonstrate by affidavit that the title has not been provided to the purchaser or transferee due to the failure of a security interest or lien holder to release a security interest or lien;
- Providing for the physical composition of a temporary plate; and
- Authorizing the Department of Driver Services to release information to the Revenue Department for use in the detection and prevention of fraudulent tax returns, including name, address, date of birth, gender, driver identification number, photograph, and signature.

House Bill 991
Vacancy in the Office of the Sheriff
Effective Date: July 1, 2012

This legislation requires vacancies in the office of sheriff to be filled by the chief deputy sheriff if a chief deputy has been appointed. If no chief deputy sheriff has been appointed, the probate judge must appoint a qualified person to serve as the interim sheriff within three days of the vacancy.

If less than six months of the sheriff's term of office remains at the time the vacancy occurs, the chief deputy sheriff or the interim sheriff, as the case may be, will hold office for the unexpired term. If more than six months remains, the election superintendent for the county must call a special election to fill the vacancy.

REAPPORTIONMENT AND REDISTRICTING

Senate Bill 430
State Senate Districts; revise certain boundaries
Effective Date: Varies

Senate Bill 382
Public Service Commission; change description of the election districts; manner of election and term of office
Effective Date: Became Effective Upon Governor's Signature

House Bill 829
State House Districts; boundaries of certain districts; revise
Effective Date: Varies

REGULATED INDUSTRIES

Senate Bill 114
Distilling Manufacturing Licenses
Effective Date: July 1, 2012

This legislation authorizes the Revenue Commissioner to issue a license for distilling to fruit growers where either package or by-the-drink sales are already approved by the applicable local government. The fruit grower must hold a retailer, wholesaler, or broker license in Georgia or another state.

Further, the Revenue Commissioner may offer a distilled manufacturing license where the distilled spirit is derived from products other than Georgia-grown perishable fruit. Manufacturing will be permitted in local government jurisdictions that do not allow for liquor sales and the products must be stored in an approved warehouse. License-holders cannot sell in dry counties or cities or to any person not holding a wholesale or retail license.

Promotional tours may be available, but tastings are not permitted.

Senate Bill 143**Massage Therapists****Effective Date: Became Effective Upon Governor's Signature**

This legislation amends provisions relating the licensure of massage therapists by deleting duplicate requirements regarding age, character, education, applicable national tests, and hours and years of necessary practice that were (and still are) required before 2007. No actual requirements are fully deleted from Georgia Code.

New language requires applicants to have satisfactory fingerprint record checks to be conducted by the Georgia Crime Information Center, the Federal Bureau of Investigation, and other criminal background checks. Applicants are liable for any applicable fees associated with these requirements. Further, new language regarding license by endorsement requires that an applicant possess satisfactory fingerprint results.

Senate Bill 483**Public Service Commission Chairperson****Effective Date: December 31, 2012**

This legislation specifies the term of the Public Service Commission Chairperson, and how the chairperson is selected.

The current chair may serve until January 1, 2013. The chairperson will be chosen by a majority of the PSC members. The term of office will be for two years. Any three members may call for a chairperson election at any time, but only twice per calendar year. A member can only serve as chairperson for two consecutive terms.

House Bill 332**Universal Service Fund Surcharges****Effective Date: July 1, 2013**

This legislation requires local exchange carriers to obtain approval from the Georgia Public Service Commission (PSC) to collect surcharges by showing that it will not result in an increase in service fees or service rates --unless the charge is a separate line item or required under state or federal law.

House Bill 472**Brewpubs****Effective Date: July 1, 2012**

Brewpubs are defined as eating establishments that manufacture or brew beer or malt beverages. As "eating establishments," brewpubs must derive at least 50 percent of its gross food and beverage sales from prepared meals or food. Under House Bill 472, sales of barrels of beer or malted beverages to wholesale dealers and retail consumption dealers are not counted toward the gross sales of the brewpub.

The legislation raises the limit of beer manufactured on premises to 10,000 barrels in a calendar year from 5,000 barrels. In addition, the bill permits the brewpub to sell up to 5,000 barrels a year to licensed wholesale and retail consumption dealers.

House Bill 769**Consumers' Utility Counsel Division: Filings to Public Service Commission****Effective Date: Became Effective Upon Governor's Signature**

The amendment to O.C.G.A. § 46-10-5 would no longer require the consumers' utility counsel division to provide filings to the Public Service Commission until the division is funded by an Appropriations Act.

House Bill 872**Regulated Metals; Certificates of Title: Cancellation—Scrap Vehicles/Parts****Effective Date: Became Effective Upon Governor's Signature**

Language primarily originates from Senate Bill 321.

Georgia continues to be plagued by metal thefts across the state. The Georgia Legislature has twice recently addressed this escalating problem.

Senate Bill 203 was enacted in 2007 which added beer kegs to the list of nonferrous metals. Further, criminalized actions regarding stolen regulated metals were expanded to include theft by taking, theft by conversion, and criminal damage to property; moreover, these criminal actions were made felonies only rather than misdemeanors. All motor vehicles, tools, and weapons used or intended for use to commit a crime under this legislation is subject to forfeiture unless it occurred via a common carrier or without consent of the owner.

Senate Bill 82 was enacted in 2009 which primarily focused on strengthening the laws and adding new restrictions on the form and timing of payment for purchases of copper items and aluminum forms for shaping concrete. Specifically, certain requirements were added on recyclers regarding transaction records and delay requirements for cash payments.

The U.S. Department of Energy has found that the damage from a theft of just \$100 in copper wire can cost a utility more than \$5,000 to repair.

According to the National Conference of State Legislatures, during the last two years, 18 states have passed bills on scrap metal that:

- Create or increase penalties for violators (five states);
- Propose specific payment methods (two states);
- Require detailed recordkeeping or databases on sellers (nine states);
- Address dealer licensing (five states);
- Or enhance identification requirements for scrap metal sellers (four states).

Further, House Bill 269 (2011) made revisions to the scrap vehicle requirements--including increasing the necessary value to \$850 from \$750 and establishing procedures for the Department of Revenue (DOR) to be notified of title cancellation.

This legislation adds new definitions for:

--"Burial object" is used for grave site decoration or marker;
--"Aluminum property" involves aluminum forms designed for shaping concrete;
--"Copper property" means complete copper compositions including wire, pipe and tubing; and
--"Regulated metal property" is revised to include ferrous metals, aluminum and copper property, burnt copper, electrical coils or catalytic converters.

Batteries are not subject to these recycling requirements. Battery recycling is subject to federal regulation which governs recycling of acidic batteries.

Purchase transactions must be legibly recorded and maintained. New requirements include:

- A clear, undistorted digital photograph or video image of the metal and the seller;
- Scanned or photocopied ID and sheriff-issued permit;
- A digital image of the sellers of the regulated metals;
- A signed affidavit by the seller that stating that he or she is the rightful owner of the property or is entitled to sell it. Lying on the signed affidavit will be punishable as an act of false swearing.

All of the items required to be maintained must be submitted to the Georgia Bureau of Investigation for entry into newly created recyclers' database that will be accessible to law enforcement personnel.

Persons selling motor vehicles for scrap must either provide the title of the vehicle or execute a statement on a DOR-provided form which must be provided to DOR within 72 hours of receipt.

Cash payments for regulated metals will be prohibited. Payment by check or electronic fund transfers or voucher is authorized. Vouchers cannot be immediately exchanged for cash; may be redeemed only after three (3) days. Vouchers are redeemable only for cash and expire after six (6) months.

Business hours can only be from 7 a.m. to 7 p.m.

Specific crimes are defined concerning conversion and receipt of stolen property regarding regulated metals. Property used in committing these crimes is subject to forfeiture.

A secondary metal recycler must obtain a permit from the sheriff in the county of residence; if the person is not a Georgia resident--then a permit must be obtained in the county where the recycling facility is located. Specific forms will be made available by the Secretary of State's office. The permit is valid for 12 months. The sheriff must maintain records of these permits to be entered into the electronic database and, at a minimum, must include the issue date of the permit, and the name and address of the dealer. A fee up to \$200 may be assessed by the sheriff.

The first violation of any of these requirements will result in a misdemeanor; the second, a misdemeanor of a high and aggravated nature; and the third, a felony carrying a sentence between one and ten years imprisonment. Civil actions are warranted.

This legislation specifically contemplates local regulation of this issue, but does not supersede or preempt local ordinances governing this issue.

Further, if title is unavailable for transfer and conversion to scrap parts then the owner or agent must affirm the vehicle is worth less than \$850 and is older than 12 model years. The affirmation must show:

- The vehicle will never be titled again;
- The vehicle will be dismantled;
- Vehicle description;
- Owner's information and driver's license number;
- The value and age of the vehicle;
- The title cannot be located or it was never obtained;
- The vehicle is clear of lien interests;
- Signature and date of transaction;
- Payment was \$850 or less; and
- The purchaser's information and National Motor Vehicle Title Information System ID.

Scrap businesses must certify that the vehicle is not subject to any lien or other interest when an on-line method for doing so is available.

The statement must be provided to the Department of Motor Vehicles within 72 hours of the transaction to request cancellation of any application title and registration.

Violation of these requirements is a felony with up to a \$5000 fine and three (3) years in jail.

There are different requirements regarding lien satisfaction for vehicles 11 years old or less and 12 years old and greater.

This legislation becomes effective on July 1, 2012; however, PART II becomes effective upon appropriation pursuant to House Bill 89 (2011).

House Bill 933

Burial Escrow Accounts; Funeral and Crematory Services

Effective Date: July 1, 2012

Currently, under O.C.G.A. § 10-14-7, funds are released from an escrow account when a monument is attached to real property.

The amendment would permit the release of funds when a monument is placed into a bonded memorial storage program. Further, this legislation authorizes biocremation services.

Funeral directors must remain in full charge of funeral services; however, apprentices may earn hours while attending college. Preneed funeral service funds are authorized to be maintained by the funeral establishment via a trust.

House Bill 1049

The 9-1-1 Service Act of 1977: Prepaid Wireless Services and VoIP Service Supplier

Effective Date: July 1, 2012

The "Georgia Emergency Telephone Number 9-1-1 Service Act of 1977" requires that communications services suppliers provide the Director of the Georgia Emergency Management Agency with information that relates to the 9-1-1 emergency system. The information includes: the name(s) of the supplier, address and the telephone number of the service provider.

The legislation makes several revisions to the meaning of "prepaid wireless services." Currently, a "prepaid wireless service" is defined generally as a "wireless telecommunication connection" paid in advance to a wireless service provider.

The legislation redefines the service more specifically as a wireless connection that is: sold to consumers in advance of its use; sold in a fixed number of units that are known; declines with use; and expires without an additional purchase. Further, the service would not be combined with other communications services that are paid in arrears. Finally, to qualify as "wireless prepaid services," the subscriber could not be billed for the service nor presented with a monthly statement.

House Bill 1049 adds Voice over Internet Protocol companies to the list of service suppliers that must provide the GEMA Director with the above-referenced information. Wireless service suppliers are currently permitted to collect up to 30¢ per call to recover costs expended on providing wireless 9-1-1 services to customers. The bill prohibits service suppliers from collecting any costs on its prepaid services.

House Bill 1066

Alcohol Beverage Licenses and Regulation: Distilled Spirits, Beer, and Wine

Effective Date: July 1, 2012

Alcohol licenses will expire annually commencing on July 1, 2013.

Renewal applications should be made 60 to 90 days prior to expiration of the licenses. The DOR Commissioner may issue special event use permits that are valid only for ten (10) days and must specify eligible events.

Special Events licenses will be subject to a fee of \$100 (for each special event use). Occupation license taxes for alcoholic beverages are required for each location in Georgia. Distilled spirits not purchased from a licensed retail or consumption dealer will be deemed contraband.

House Bill 1115

Telegraph: Repeal of References; Carrier of Last Resort Requirements

Effective Date: July 1, 2012

This legislation deletes references to the regulation of telegraph services in Georgia. Included in these existing requirements include deregulation and tariff reports to the legislature and live access operators.

Carrier of last resort obligations and purview by the PSC for AT&T (the law refers to the company that elects alternative regulation and does not receive sums from the Universal Access Fund) are severed.

House Bill 1132

Fair Business Practices Act of 1975: Telemarketing Oversight

Effective Date: Became Effective Upon Governor's Signature

This legislation adds new language regulating telemarketing and solicitation services made into and received within the State of Georgia.

The telemarketers must clearly identify themselves or the entity making the call. Caller ID services may not be blocked or disabled by the telemarketer or solicitation service; moreover, the number displayed must be an actual working number with an accurate identity of the caller.

This would not apply to existing commercial relationships or political calls. Violation of these laws may result in a \$10 fine per violation and are eligible for class action status.

RETIREMENT

Senate Bill 246

Public School Employees Retirement System Employee Contributions

Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012

This fiscal retirement bill will increase the employee contribution for all persons who become a member of the Public School Employees Retirement System on or after July 1, 2012 from \$4.00 per month to \$10.00 per month. Additionally, this bill will increase the monthly retirement benefit from \$15.00 per month multiplied by the member's years of service to \$16.50 per month. Finally, this bill will increase the minimum retirement benefit that could be paid from \$12.00 per month to \$14.75 per month multiplied by the member's years of service.

Senate Bill 286

Tax Commissioners' Membership in the Employees' Retirement System

Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012

Any person who first, or again, becomes a tax commissioner, tax collector, tax receiver, or employee of such officer on or after July 1, 2012 will no longer be automatically eligible to participate in the Employees' Retirement System (ERS), and will only be eligible to participate in ERS if his or her respective governing authority adopts a resolution authorizing such participation. If the resolution is adopted, the employees would then be members of ERS, provided the employee pays the necessary employee contributions and the governing authority pays all required employer contributions. In the event a governing authority subsequently revokes the resolution, the rights and benefits of any person who became a member of ERS would not be affected, and the governing authority would be obligated to continue paying the required employer contributions of such persons.

This bill includes provisions originally found in House Bill 295, which provides a method of calculating accrued benefits for persons who are subject to the Georgia State Employees Pension and Savings Plan and transfer between ERS and the Teachers Retirement System (TRS). This bill also provides for the transfer of accrued benefits to cover the costs associated with the person who transfers between such systems.

Senate Bill 402

Employees' Retirement System of Georgia Enhanced Investment Authority Act

Effective Date: July 1, 2012

This bill authorizes eligible large retirement systems to invest up to 5 percent of the retirement systems' assets in alternative investments, in the aggregate, at any time. Only 1 percent of a fund's assets may be invested in alternatives per year, increasing by 1 percent annually, until the 5 percent cap is reached. The Teachers Retirement System is excluded from making alternative investments. In the event a system is out of compliance with the limitations, this bill provides provisions for the system to come back into compliance. Certain documents used in determining which alternative investments to hold would be confidential, and all funds invested pursuant to this legislation, including any return on such investments, must remain funds of the retirement system.

The large retirement systems are required to provide annual reports to the chairpersons of the House and Senate Retirement Committees detailing the performance of investments made pursuant to the provisions of this bill. The large retirement systems must also post the report on the system's official website.

House Bill 183

Georgia Legislative Retirement System Membership

Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012

This fiscal retirement bill allows each person who first, or again, becomes a member of the General Assembly on or after July 1, 2012, to make an irrevocable election at the beginning of each term of office to become a member of the Georgia Legislative Retirement System ("LRS"). This election must be made within two months of taking office as a member of the General Assembly. Any LRS member who is elected to a consecutive term of office would not be required to reapply each term. Additionally, any

person who is a member of the General Assembly serving on July 1, 2012, and who previously elected against becoming an LRS member, may make an irrevocable election to join LRS. Such persons would be authorized to obtain creditable service for prior service as a member of the General Assembly, provided they pay the full actuarial cost of the service. Service earned as a member of the General Assembly and LRS may not be used as creditable service with any other public retirement or pension system in the state.

Currently, retired members may continue to receive retirement benefits if they return to work for the State, provided they do not exceed 1,040 work hours annually. Under this legislation, any "public employer" would be required to notify the Board of Trustees if they hire a retired plan member. Such notification must be done within 30 days of the acceptance for employment, and must indicate the number of work hours the retiree expects to work on an annual basis. If the Board of Trustees is not properly notified, either the retired member or the employer will be held liable for any overpayment of benefits made to the retired member.

House Bill 208

Retired Teacher's Return to Full-Time Service under the Teachers Retirement System

Effective Date: July 1, 2012

Currently, a retired teacher may return to full-time service as a classroom teacher, principal, superintendent, media specialist, or counselor and continue to receive retirement benefits from the Teachers Retirement System. The provisions allowing this will be automatically repealed on June 30, 2016 under current law. This legislation changes the automatic repeal date to June 30, 2013.

House Bill 250

Georgia Judicial Retirement System Survivor's Benefits

Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012

This fiscal retirement bill provides for a refund of accumulated contributions if the total value of benefits paid to a Georgia Judicial Retirement System (JRS) member and the designated survivor do not equal or exceed the member's accumulated contributions at the time of his or her retirement. This bill also amends provisions relating to survivor's benefits by allowing certain persons who are members of JRS prior to July 1, 2012 to obtain spouses' benefits, even though the member had previously rejected such benefits. Any member wishing to obtain such benefit is required to pay the full actuarial cost of the benefit. Finally, this bill provides for a revised survivors' benefit option for persons who become members of JRS on or after July 1, 2012. Such members would have four options for receiving retirement allowances. This bill includes provisions to change the election in the event of marriage, divorce, or death of the survivor.

House Bill 297

Dead Peasants Legislation

Effective Date: Became Effective Upon Governor's Signature

This legislation prohibits Georgia's public retirement systems from having an insurable interest in active or retired members of their system. No public retirement may have the authority to expend or obligate funds under its control to purchase life insurance on its members except where all benefits are paid to a member's estate or to a beneficiary designated by the individual member.

House Bill 337

Sheriffs' Retirement Fund of Georgia

Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012

This fiscal retirement bill would allow a retired member who had elected spouses' benefits to revoke such election in the event of a divorce. If the member remarries at a later time, the member would be authorized to reinstate spouses' benefits. The benefit to be paid to the member would be adjusted actuarially based on the age of the member and the new spouse.

House Bill 351**Fines Paid to the Judges of the Probate Courts Retirement Fund of Georgia****Effective Date: July 1, 2012**

Currently, the amount of the fine or fee being remitted to the Judges of the Probate Courts Retirement Fund is dependent upon the total amount of the fine or bond forfeiture ordered by the judge, although the maximum amount remitted to the Board may never exceed \$2.50. This bill permits the Board to collect \$3.00 for each criminal and quasi-criminal case for violations of state statutes or traffic laws, provided the case was tried before a judge of the probate court or a judge of a state court created on or after July 1, 2011.

House Bill 635**Macon Water Commissioners – Pension Plan****Effective Date: July 1, 2012 if Concurrently Funded; Otherwise, Automatically Repealed on July 1, 2012**

This fiscal retirement bill would exclude individuals whose date of hire is on or after July 1, 2012, from entering the Macon Water Commissioners Pension Plan. Existing participants would have the right to elect participation in a new plan established by the Board. This bill amends the definitions of “final average monthly compensation,” used to calculate retirement benefits, and of “disability,” to exclude disabilities caused by self-inflicted injuries and disabilities occurring during the commission of a crime.

House Bill 928**Peace Officers’ Annuity and Benefit Fund Board Hearing Officers****Effective Date: July 1, 2012**

Currently, the Peace Officers’ Annuity and Benefit Fund (“POAB”) Board may only appoint and compensate a hearing officer for cases involving disability benefits. This legislation would authorize the POAB Board to appoint and compensate a hearing officer for the purpose of holding hearings, compiling evidence and information, and submitting evidence, information, and recommendations to the Board in any contested case. The procedures for contested cases in front of hearing officers would be the same as those for current disability benefits cases.

House Bill 944**Code Revision****Effective Date: Upon Governor’s Signature**

This legislation revises, modernizes, and corrects errors or omissions in Title 47 of the O.C.G.A. This legislation will only take effect if there are no conflicts between this legislation and any other legislation enacted during the 2012 session of the General Assembly.

House Bill 987**Peace Officers’ Annuity and Benefit Fund Member Change of Employment****Effective Date: July 1, 2012**

This legislation would require a member of the Peace Officers’ Annuity and Benefit Fund to notify the Board immediately if he or she has a change in employment or in job description that no longer qualifies him or her as a “peace officer” as defined in O.C.G.A. § 47-17-1. The Board would be prohibited from receiving dues from such a member. Additionally, the Board may not pay benefits calculated on service after such change of employment or job description.

SPECIAL JOINT COMMITTEE ON GEORGIA CRIMINAL JUSTICE REFORM**House Bill 1176****Criminal Justice Reform****Effective Date: See Below****Drug and Mental Health Court Divisions, Diversion Programs, and the County Drug Abuse Treatment and Education Fund**

This legislation amends the Code relating to drug court and mental health court divisions by incorporating policies developed by the Judicial Council of Georgia into the divisions’ work plans. The work plans must, at the very least, include a risk and needs assessment to reduce recidivism and be focused on moderate and high risk offenders. The Council will be required to update its standards to incorporate and reflect

research from the drug court and mental health court fields. Each division will follow the policies and practices that are consistent with the standards published by the Council.

The Council will be required to create and manage a certification and peer review process to ensure that drug courts and mental health courts are adhering to the proper standards. State appropriated funds for the divisions will be tied to the certification, unless good cause is shown to the Council.

Crimes and Offenses

This legislation alters the degrees and sentencing of some crimes. Burglary offenses are separated into two degrees, each punishable as a felony. First degree offenses involve the entering of a dwelling or similar structure, and second degree offenses involve non-dwellings. Repeat offenders for each degree of burglary may be punished with longer sentences, and upon the fourth conviction or more of any degree of burglary, the sentence may not be suspended, probated, deferred, or withheld.

The monetary limits for theft offenses, including theft by shoplifting, are raised. If the value of the item stolen exceeds \$24,999.99, the penalty is imprisonment for two to 20 years. If the item's value is between \$5,000 and \$25,000, the penalty is one to ten years, or, at the judge's discretion, punishable as a misdemeanor. If the value is between \$1,500 and \$5,000, the penalty is one to five years, or, at the judge's discretion, punishable as a misdemeanor. The felony shoplifting threshold is increased to \$500. The offense of deposit account fraud is altered by raising the instrument's monetary amount.

The crime of forgery is broken into four degrees, depending on whether the document is a check and whether the writing is passed or possessed. Check offenses will be punishable as a misdemeanor if the amount is less than \$1,500, with checks greater than \$1,500, and all other writing offenses, punishable as a felony.

Drug offenses will be governed by a weight-based system, wherein the aggregate weight of the drug will determine the range of punishment. Whether an offender possessed, distributed, or is a recidivist will also alter the range of punishment. The punishment ranges for possession of a Schedule I or II controlled substance, according to the aggregate weight, will become effective on July 1, 2013, and the punishment ranges for possession of a Schedule III, IV, or V controlled substance will become effective on July 1, 2014. Effective July 1, 2012, will be a reduced sentence for Schedule I controlled substances and Schedule II narcotics, which will be repealed when the weight-based sentencing becomes effective on July 1, 2013. Likewise, effective from July 1, 2012 through July 1, 2014, possession of a Schedule III, IV, or V controlled substance will be punished with a shorter sentence.

Criminal Procedure

For selected sex crimes committed on a child younger than 16, the statute of limitations is eliminated, and the prosecution of those crimes may commence at any time.

This bill authorizes the court to shorten the length of a defendant's active probation, upon a motion by a probation supervisor. The repeat offender statute will no longer apply to some drug possession violations.

Mandatory Reporting of Child Abuse

Persons currently required to report under O.C.G.A. § 19-7-5(c)(1) must report if they have reasonable cause to believe that suspected child abuse has occurred. This bill adds nurse's aides, pregnancy resource centers, and reproductive health care facility personnel (including volunteers) to the list of mandatory reporters. Clergy members are exempt from reporting requirements when information is received solely through confession, or other church communications, that is required to be kept confidential.

Record Restriction

The majority of the expungement Code is rewritten, with a presumption against the restriction of access to an individual's criminal history. Some specific exceptions are provided where the offense was not referred for further prosecution, the offense is referred to the prosecution, or an indictment or special presentment was returned and the prosecution files a motion to nolle prosequi or dismiss the offense. First offenders convicted of misdemeanors may also apply for expungement in certain circumstances.

Penal Institutions

The Department of Corrections and the State Board of Pardons and Paroles will be required to implement and use evidence based practices in preparing inmates for release. Graduated sanctions may be imposed by a probation supervisor, so long as they have been made a condition of probation by the court. The notice of sentencing of convicted individuals may be transmitted electronically, and probationers may be required to wear electronic monitoring devices as a condition of probation or for the required completion of a substance abuse or mental health treatment program.

A probated sentence of more than two years will be automatically reviewed by a probation supervisor, rather than requiring a chief judge to make the request. The time an individual may spend in a probation detention center is limited to 180 days.

Effective Date, Applicability, and Repealer

The effective date is July 1, 2012 and applies to offenses occurring on or after that date. The weight-based sentencing for Schedule I controlled substances and Schedule II narcotics will become effective on July 1, 2013, and for Schedules III, IV, and IV, will become effective on July 1, 2014. The expungement portion will become effective on January 1, 2013, along with the cross-references related to expungement

SPECIAL JOINT COMMITTEE ON GEORGIA REVENUE STRUCTURE

House Bill 386

Tax Reform

Effective Date: Varied

House Bill 386 is the product of House Bill 1450 that authorized the Tax Council and the Special Joint Committee which recommended the comprehensive changes to Georgia's tax laws.

Title Fee

This legislation will eventually replace the motor vehicle sales tax and the annual local ad valorem tax with a one-time title fee of 7 percent of the initial purchase price of the motor vehicle, regardless of the manner of acquisition (6.5 percent in 2013 and 6.75 percent in 2014). The more important exceptions are:

1. Rentals. Motor vehicles purchased by car rental companies (which do not currently pay sales tax) will be subject to a 1.5 percent title fee. Sales tax will continue to apply to rental fees;
2. New Residents. Persons moving into Georgia will pay 50 percent of the title fee upon moving into the state and the remaining 50 percent within 12 months; and
3. Recent Purchases. Motor vehicles titled prior to March 1, 2013, will continue to pay ad valorem taxes until transferred with the ability to opt in to the new system in 2013.

Personal Exemption

Effective January 1, 2013, the individual personal exemption for married couples filing jointly will be increased to \$7,400 from \$5,400. The exemption for dependents will continue to be \$3,000. This eliminates the "marriage penalty."

Retirement Income Exclusion

The retirement income exclusion for persons age 62 or older or persons who are permanently and totally disabled will be capped at \$65,000 per person. It was previously set to be completely eliminated by 2016 (House Bill 1055 2010), but this legislation will freeze it at the current amount.

Conservation Use Easement Credit

Existing CUVA donations will be limited with the following provisions:

1. Transfers. The transferability of a credit is limited to one transfer;
2. Cap. The aggregate amount of credit allocated to all partners of a partnership is capped at \$500,000 (the same as the limit for a corporation);
3. Prohibitions. Prohibitions on construction must be present in the conservation easement;
4. Stricter Approvals. The approval process is made more strict; and
5. Fees. User fees are imposed.

The changes are effective January 1, 2013.

Film Exemption Sales Tax

The present exemption from sales and use taxes for the sale or lease of production equipment or production services is eliminated effective July 1, 2012. The film income tax credit is continued. See House Bill 1027 for other film and television tax credit changes.

Manufacturing and Agriculture Exemptions

The current manufacturing and agricultural sales tax exemptions are replaced by new exemption language as follows:

1. Manufacturing. Codifies existing regulations regarding the integrated plant theory as to the sales and use tax exemption for manufacturers. Manufacturing is broadly defined. The new exemption is generally effective January 1, 2013. A new exemption for energy used in manufacturing and mining is phased in over four years beginning in 2012. Local governments may levy an excise tax on energy; see below.
2. Agriculture. Current sales tax exemptions are replaced with cleaner exemption language. An applicant must prove it is legitimately in the business of farming. The new rules are effective January 1, 2013.

Energy Excise Tax

Local governments may impose an excise tax on energy purchases via imposed by local ordinance.

Construction Materials Exemption

Effective January 1, 2012, through June 30, 2014, sales taxes may be eliminated on materials incorporated in a "competitive product of regional significance."

Jet Fuel Exemption

Effective July 1, 2012, the sale of jet fuel to airlines is exempt from 1 percent of the 4 percent state sales and use tax. House Bill 743 further exempts jet fuel from local sales taxes.

Internet Sales

Effective October 1, 2012, many internet sales will be subject to Georgia sales tax through affiliates based in Georgia.

Sales Tax Holiday

The "back to school" and energy efficient appliance sales tax holidays are reauthorized for 2012 and 2013.

SPECIAL JUDICIARY

House Bill 733

Georgia Commission on Family Violence

Effective Date: Upon Governor's Signature

This bill provides for the addition of holdover provisions for appointees of the Georgia Commission on Family Violence. Members will serve until the date that their successor is appointed.

STATE INSTITUTIONS AND PROPERTY

Senate Bill 37

Multiyear Rental Agreements and the State Properties Commission

Effective Date: January 1, 2013 – If Senate Resolution 84 is Ratified by the Voters in the General Election

This bill allows the State Properties Commission (Commission) to enter into multi-year leases not to exceed ten years, or in the case of sale and leaseback, not to exceed 20 years. It directs the Georgia Financing and Investment Commission to establish policies regarding multi-year leases, and sets guidelines for how these leases should be handled in the State Budget. It also authorizes the commission to contract with a licensed real estate broker for transaction management.

Additionally, it requires the Commission to provide an annual report to the Governor, President of the Senate, Speaker of the House, chairpersons of the Senate and House Appropriations Committees, and chairpersons of the Senate and House State Institutions and Property Committees. The report shall provide the total sum of all leasing obligations to be paid by the state for the upcoming fiscal year, all revenues collected from the previous fiscal year, including revenues collected from broker fees.

Senate Resolution 84

Proposed Constitutional Amendment - Authorization by General Assembly of State Entities Rental Agreements

Effective Date: January 1, 2013 – If Ratified by the Voters in the General Election

This bill proposes an amendment to the Constitution of Georgia that would allow the General Assembly to authorize by general law, the State Properties Commission, the Board of Regents and the Department of Labor, to enter rental agreements for the possession and use of real property without obligating present funds for the full amount of the state may bear. However, any such agreement must provide for its termination in the event of insufficient funds.

Senate Resolution 765

Authorizing the Change of Use of Certain Land Located in Bryan, Butts and Liberty Counties

Effective Date: Became Effective Upon the Governor's Signature

This resolution authorizes the land use changes adopted by the Board of the Department of Natural Resources granting non-exclusive easements for the construction and operation of certain facilities to the Georgia Transmission Corporation and the Coastal Electric Membership Corporation, and the Department of Transportation.

Land easements granted to the Georgia Transmission Corporation and the Coastal Electric Membership Corporation and the Department of Transportation are located in Bryan, Butts and Liberty Counties.

The easement granted to the Department of Transportation is for widening State Route 36 over the Towaliga River.

No title of such land will be conveyed, and consideration for such easements to the Georgia Transmission Corporation and the Coastal Electric Membership Corporation must be for fair market value, not less than \$650.00, and any such further consideration determined to be in the state's best interest by the State Properties Commission.

Senate Resolution 873

Authorizing Restrictive Easements for the Operation of Facilities in Appling, Bartow, Bibb, Chatham, Clayton, Clinch, Douglas, Fulton, Gordon, Hall, Houston, Jasper, Lowndes, McDuffie, Newton, Tattnall and Ware Counties

Effective Date: Became Effective Upon the Governor's Signature

This resolution authorizes the granting of restrictive easements to Central Georgia EMC, Central Georgia Joint Development Authority, Georgia Department of Transportation, Greystone Power Corporation, Flint EMC, Georgia Department of Natural Resources, Georgia Department of Transportation, Georgia Power Company, Jackson EMC, John S. Braddy and L & S Mullis Farms, Inc., to operate and maintain facilities, utilities, and egress and ingress on property in the counties listed above.

The easements on the property in the above-mentioned counties have been approved by the Departments of Corrections and Natural Resources, and by the Georgia Bureau of Investigation, the Georgia Forestry Commission, the State Properties Commission and the Technical College System of Georgia.

House Resolution 1376

Authorizes the Modification of a Lease of State-Owned Real Property in Baldwin County, and the Conveyance of Certain State-Owned Property in Various Other Counties

Effective Date: Became Effective Upon the Governor's Signature

This resolution provides for approval by the General Assembly for the modification of a lease of land in Baldwin County, and for the conveyance of land in various other counties including the following:

- Authorizes an amendment to a lease between the Department of Correction and the GEO Group for the construction of additional waste-water management equipment at Baldwin State Prison.

- Authorizes property in Bibb County, known as the Georgia Music Hall of Fame, that is in the custody of the Department of Economic Development, to be conveyed to the Corporation of Mercer University for school related functions.
- Authorizes the conveyance of property known as John Tanner State Park, that is in the custody of the Department of Natural Resources, to Carroll County – and by resolution of the Carroll County Board of Commissioners, the property will be maintained as a park for public use.
- Authorizes property in Clinch County, that is held by the Georgia Forestry Commission, to be conveyed to the Department of Transportation for widening U.S. Hwy 441.

Additional conveyances of state-owned land are found in this resolution for Bartow, Clay, Coffee, Dade, Decatur, Dodge, Dougherty, Early, Floyd, Franklin, Gwinnett, Habersham, Macon, Madison, McIntosh, Mitchell, Montgomery, Muscogee, Polk, Quitman, Richmond, Telfair, Ware, Washington, Wayne, White and Whitfield counties.

STATE AND LOCAL GOVERNMENTAL OPERATIONS
(This does not include Local Legislation)

Senate Bill 113

Public Works Construction Contracts – Guaranteed Energy Savings Performance Contracts

Effective Date: Became Effective Upon the Governor’s Signature

This bill changes the definition of “public works construction” projects for local governments found in Title 36, so as to exempt projects local governments may enter into that would be covered in Title 50 under the “Guaranteed Energy Savings Performance Contracting Act.”

Local governments must issue a request for proposal when entering into a guaranteed energy savings performance contract, and publicly advertise the energy services contract opportunity. However, the local government is not required to request proposals from providers on the prequalification list maintained by the governmental unit.

Senate Bill 358

Preference for Products Produced in Georgia

Effective Date: July 1, 2012

This bill requires local governments in Georgia to reciprocate the preferences granted by out-of-state local governments for vendors in their own states to Georgia’s vendors.

This bill pertains to local governments’ awarding bids for goods and services produced in Georgia.

Senate Bill 371

Local Governments’ Ability to Control Airports and Landing Fields

Effective Date: July 1, 2012

This bill would allow local governments to enter into cooperative agreements with community improvement districts for the improvement of airports and landing fields within the community improvement district. Local governments would be allowed to accept community improvement district funds for such purposes.

House Bill 93

Changes “Code Inspector” to “Code Enforcement Officer”

Effective Date: July 1, 2012

This bill amends the current law and changes the name of a local government “Code Inspector” to a “Code Enforcement Officer” and amends the current definitions. A “Code Enforcement Officer” now means any person contracted with or employed by a county or municipality who has enforcement authority for health, safety, or welfare requirements and is authorized to issue citation or file formal complaints regarding the same.

House Bill 636

Incorporating the City of Brookhaven in DeKalb County

Effective Date: Upon the Governor's Signature – Subject to Referendum Approval

This bill creates the charter for the City of Brookhaven in DeKalb County. It provides for the city's powers, construction, responsibilities, elections for office holders, a transition task force, a municipal court and judges, taxation authority, licensing authority, and various other powers and responsibilities generally.

The bill delineates that the mayor must annually make \$16,000 plus annual expenses, and that the council members will make \$12,000 plus annual expenses. It provides for the authority to hire city personnel, and authority for a municipal court and the judge or judges.

The bill requires the election superintendent of DeKalb County to call a special election for approval or rejection of the Act incorporating the City of Brookhaven. The election date is the general primary in 2012.

Additionally, no member of the General Assembly at the time of enactment of this charter will be eligible for election or to serve as mayor or councilmember, or city attorney of Brookhaven during the first four years of the city's existence.

Finally, after this Act is approved in referendum as provided, the Governor's Commission on Brookhaven will be appointed consisting of five interim representatives who are residents of the area. The Commission must conduct training seminars for all qualified candidates for mayor and city council on the duties and responsibilities, obligations, and laws regarding service on a municipal governing authority.

The Senate committee substitute moved the southern boundary of the proposed city of Brookhaven to north of Interstate 85; and added the prohibition against members of the General Assembly serving as City Attorney during the first four years of the city's existence.

House Bill 929

Repealing an Act creating the Office of Assistant District Attorney in Judicial Circuits having a Population of not Less than 103,000 and not more than 135,000

Effective Date: Became Effective Upon the Governor's Signature

This bill repeals an Act creating the office of assistant district attorney in those judicial circuits having a population of not less than 103,000, and not more than 135,000, according to the U.S. decennial census of 1970 or any future census.

House Bill 930

Repealing Supplemental Expense Allowances for Judges of the Superior Courts in Each Judicial Circuit with Populations of not less than 103,000 and not more than 135,000

Effective Date: Became Effective Upon the Governor's Signature

This bill repeals an Act providing for a supplemental expense allowance for the judges of superior courts of each judicial circuit having a population of not less than 103,000 and not more than 135,000 according to the U.S. decennial census of 1970 or any future census.

House Bill 990

Municipal Control over Parks and Fire Stations; Special Districts divided into Noncontiguous Areas

Effective Date: Became Effective Upon the Governor's Signature

This bill addresses issues following the incorporation of new cities in DeKalb and Fulton Counties.

Current law says where an area was part of a special district in an unincorporated area subsequently incorporated, leaving the special district divided into two or more noncontiguous areas, proceeds from the special district collected must continue to be used for services only in that area.

Additionally, recent amendments enacted have directed that if all of a noncontiguous special district was incorporated into one or more cities, then any excess proceeds collected by the county in that special district must be paid out to the new city or cities.

House Bill 990 strengthens these aforementioned requirements, and further requires that the county continue disbursing excess proceeds to the new cities so long as the county receives them.

House Bill 1024

Amends an Act Creating a Budget Commission for Certain Counties, Approved March 2, 1953

Effective Date: Became Effective Upon the Governor's Signature

This Act amends an Act creating a Budget Commission for Certain Counties having a population of 600,000 based on the U.S. Census of 1930; to require instead for counties with a population of 900,000 based on the 2010 U.S. decennial census or any future census.

House Bill 1026

Law Enforcement Contracts with Certain Municipalities

Effective Date: July 1, 2012

Currently, sheriffs are allowed to contract with certain municipalities for law enforcement services with written consent of the governing authority of their county. However, this provision does not apply to counties with a population of 800,000 or more, according to the 2000 U.S. decennial census.

This bill changes the county population threshold to 900,000 or more, according to the 2010 U.S. decennial census, or any future census.

House Bill 1089

Zoning Proposal Review Procedures

Effective Date: Became Effective Upon the Governor's Signature

This bill repeals Chapter 67 of Title 36, relating to zoning proposal review procedures.

Originally, these zoning proposal review procedures, which were put in place around 1985, were intended for Fulton and DeKalb counties. Over the past 25 years, the population bracket that the procedures were based on has not been updated; therefore, they now are affecting other counties such as Gwinnett and Cobb. These procedures require studies that many of the newly-affected counties already perform on their own.

Additionally, they will continue to affect other counties as their populations increase. Home rule should allow governing authorities to adopt procedures appropriate for their counties.

TRANSPORTATION

Senate Bill 339

Georgia Aviation Authority: Transfer of Aircraft and Personnel

Effective Date: July 1, 2012

This legislation transfers personnel, aircraft, and other assets from the Georgia Aviation Authority (GAA) back to the Department of Natural Resources and the State Forestry Commission on July 1, 2012. The House of Representatives adopted a floor amendment which provides that, for the purposes of aerial aviation photography, the King Air 90 aircraft that was specially equipped and adapted to perform essential aerial photography, and that was transferred to the GAA from the Department of Transportation (DOT), will also be transferred back to the DOT on July 1, 2012.

Senate Bill 492

State Purchasing Contracts

Effective Date: July 1, 2012

Current law requires all state contracts for the purchases of supplies, materials, equipment, or services other than professional and personal services, to be based on competitive bids and awarded to the lowest responsible bidder. This bill authorizes the Commissioner of Administrative Services to let a multiple award schedule for the purchase of equipment using commercial-use applications, which means self-propelled equipment and machinery including diesel engines. Multiple award schedule contracts allow

multiple vendors to be awarded a state contract for goods and services that results in competitive pricing, administrative savings, expedited procurement, and flexibility for state purchasers.

Senate Resolution 843

Road and Bridge Dedications

Effective Date: July 1, 2012

This bill dedicates roads and bridges in honor of certain people.

House Bill 817

Department of Transportation Housekeeping Bill

Effective Date: July 1, 2012

This bill makes several changes to Title 32 related to DOT. Of significance, House Bill 817 increases the allotted percentage of design-build contracts from 30 to 50 percent of the total amount of construction projects awarded in the previous fiscal year.

House Bill 835

Annual Commercial Wrecker Emergency Tow Permit

Effective Date: July 1, 2012

This bill authorizes the Commissioner of DOT to issue a \$500 annual permit, with certain restrictions, to a commercial wrecker that exceeds maximum weight and dimension limits when the wrecker is conducting an emergency tow.

House Bill 865

Georgia Motor Carrier Act of 2012

Effective Date: July 1, 2012

This legislation transfers the functions of regulating motor carriers and limousine carriers from the Georgia Public Service Commission to the Georgia Department of Public Safety. House Bill 865 also authorizes the Commissioner of the Department of Revenue to require that security interest holders and lienholders receive notice of recordings of security interests and liens in a certificate of title electronically. The Senate adopted a floor amendment which clarifies that for venue purposes only, a truck will not be classified as a motor common carrier if it is engaged exclusively in the transportation of agriculture or dairy products between farm, market, gin, warehouse, or mill.

House Resolution 1103

Deputy James D. Paugh Memorial Highway

Effective Date: July 1, 2012

James D. Paugh was a dedicated deputy with the Richmond County Sheriff's Office for 17 years. His life was tragically cut short after stopping behind a vehicle on Interstate Route 520 in Augusta-Richmond County when the occupant of the vehicle opened fire upon him. This bill dedicates the Deputy James D. Paugh Memorial Highway in his honor.

House Resolution 1177

Road and Bridge Dedications

Effective Date: July 1, 2012

This bill dedicates roads and bridges in honor of certain people.

VETERANS, MILITARY, AND HOMELAND SECURITY

Senate Bill 372

Disposition of Veterans' Cremated Remains Act

Effective Date: Became Effective Upon Governor's Signature

This legislation requires funeral directors to make a reasonable effort to determine whether any deceased body submitted for final disposition by cremation is that of a deceased veteran. At the time that the cremation authorization form is signed, the funeral director must:

- Inquire as to whether the legally authorized person has information or belief as to whether the deceased is a veteran; and
- Notify the legally authorized person of the responsibilities of the funeral director under this legislation.

If the funeral director is unable to determine with certainty whether the deceased was a veteran, then any veterans' organization will be allowed to access all legally available information in order to determine whether the deceased is a veteran.⁵ If the funeral director determines that the deceased is a veteran from information provided by the legally authorized person, a veterans' organization, or otherwise, then the director must notify the legally authorized person that the deceased may be eligible to be interred at an appropriate veterans' cemetery.

If the cremated remains are not claimed by a legally authorized person, then the funeral director must hold the cremated remains for at least 60 days. After 60 days, the director must send written notice to the legally authorized person who signed the cremation authorization form, requesting disposition instructions. If the director does not receive a written response within 30 days, then the director must contact a veterans' organization so that arrangements for the disposition of the cremated remains may be made in a state or national veterans' cemetery.

The legislation also extends immunity from criminal and civil liability to funeral directors and veterans' organizations under certain circumstances.

Senate Bill 473

Purple Heart License Tag

Effective Date: July 1, 2012

Currently, the Purple Heart license tag is only available to discharged veterans who received a Purple Heart citation. By amending the definition of a "Veteran," this legislation expands availability of the tag to include recipients who are currently serving on active duty or in the reserves.

House Bill 800

Assistant Adjutants General of the Georgia Army and Air National Guard

Effective Date: Became Effective Upon Governor's Signature

Aside from other eligibility requirements, previous law required the Assistant Adjutants General of the Georgia Army and Air National Guard to have served at least five years in the Georgia Army or Air National Guard. This legislation expands eligibility so that a candidate with five years' service in any federally recognized component of the Army or Air Force may be eligible for appointment as an Assistant Adjutant General.

⁵ Veterans' organization means the State Department of Veterans Services, the National Cemetery Administration's National Cemetery Scheduling Office or any association or other entity organized for the benefit of veterans that has been recognized or chartered by the United States Congress, such as the American Legion, the Legion of Honor, the Patriot Guard, the Missing in America Project, and the Vietnam Veterans of America.

STUDY COMMITTEES CREATED DURING THE 2012 LEGISLATIVE SESSION

SR 104 Senate Crematoria Study Committee
SR 979 Senate Aging Study Committee
HR 1151 Joint Human Trafficking Study Commission

2012 VETOED LEGISLATION **(This does not include Local Legislation)**

SB 38 Authority of the State School Superintendent
SB 470 Georgia Patient Self Referral
HB 181 Changes to the Special Needs Scholarships
HB 456 Legislative Sunset Review Committee
HB 1051 Public Transit Authorities; Suspension of Restrictions on Use of Annual Proceeds from Sales and Use Taxes
HB 1117 Bond Debt Elections and Hospital Authority Deposits

VETO MESSAGES

SB 38: Authority of the State School Superintendent

Georgia's K-12 education system has a unique governing structure with a statewide-elected state school superintendent and a governor-appointed state Board of Education composed of representatives from each congressional district. Current law provides a number of checks and balances between the superintendent and the board. Those checks and balances were put in place during a time in our state history when the superintendent was making detrimental decisions for students. Prior to these changes, the state board was powerless to intervene. While HB 706, which also passed this session, restores many of these powers to the state school superintendent, to this day, unlike a typical CEO and board relationship, the state Board of Education does not have the power to remove the superintendent in the event of malfeasance or mismanagement. In light of this, I believe it is important to keep some of the current checks and balances. Therefore, I VETO SB 38.

HB 181: Changes to the Special Needs Scholarship

Georgia's existing Special Needs Scholarship helps all students, regardless of their physical or mental circumstances, achieve academic success. I support the main effort of this bill, which sought to better inform parents and codify the enrollment and payment dates for the scholarship, and much of this may still be accomplished via a state Board of Education rule change. However, an amendment that was added to HB 181 would have significantly reduced the scholarship award special needs students receive. This drastic cut would likely reduce the number of students who would be able to take advantage of this scholarship, as the award amount would no longer offset the cost of tuition at a school that would better serve these students' needs. Therefore, I VETO HB 181.

HB 456 – Legislative Sunset Review Committee

This bill establishes a new Legislative Sunset Advisory Committee of 14 members that is authorized to review and evaluate every state entity of the executive branch with the purpose of determining which state agencies and entities should be abolished. Implementing HB 456 is estimated to cost between \$3 and \$7 million. Growing state government with a new committee and statutory authority to review state agencies and the related expenses is not an effective use of state resources. Currently, the General Assembly reviews and evaluates state agencies using the staff in Senate Budget and Evaluation Office, the House Budget and Research Office, and the Senate and House Appropriations committees. Additionally the Department of Audits Performance Audits Division conducts evaluations of state-funded programs and activities to improve state operations. The programs and agencies investigated by the Performance Audit Division are based on the recommendations of legislators and legislative committees. Final performance audits reports and special examinations are published on the Department of Audits website. I have signed SB 33, a bill requiring that all state programs and agencies be reviewed over the

next eight to 10 years using Zero Based Budgeting. The ZBB review process is the most cost-effective and efficient way to accomplish the goal of reviewing agency expenditures, evaluating performance and ensuring that we are focused on delivering essential services. Through the budget and legislative process this session alone we have eliminated councils, committees (SB 407) and one state agency (HB 642). The first year of ZBB reviews resulted in elimination of the State Personnel Administration, agency consolidations and realignments, over \$9 million in savings, required no additional staff, was a collaborative process with agencies and the House and Senate budget offices and utilized the existing legislative process and House and Senate Appropriations Committees to make the final determinations on the ZBB recommendations. The FY 2013 ZBB Report is available at www.opb.georgia.gov. The intent and desired outcomes of HB 456 are and will be achieved through SB 33 and ZBB review. No additional overhead is needed because legislative authority, committees, and staff to review state agencies and operations are already established in law and the General Assembly did not include funding to implement this legislation, therefore I VETO HB 456.

SB 470- Georgia Patient Self Referral

Senate Bill 470 attempts to address concerns around Georgia's Patient Self-Referral law, which prohibits health care providers from referring patients for the provision of designated health services to an entity in which the health care provider has an investment interest. The Georgia Patient Self Referral Act of 1993, as well as the Stark Law on the federal level, provides exemptions for rural areas because of the lack of access to adequate healthcare. On close review, this legislation would expand the definition of "rural area" to include "a county in which a military junior college is located, and area which is not an urban area." This expansion would only apply to one county, Baldwin. The Georgia Patient Self Referral Act of 1993 was passed in response to the potential for abuse that is present when physicians are able to self-refer patients. I am vetoing this legislation because I believe SB 470 provides an unfair advantage to one county over other similarly populated counties around the state. I also find that this legislation would open the door for more counties to seek out the "rural" exemption in years to come. Accordingly, I VETO SB 470.

HB 1051: Public transit authorities; suspension of restrictions on use of annual proceeds from sales and use taxes

House Bill 1051 was the companion to House Bill 1052, which failed to pass. HB 1051 would have become effective only if HB 1052 were enacted. Since the mechanism to make HB 1051 effective does not exist, and at the request of the author, I VETO HB 1051."

HB 1117 – Bond Debt Elections and Hospital Authority Deposits

The original language of HB 1117 would maintain Fulton County as the only county in the state that is required to hold bond debt elections only on the date of the November general election. An amendment was added to HB 1117 that included an exemption of hospital authorities from OCGA 45-8-12 that requires that any bank or depository holding public funds guarantee the funds with a surety bond, FDIC insurance, or some other form of guarantee or collateral. This exemption would expose public funds to additional investment risk. Hospital Authorities are allowed to participate in the state investment pools which provide the possibility for a higher return on investment but maintain appropriate safeguards against losses. I recommend the author bring back the original legislation for consideration during the next session. This bill puts public funds at additional financial risk, therefore, I VETO HB 1117.