



House Budget and Research Office

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2020 SESSION: ECONOMIC DEVELOPMENT, TRANSPORTATION, MOTOR VEHICLES HIGHLIGHTS

FACTS AND FIGURES¹

- #1 State in which to do business for seven years in a row according to *Site Selection Magazine*
- \$2.9 billion in direct film production spending in Georgia, with \$9.2 billion in employee earnings
- The Georgia Council for the Arts awarded 216 grants, totaling \$1.4 million
- Global Commerce
 - Georgia saw \$7.4 billion in investments
 - 28,960 new jobs were created
 - 332 new projects and expansions of current Georgia businesses
 - \$3.3 billion in foreign direct investment
- 212 export destinations for Georgia goods and services made up \$40.6 billion in export revenue
- Tourism
 - 111.7 million people visited Georgia in 2018
 - 478,000 jobs are supported by the tourism industry, which brought in approximately \$66.3 billion in 2018

Economic Development Budget

- The FY 2021 budget includes a \$1.8 million restoration to the Department of Agriculture. This restoration allows for continued funding of over 30 positions in the Consumer Protection program, including animal industries inspectors, food safety inspectors, fuel inspectors, laboratory analysts, chemical and material analysts, IT administrators, and part-time assistance.
- HB 793 includes \$620,000 to continue the marketing efforts of Georgia agriculture, including participation at the Georgia National Fair and the Sunbelt Expo. This also restores funding for the Georgia Grown Chef program and other efforts to support the Georgia Grown brand and its members, who have increased by over 500 since 2016.
- \$200,000 is added in the FY 2021 budget in order to demonstrate the state's intent to develop the Georgia Hemp Program authorized in HB 213 (2019 Session). The funding will allow the Department of Agriculture to develop regulations for the hemp industry in Georgia and secure the federal government's approval.
- The final version of the FY 2021 budget includes \$120,000 for operations of the Cordele, Savannah, and Thomasville farmers markets. Ownership of these markets will be transitioned to their local authorities, effective April 1, 2021.
- This budget carries forth the General Assembly's priority to retain top-tier employees by restoring approximately \$87,000 to the Georgia Poultry Lab Network, effectively eliminating the need for layoffs and furloughs. Additionally, the construction of the building responsible for housing emergency

¹ Most recently available numbers provided by the Georgia Department of Economic Development are for FY 2019.

equipment, which allows them to respond to various outbreaks within the poultry industry, has been completed.

- Due to an increasing amount of development throughout the state, HB 793 includes a new erosion and sediment control plan reviewer position for \$50,775. The State Soil and Water Conservation Commission is responsible for reviewing and approving erosion and sediment control plans for the state of Georgia.
- The Department of Community Affairs currently partners with the University of Georgia to provide subsidized design services for downtowns across the state. The Athens Design Studio works with approximately 30-35 communities per year, typically with populations of 15,000 people or less. The increased focus on revitalizing downtowns has led to the creation of over 500 jobs in Georgia Main Street/ Better Hometown designated cities. This valuable program has been transferred to the University of Georgia within the Board of Regents beginning in FY 2021.
- In an effort to continue efforts to deploy broadband in rural Georgia, \$250,000 is restored to the Georgia Broadband Deployment Initiative.
- HB 793 includes \$40,000 for the Georgia Foodbank Association to assist local food pantries in assessing their needs to adequately serve their citizens.
- Georgia takes pride in maintaining the state's environmental resources, including Georgia's water resources. The FY 2021 budget directs the Georgia Environmental Finance Authority to use existing funds for contracts with the Resource Conservation and Development Districts, the Georgia Rural Water Association, and the Metropolitan North Georgia Water Planning District. The Metro North Georgia Water Planning District is responsible for developing the state's five-year water plan update. The FY 2021 budget includes \$550,000 to complete the plan.
- In the Department of Economic Development, \$300,000 is restored for the Cultural Facilities grants for local arts organizations, with grants matched by local funds. Awards will be made to facilities operating full-time as community arts programs totaling \$75,000 or less per grant.
- HB 793 restores over \$2.7 million to the State Forestry Commission for operations and personnel, enabling the commission to keep and maintain necessary equipment, including dozers and transports required in natural disaster clean up and planes used to combat forest fires.
- \$61,668 is restored for the Public Service Commission's contracts with the National Regulators Research Institute and the National Association of Utility Regulators in order to continue to provide research and data to the commission that assists in operations such as rate cases.
- The final version of the budget includes \$150,000 for two "Call Before You Dig" inspectors. Georgia passed the "Georgia Dig Law" in the 2017 session, and these two positions will help protect the public from physical harm, prevent injury to persons and property, and prevent interruptions of utility service resulting from damage to utility facilities and sewer laterals caused by blasting or excavating operations.

Agriculture and Consumer Affairs Legislation

- **HB 777 by Rep. John Corbett (174th)** requires the Department of Community Affairs to review the tall mass timber provisions contained in the 2021 International Building Code for construction types IV-A, IV-B, and IV-C and consider whether the department should amend the state's minimum standard codes to include the provisions. The review shall be completed by July 1, 2021.
- **HB 847 by Rep. John Corbett (174th)** defines "key participant" as the sole proprietor, a partner, or person with managerial control in a corporation. It specifies the term "hemp products" shall not include any part of the Cannabis plant, except for completely defoliated mature stalks, fiber produced from the stalks, or sterilized seeds. Any college or university in Georgia may pilot a hemp research program.

Colleges and universities are also authorized to engage third parties to assist in research programs. The bill allows a licensee to provide or sell hemp to another person who is not a Georgia licensee or permittee if that person is located in a state with a hemp regulation plan that is in accordance with the United States Department of Agriculture. A licensee may also sell to any Georgia college or university. HB 847 revises background check requirements for licensees and permittees by requiring that key participants provide at least one set of electronically recorded fingerprints to the Georgia Department of Agriculture. The Department of Agriculture shall then transmit the fingerprints to the Georgia Crime Information Center, which in turn shall submit the fingerprints to the Federal Bureau of Investigation for a search of bureau records. The bill requires any hemp or hemp products that are shipped, transported, or otherwise delivered to have proper documentation that indicates that the hemp meets federal hemp guidelines, including that it does not exceed the federally-defined THC level for hemp. Any person transporting or shipping hemp or hemp products must also carry a bill of lading that includes the following: name and address of the owner of the hemp; point of origin; name and address of the point of delivery; kind and quantity of packages; and date of shipment. HB 847 increases the initial permit fee for a hemp processor from \$25,000 to \$50,000. The Georgia Department of Agriculture has the right to collect samples of hemp for testing, which must be collected before any hemp may be harvested.

- **HB 897** by Rep. James Burchett (176th) requires the State Forestry Commission to begin creating a website by October 1, 2020 for persons or firms harvesting standing timber to use as uniform system of notification to local governing authorities. The State Forestry Commission must provide notice of when the website is operational. Within 19 months of becoming operational, the State Forestry Commission shall set a date upon which use by persons or firms harvesting timber for notification purposes is mandatory. Standing timber harvesting entities shall maintain a bond or letter of credit to protect the county or municipality against any damage that requires the restoration of a ditch structure, the removal of harvesting residue placed in or around rights-of-way, or the repair of county or municipal roads. A county or municipality has 30 days to provide a written claim of damage to the harvesting firm, at which time the harvesting firm has 30 days to do one of the following: request an extension of no more than 90 days to account for inclement weather; repair the damage at their own expense with the approval of the governing body; or appeal the written claim to the magistrate court of the county. If a bond or letter of credit is revoked, the harvesting entity has five business days to obtain a new bond or letter of credit. The governing authority may increase the required bond or letter of credit amount by \$2,500 for each instance of revocation, up to \$10,000 of the original bond or letter of credit.
- **SB 211** by Sen. Tyler Harper (7th) prohibits labeling or advertising food that is not derived from the flesh, offal, or other by-product of an animal as meat unless the labeling clearly states one of the following: "lab-grown", "lab-created", or "grown in a lab" if it is made of cell cultured products; or, "vegetarian", "veggie", "vegan", "plant based", or other similar term if it is a plant-based product.
- **SB 346** by Sen. Ellis Black (8th) authorizes the State Board of Veterinary Medicine to operate a professional health program to provide monitoring and rehabilitation services to impaired veterinarians in the state. A veterinarian is considered "impaired" if the individual is unable to practice due to illness, use of alcohol, drugs, narcotics or chemicals, or any mental or physical condition. The bill allows for the office of the Secretary of State, on behalf of the board, to enter into a contract to provide the services. Any impaired veterinarian who chooses to participate in the program must pay all associated costs. Information provided to the board regarding the monitoring or rehabilitation of veterinarians is considered privileged and confidential. The bill adds a seventh member to board, who must be a

registered veterinary technician with at least five years of practice. The initial term expires on June 30 of the fifth calendar year following the effective date, with each successor serving five-year terms.

Economic Development Legislation

- **HB 244** by Rep. Ron Stephens (164th) requires electric membership corporations (EMCs) to comply with certain requirements when determining the rates for attachments to utility poles by communications service providers. The Public Service Commission (PSC) will publish the rates and conditions for pole attachments by January 1, 2021, which will become effective on July 1, 2021 for any pole attachment agreement entered into by a provider and an EMC, except for a mutual agreement between the parties, which differs from the PSC rates. The PSC shall have jurisdiction to enforce these provisions.
- **SB 373** by Sen. John Kennedy (18th) amends Title 14 and Title 46 of the O.C.G.A., relating to directors and officers of non-profit corporations and directors and officers of electric membership corporations and foreign electric corporations, to change provisions relating to the responsibilities and standard of care of directors and officers of certain corporations. Unless the law prescribes a different standard, a director or officer of a non-profit corporation or electric membership corporation shall perform his or her duties in good faith and with the degree of care an ordinarily prudent person in a similar position would exercise under similar circumstances. While performing his or her duties, a director may rely upon officers, employees, or agents of the corporation the director believed to be reliable and competent, in addition to information or statements provided by officers, employees, or others. There is a presumption that the process followed by the director while arriving at decisions is done in good faith and exercised in ordinary care; however, this presumption may be rebutted by evidence that such process constitutes gross negligence by being a gross deviation from the standard care of a director in a like position under similar circumstances.

Transportation Budget

- FY 2021 reflects \$25.7 million in 'Coronavirus Aid, Relief, and Economic Security (CARES) Act' funds for Xpress bus service operations. This investment will help the Xpress program continue to deliver a reliable transit option to its ridership from over 44 counties around the metro area.
- Because of the dramatic drop in travel due to the COVID-19 pandemic, motor fuel revenue decreased. While the budget reflects the first reductions to transportation since the passage of HB 170 (2015 Session), motor fuel revenues still total \$1.7 billion to fund construction and maintenance needs.
- The Intermodal program receives a boost of \$2.1 million to support airport aid with rural development priorities and reflects \$410 million in federal funds for the Airport Aid program as authorized by the 'CARES Act' to prevent, prepare for, and respond to the coronavirus pandemic.
- HB 793 includes a \$115 million bond for repair and rehabilitation of roads and bridges across the state. This bond will continue to honor the state's commitment to infrastructure investment in the face of decreased motor fuel revenues. This budget also includes a \$37.2 million bond for the repair, replacement, and renovation of railroads statewide.

Transportation and Motor Vehicles Legislation

- **HB 511** by Rep. Kevin Tanner (9th) administratively attaches the Atlanta-Region Transit Link Authority (ATL) to the Department of Transportation (DOT) and authorizes the ATL to receive payments from the

department. The legislation provides for staggered terms for the ATL Board of Directors whose members are elected by secret ballot at the Capitol during the regular legislative session of the General Assembly immediately preceding the expiration of the term of office of each member. The bill requires all transit providers in the ATL region to display the ATL logo and branding on or after January 1, 2023. The legislation updates reporting requirements regarding counties that are reasonably expected to become non-attainment areas under the 'Clean Air Act' within three years of the report and certification of such counties to the United States Environmental Protection Agency. The sunset on the use of the Consumer Price Index for the calculation of the excise tax rate on motor fuels is extended to July 1, 2025.

- **HB 820** by Rep. Kevin Tanner (9th) establishes a Georgia Freight Railroad Program within the DOT. This program is administered by the commissioner, is subject to appropriations, and will enhance the state's investment in freight rail projects. It is composed of three subprograms: rail enhancement, rail preservation, and rail industrial. In administering these subprograms, every effort will be made to balance the initiative around the state. At the end of each fiscal year, the commissioner or his appointee will submit a report of the program to the governor, lieutenant governor, and the speaker of the House. The report shall also be made available to the members of the General Assembly.
- **HB 1098** by Rep. Kasey Carpenter (4th) updates the requirement for the DOT to develop the statewide strategic transportation plan in coordination with the statewide transportation plan that is required by the federal government. The legislation allows for the relocation of billboards with obstructed visibility due to the construction of a sound wall, noise barrier, or other transportation related improvement. It requires the local jurisdiction to provide a variance or compensation for damages related to land use ordinances when rights-of-way or real property are acquired or condemned by a state agency, county, or municipality and documentation of conflict has been issued to a property owner.
- **SB 370** by Sen. Steve Gooch (51st) requires owners of electric easements located on, along, across, under, or over property owned by a railroad company or state agency to comply with the application, review, safety, and permit requirements of the railroad company or state agency for projects where the easement is utilized for broadband services.
- **HR 935** by Rep. Kevin Tanner (9th) creates the Georgia Commission on Freight and Logistics to continue the work of determining the best course of action with regard to funding and policy development relating to freight and logistics through legislative and budgetary recommendations.
- **HB 463** by Rep. Martin Momtahan (17th) allows the Department of Driver Services to send out license suspension notices via regular mail or certificate of mailing when the license is suspended as a result of non-compliance with a child support order. The bill authorizes the state revenue commissioner and the commissioner of driver services to enter into reciprocal agreements with a foreign country or political subdivision of a foreign country, in specified circumstances. The bill exempts nonresidents or active duty U.S. armed forces members from licenses if they have a valid license issued by a foreign country or subdivision of a foreign country. The bill adds "or political subdivision of a foreign country" in several places in Title 40 to ensure the Code accounts for foreign governments that are not recognized as countries. The bill allows for the optional issuance of driver's licenses and identification cards in an electronic format. If an individual uses a mobile phone to display his or her electronic identification, such display shall not be construed as consent for search of the mobile phone by a law enforcement officer.
- **HB 758** by Rep. Alan Powell (32nd) establishes that if a motor carrier implements, requires, or deploys a motor carrier safety improvement, this action shall not impact the affected individual's status as an employee or independent contractor.