



## *House of Representatives Rural Development Council*

### **Highlights-Meeting Five**

**Co-chairman Rick Jasperse  
Representative, 11<sup>th</sup> District**

**Co-chairman Sam Watson  
Representative, 172<sup>nd</sup> District**

Vice-chairman John Corbett  
Representative, 174<sup>th</sup> District

Co-chair Emeritus Terry England  
Representative, 116<sup>th</sup> District

Co-chair Emeritus Jay Powell  
Representative, 171<sup>st</sup> District

The Honorable Patty Bentley  
Representative, 139<sup>th</sup> District

The Honorable Matt Hatchett  
Representative, 150<sup>th</sup> District

The Honorable Mack Jackson  
Representative, 128<sup>th</sup> District

The Honorable Dominic LaRiccia  
Representative, 169<sup>th</sup> District

The Honorable Eddie Lumsden  
Representative, 12<sup>th</sup> District

The Honorable Tom McCall  
Representative, 33<sup>rd</sup> District

The Honorable Clay Pirkle  
Representative, 155<sup>th</sup> District

The Honorable Terry Rogers  
Representative, 10<sup>th</sup> District

The Honorable Gerald Greene  
Representative, 151<sup>st</sup> District

The Honorable Darlene Taylor  
Representative, 173<sup>rd</sup> District

The Honorable Bill Werkheiser  
Representative, 157<sup>th</sup> District

**Ex-officio Members:**

The Honorable Shaw Blackmon  
Representative, 146<sup>th</sup> District

The Honorable Sharon Cooper  
Representative, 43<sup>rd</sup> District

The Honorable Robert Dickey  
Representative, 140<sup>th</sup> District

The Honorable Penny Houston  
Representative, 170<sup>th</sup> District

The Honorable Chuck Martin  
Representative, 49<sup>th</sup> District

The Honorable Butch Parrish  
Representative, 158<sup>th</sup> District

The Honorable Don Parsons  
Representative, 44<sup>th</sup> District

The Honorable Greg Morris  
Representative, 156<sup>th</sup> District

The Honorable Ron Stephens  
Representative, 164<sup>th</sup> District

The Honorable Kevin Tanner  
Representative, 9<sup>th</sup> District

The Honorable Trey Rhodes  
Representative, 120<sup>th</sup> District

The Honorable Lynn Smith  
Representative, 70<sup>th</sup> District

2019

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### Meeting Five Highlights – Americus

#### **Tuesday, December 17 – Final Testimony**

Representative Mike Cheokas welcomed the House Rural Development Council (RDC) to the South Georgia Technical College (SGTC) campus in Americus. SGTC President John Watford followed with a brief history of the college, which has been training the workforce in the area since 1948. A unique aspect of the SGTC campus is the presence of residency halls, which allows the school to create partnerships with companies like Delta and Caterpillar and train the companies' workforces. Students may stay on campus for the 16-week semester for approximately \$162 a week, which includes room, board, utilities, and 19 meals a week. The campus has a history of occupational education and aviation history. In 1917, the campus was a World War I Army Air Corps training base and Charles Lindbergh took his first solo flight from the campus fields. In World War II, the campus was again an Army Air Corps base for training Great Britain Royal Air Force pilots.

Neal Weaver, the president of Georgia Southwestern State University, told the RDC that his college has two famous attendees: former President Jimmy Carter and former Attorney General of the United States Griffin Bell. Mr. Weaver spoke about his college's partnership with Sumter County's Ignite College and Career Academy, which is currently under construction. Every student who graduates from the academy will receive a \$1,000 scholarship to attend the university, because those students will come to the university prepared for college and career success.

The work of the RDC is not easy and the answers are not simple, according to Speaker David Ralston. He told the council that he appreciates their willingness to do transformative work for rural Georgia. Speaker Ralston honored Co-chairman Emeritus Jay Powell, who was clear about doing the work that needs to be done and doing the right thing. It is in this spirit that the council gathered in Americus to ensure that rural Georgia sees brighter days in the future. The council is making a difference in rural Georgia and is making rural Georgia an important part of the state, and he mentioned that the council will work on recommendations for the upcoming legislative session, which will help expand broadband and put more Georgia Grown products on the market. The 2020 Session could be interesting, with the state facing an uncertain economic outlook, competing budget priorities, and the constitutional responsibility to pass a balanced budget. Speaker Ralston said he will work with the governor's office, the lieutenant governor's office, and the Senate to do what is best for the state and its citizens. He made it clear that the House will remain strong and independent as the people's chamber, and will continue to be responsive

to the needs of those who elected them. The founders of the colony said it best: it is not for ourselves, but for others.

## **Hemp**

United States Department of Agriculture (USDA) Chief of Staff Lorren E. S. Walker gave the council an update on national industrial hemp regulations. The 2018 Farm Bill removed hemp as a controlled substance and directed USDA to promulgate rules which were published on October 31st. The USDA has extended the comment period on the rules to January 29, 2020. Moreover, the 2018 Farm Bill extended the 2014 Farm Bill provision, which allows states, and higher education institutions to grow hemp on a research basis for 12 months after the 2018 Farm Bill's provisions go into effect. The USDA rule, considered an interim final rule, will sunset in two years to allow USDA to make adjustments before finalizing the rule. The interim final rule provides basic guidance that will allow USDA to track where hemp is grown, in addition to creating procedures for tetrahydrocannabinol (THC) concentration-level testing that must be completed by a laboratory registered with the Drug Enforcement Administration.

Magnolia Manor Senior Living Senior Vice President for Operations Hill Fort and Vice President for Clinical Services Barbara Mitchell spoke to the council about workforce shortages and concerns facing the aging populace of the state. Mr. Fort said Magnolia Manor has nine campuses in the area south of Columbus, Macon, and Savannah. The company provides skilled nursing, assisted living, and independent living care, among other services. It employs about 1,300 people, with 100 vacancies, and has about 900 residents in its skilled-nursing care centers. Most centers are at about 83 percent capacity, but projecting what capacity will look like in 2030 is difficult. Additionally, much of the workforce is or will be retiring in the near future with lower numbers of nurses following in their place. Mr. Fort said that providing online training for certified nursing assistants (CNAs) is one solution to the workforce shortage, in addition to developing a Georgia Certified Medication Aide Program suitable for a long-term care setting. A certified medication aide is a CNA that has received additional training to administer certain medications.

Ms. Mitchell said long-term care companies are facing demographic challenges, especially in health care. The companies have workforce challenges now, which will continue to grow as the population ages. Forty-two percent of the state's nursing care centers are in rural areas, which is where the workforce challenge exists. Georgia has the fifth-fastest growing population of 60-year olds and over, and the 24<sup>th</sup>-fastest growing population of 85-year olds and over. The state's over 60-year old population is expected to increase by 65.8 percent between 2010 and 2030, from 1,528,041 people to 2,533,710 people.

Georgia Environmental Finance Authority (GEFA) Executive Director Kevin Clark discussed the authority's ability to fund broadband deployment, as well as water and sewer funding and

education priorities. To expand GEFA's funding parameters to include broadband expansion requires the passage of a constitutional amendment, followed by the amendment of the Code section authorizing GEFA to administer those funds, and the development of a funding source. These changes would allow GEFA to use general obligation bonds to create a state loan program. Bond funds cannot be used for grants or subsidization, so principal and interest have to be repaid.

There are elements to federal programs that allow GEFA to utilize up to 35 percent of grants in the Drinking Water and Clean Water state revolving funds to implement principal forgiveness on loans. Principal forgiveness is granted to disadvantaged communities based on the Environmental Protection Agency's (EPA) approval of a plan developed with affordability criteria. In 2017, GEFA contracted with the Environmental Finance Center at the University of North Carolina (UNC) to create an affordability evaluation tool, which uses data points on: median household income; population change; unemployment rate; and some others. GEFA currently uses these three metrics to determine which communities qualify for principal forgiveness, but is exploring additional metrics and a more defined look to determine what the fairest process is for qualification.

In concluding his testimony, Mr. Clark said GEFA works with the Georgia Rural Water Association to develop asset management plans, capital improvement plans, and others to help smaller water and sewer systems. Additionally, GEFA is preparing a detailed study to identify opportunities for water supply redundancy for qualified water systems within the 10 Water Planning Councils. The study will identify water supply sources and opportunities for supply redundancy to provide resiliency for water systems. GEFA has also contracted with UNC Environmental Finance Center to use the UNC Dashboard Water Rate Survey and Online Comparison Tool to allow local water systems to compare their water rate structure with similar-sized systems.

Department of Community Affairs (DCA) Commissioner Christopher Nunn spoke to the RDC about potential changes to regional commission structure, including the possibility of lowering governing council sizes and developing performance standards. The state's 12 regional commissions are each made up of 10 to 18 counties, with their governing councils ranging from 40 to 60 people. While researching other states, the commissioner came to the conclusion there is no standard national model and no other state has a similar makeup due to the large number of counties in Georgia. Commissioner Nunn said reducing the size of governing councils may require looking at how members are selected. One possible option is to have only one representative per county. In some states, larger counties may receive two representatives. He also mentioned the possibility of developing nominating committees within the local governments. DCA is unaware of any federal requirements that would necessitate a specific governing council size, and he added there needs to be some balance between city, county, and citizen representation.

Transitioning to performance standards, Commissioner Nunn said each regional commission assists their communities with different services, but the commonality between commissions is their planning services. Regional commissions help local governments plan a variety of services, including comprehensive planning and conforming to the needs of the region as defined by the governing council. He recommended that performance standards should be discussed with the Georgia Association of Regional Commissions, which represents the regional commission and the individual governing councils.

To conclude the meeting, SGTC President John Watford spoke to the RDC about three education topics: industry endowment; instructors for smaller class sizes; and teacher circuits. SGTC serves seven counties and charges \$100 per credit hour for tuition. Most classes are typically three credit hours, so the school receives approximately \$300 per class per student. Instructors, who generally work about 20-hour weeks, receive about \$20 to \$25 an hour. Although technical college presidents do not make their class offerings based only on breaking even financially, they do have to be fiscally accountable. Every year, each technical college has to do a cost survey that calculates how much a credit hour costs for each course. The electric lineman course, which costs about \$400 a credit hour, typically has about 15 students, four instructors, and expensive equipment; however, the school only receives \$100 per credit hour for tuition. The school balances that cost by the tuition it receives from larger, less expensive class sizes, such as early childhood education courses that cost the school approximately \$80 per credit hour and has approximately 120 students per class. The balancing act is important because these smaller classes are important for rural community workforce development. Additionally, there is a challenge to finding credentialed instructors in rural areas. Instructors are typically drawn to rural communities due to a family relationship or something other than salary. Moreover, many of these technical classes are “stacked”, meaning the instructor is teaching several different courses to one class. For example, one student may be getting an Introduction to Welding credit in the same class that another student is completing a Metal Arc Welding credit. President Watford said a funding program that will allow colleges to staff just one class would be critical, especially if the funding is earmarked for rural colleges.

President Watford concluded the meeting by discussing industry endowments. SGTC has a partnership with all the Caterpillar dealers in the southwest portion of the state. Caterpillar hires technicians and sends them to SGTC to train until they earn an associate’s degree by alternating between work and education every eight weeks. Additionally, the company provides the school with equipment and the school’s instructors with free training on the latest technology. The college would not be able to train diesel students on the latest equipment without that partnership. In turn, Caterpillar hires graduates. SGTC employs and credentials the instructors, but Caterpillar has input into the hiring process. There are similar programs with John Deere and Delta. Since there is a competitive nature to the programs, John Deere and Caterpillar instructors and courses are kept separate. Mr. Watford said he has refused outright supplemental salary

funds from companies, but foundation funding would be more viable because the professor receiving the salary would not know which company is supplementing his or her salary.

**Wednesday, December 18 – Discussion of Final Recommendations**

During the final meeting of the RDC in 2019, the council deliberated and voted on the final recommendations for the 2020 Legislative Session.