

## Week 10 Legislative Update



This week legislators convened Monday, Tuesday, and Thursday for Legislative Days 33 through 35; Tuesday served as a committee work day. Not only did committee action pick back up considerably this week, but both chambers also considered several significant pieces of legislation on the floor, including a bill to establish education savings accounts in Georgia, a bill that revises Georgia's certificate of need laws, and a measure that would halt Georgia's data center tax exemption.

The General Assembly is just two weeks away from *Sine Die*. Legislators will be back under the Gold Dome next week for the last full week of the 2024 Legislative Session- Monday, Wednesday, and Thursday for Legislative Days 36 through 38, and Tuesday for a committee work day.

Following *Sine Die* on March 28, Governor Kemp and his team will begin the 40-day bill review process, during which they will assess all legislation passed by the General Assembly to determine which measures the governor will sign and which measures he will veto.

### **Tax Credit Legislation**

This week the Senate took up [House Bill 1192](#) by Representative John Carson (R-Marietta), which would address Georgia's data center tax exemption. Current law allows for the issuance of certificates of exemption on the sales and use tax of high-tech data center equipment that meet minimum investment thresholds. The bill would pause the issuance of certificates of exemption between July 1, 2024 and June 30, 2026. The legislation excludes high-tech data center customers that have already applied for a certificate of exemption before July 1, 2024. The bill also creates the 14-member Special Commission on Data Center Energy Planning, which would be responsible for reviewing the existing electric grid and energy supply; making recommendations for data center location; making recommendations to expand grid center capacity; making recommendations on any energy generation, transmission, and distribution necessary to serve the industry; and proposing related legislation and budget recommendations.

The bill was passed by the House earlier this session 96 to 71. Senator John Albers (R-Roswell) carried the bill on the Senate floor. After a failed attempt to table the bill, it passed the Senate by a vote of 29 to 22. Because the Senate did not make any changes to the House's language, the bill will be sent directly to Governor Kemp's desk for his consideration.

This week the Senate also considered [House Bill 1181](#) by Chairman Chuck Martin (R-Alpharetta). The measure would reduce the carryforward period for dozens of tax credits—those that currently have a 10-year carryforward period would be reduced to a 5-year carryforward, and credits that currently have a 5-year carryforward period would be reduced to a 3-year carryforward period. The measure would also place a December 1, 2029 sunset on a number of Georgia's smaller and underutilized tax credits. The bill

passed the Senate 45 to 2 this week, and since no changes were made to the legislation in the Senate, the measure is headed to Governor Kemp's desk for his consideration.

### **Social Issues**

Earlier this session Health and Human Services Committee Chairman Ben Watson (R-Savannah) introduced [Senate Bill 519](#), which would prohibit hospitals from prescribing or administering certain hormone replacement therapies and puberty blocking medications to minors. The bill was assigned to the Children and Families Committee, but it was not passed out ahead of the Crossover Day deadline.

This week, provisions from Senate Bill 519 were added to [House Bill 1170](#), a measure by House Health Chairman Lee Hawkins (R-Gainesville) that would require certain state government buildings, courthouses, and university buildings to make opioid antagonists available. The substitute version of the bill was passed by the Senate Health Committee this week and is now eligible for selection by the Rules Committee for a floor vote. If the measure is passed by the Senate, it would need to go back to the House for members to consider changes made to the bill by the Senate.

### **Tax Relief**

On Wednesday the Senate Finance Committee passed [House Bill 1015](#) by Governor's Floor Leader Lauren McDonald (R-Cumming), which would accelerate the cut to the state income tax from 5.75 percent to 5.39 percent. The measure is part of a package of legislation that was announced by Speaker Burns earlier this session to bring tax relief to Georgians.

Another bill that is part of the Speaker Burns' package of tax relief legislation is [House Bill 1019](#), which was also considered by the Senate Finance Committee this week. The measure would double the standard state homestead exemption from \$2,000 to \$4,000. Members of the Senate Finance Committee expressed concerns that the legislation would not do enough for taxpayers—the bill would only affect approximately one-third of counties since most counties already have existing homestead exemptions that are more than the state exemption. Several Senate Finance Committee members expressed their preference for a measure that was awaiting action in the House which would cap how much property assessments could increase per year at 3 percent—[Senate Bill 349](#).

Later in the week, the Senate Finance Committee stripped language from Representative Beth Camp's (R-Concord) [House Bill 1185](#) and replaced it with language from Senate Bill 349. The committee substitute version was passed with the Senate's language, and the bill is now eligible for selection by the Rules Committee for a floor vote. If the Senate passes the measure, it will need to go back to the House for an 'agree' motion.

### **Georgia Promise Scholarship Act**

On Wednesday afternoon the House Education Committee took up Senator Greg Dolezal's (R-Cumming) [Senate Bill 233](#), the 'Georgia Promise Scholarship Act.' The measure was passed 33 to 23 in the Senate last session, but a vote to pass a substitute version of the bill failed on the House floor in 2023.

The bill would provide \$6,500 per student to families for qualified education-related expenses outside of the public school system for students who already attend the lowest performing public schools in the state. Qualified education expenses could include tuition at a participating school, tutoring, the

purchase of curriculum, professional services, transportation, and other expenses authorized by the State Board of Education.

Speaker Jon Burns (R-Newington) kicked off Wednesday's committee meeting by expressing his support for what he called "an important piece of legislation that is very important to the future of our state." He thanked the House members who voted for the bill last session and the 16 Republicans who voted against the bill but were willing to have discussions "on how to make the bill better" and "work towards a solution." He said the legislation "empowers parents to make the best decision possible when it comes to educating their children."

He noted that the House added additional accountability measures to the bill last session to ensure that the dollars are spent wisely and that the funds are following the students. He said the bill also prioritizes lower and middle-income families; codifies public teacher pay raises; and allows capital construction dollars to be spent on Pre-K programs.

The bill was passed by the Education Committee on Wednesday afternoon, and on Thursday morning the House Rules Committee put the bill on a supplemental calendar to be considered on the floor that day.

Speaker Pro Tempore Jan Jones (R-Milton) carried the bill in the House. In her presentation on the floor, she noted that funds for the promise scholarship would be required to be appropriated on an annual basis, and that the program would sunset in 2035. The bill also amends the public school tax credit by allowing S corporations to contribute to the program in addition to individual taxpayers and tripling the aggregate annual cap from \$5 million to \$15 million. The bill also incorporated the language from Senator Shawn Still's (R-Norcross) [Senate Bill 147](#), the Boundless Opportunities for Georgia Students Act, which facilitates open enrollment in public schools.

The measure passed the House 91 to 82. Because it was amended on the House side, it must now go back across the hall for the Senate to consider the changes made.

### **Certificate of Need**

On Monday morning the Senate Regulated Industries Committee met to consider a substitute version of [House Bill 1339](#) by Rules Chairman Butch Parrish (R-Swainsboro), which would amend Georgia's certificate of need laws. The House's version of the bill passed the House floor earlier this session 166 to 1. Major provisions of the bill taken up by the Senate Regulated Industries Committee this week include:

- Eliminating certificate of need requirements for capital expenditures;
- Eliminating certificate of need requirements for equipment purchases;
- Broadening existing certificate of need exemptions for single-specialty ambulatory surgery centers;
- Creating a number of new CON exemptions, including but not limited to, psychiatric and substance abuse disorder programs; new acute care hospitals in rural counties; and birthing centers;
- Streamlining the certificate of need application process;
- Requiring the Department of Community Health to review and update the state health plan at least every five years;

- Creating the Comprehensive Health Coverage Commission to advise the Governor, legislature, and Department of Public Health on issues related to access and quality of healthcare for Georgia's low income and uninsured populations; and
- Making improvements to and extending the 2024 sunset of the Rural Hospital Tax Credit through 2029.

The Senate took the measure up on the floor on Thursday, and Regulated Industries and Utilities Committee Chairman Bill Cowsert (R-Athens) carried the bill. In his presentation of the bill, Senator Cowsert said that the Senate's version of the bill would allow a recently closed rural hospital in Cuthbert, Georgia to reopen without having to go through the CON process again and would allow Morehouse School of Medicine to open a hospital to help fill the void left by the closure of Atlanta Medical Center.

Ahead of the vote on the bill, the Senate voted to engross the bill so that no changes could be made to the measure on the floor. After a lengthy debate on the Senate floor, the measure passed 43 to 11. The bill must now go back to the House for members to consider changes made to the bill by the Senate. If the House and Senate both insist on their own versions of the bill, a conference committee will be appointed so that the two chambers can come to an agreement on what version of the bill will move forward.

### **Prosecuting Attorneys Qualifications Commission**

This week Governor Kemp signed a measure that will allow the Prosecuting Attorneys Council to begin its work.

Last session the legislature passed legislation creating the Prosecuting Attorneys Qualifications Commission. Under the law, prosecutors who display willful misconduct in office, persistently fail to perform the duties of their office, are personally convicted of a crime of moral turpitude, or who display conduct that brings the office in disrepute would be subject to review by the commission, including possible removal from office. The legislation included the requirement that the state Supreme Court approve the rules that would govern the commission, but since the bill's passage, the Supreme Court has expressed concerns about its constitutional authority to do so.

To fix the constitutional problem that has prevented the Prosecuting Attorneys Qualifications Commission from getting up and running, Representative Joseph Gullett (R-Dallas) and Senator Randy Robertson (R-Catula) both introduced legislation to remove the requirement that the Supreme Court review and approve the rules and regulations for the commission.

Last week the House gave final approval to [Senate Bill 332](#), and this week the Senate sent the bill to the governor's desk. The bill went into effect upon the governor's signature this week.

### **Special Election**

There was an Augusta-area special election runoff this week to fill the State House seat of Barry Fleming, who was appointed by Governor Kemp as a superior court judge. In Tuesday's runoff, former Columbia County Commissioner Gary Richardson won 60 percent of the vote against 21-year-old political activist CJ Pearson.

The special election to fill the Columbus-area House seat of Chairman Richard Smith, who passed away last month, has been set for April 9.