



House of Representatives Rural Development Council

Highlights-Meeting Three

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The Honorable Ron Stephens
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The Honorable Kevin Tanner
Representative, 9th District

The Honorable Trey Rhodes
Representative, 120th District

The Honorable Lynn Smith
Representative, 70th District

2019

Prepared by the House Budget and Research Office

Meeting Three Highlights – Kingsland

October 29 – Transportation and Agriculture

Dr. Michelle Johnston, president of the Coastal College of Georgia, welcomed the RDC to the Kingsland campus. The college has bachelor's degrees in 43 different subject areas, with 59 percent of the college's 3,500 students originating from the southeast part of the state. The counties of southeast Georgia face many of the challenges that the rest of rural Georgia faces. There are 1.4 physicians per 10,000 people in McIntosh County, followed by 2.2 physicians per 10,000 people in Brantley County. In those two counties, 18 percent of the population does not have a high school diploma or a GED. Additionally, approximately 30 percent of the population in each county makes \$25,000 or less per year. One possible solution, Dr. Johnston said, is online degrees that will allow adults to complete education while they are working. She did mention that when broadband expansion is completed in the state, it will radically impact access to higher education in rural Georgia.

Spaceport Camden

Camden County Administrator and Spaceport Camden Project Lead Steve Howard and Major General Robert S. Dickman, United States Air Force (Ret.) gave the council an update on the development of a spaceport in Camden County. Mr. Howard said Camden County was once called the "gateway to space" and was even considered a contender as a launch site for the Apollo Missions. Spaceport Camden is the redevelopment of a stranded asset, which has close proximity to an interstate, railroad, airport, and barge access. Once completed, it will be an asset to the state, because it will give Georgia Tech graduates the opportunity to stay in the state. Georgia Tech, Mr. Howard said, is the largest producer of aerospace engineers in the United States. Additionally, Georgia Tech is the alma mater for 14 shuttle astronauts. Moreover the spaceport will create employment opportunities for military personnel transitioning back to civilian life and have an impact on the economy and the way business, such as telecommunications and agriculture, is done in the future.

General Dickman spoke about the potential dangers involved with commercial launches. With approximately 300 licensed commercial launches, there has never been a third-party injury due to the launch process. The Federal Aviation Administration has never had a casualty of the uninvolved public, according to the general. He also spoke about the economic impact of the spaceport, which is occurring around the base, not at the base itself. Companies will come in and develop the area, in addition to the ancillary personnel who will develop separate pieces of the satellite that will be launched into orbit. General Dickman mentioned how Florida did not develop their space program correctly, because they did not align their higher education with their space program. With Georgia Tech and the University of Georgia, the probability of drawing economic development and commercial business into the state is much higher.

Transportation

Representative Kevin Tanner and RDC member gave the council an overview of transportation in the state. The state began meaningful discussions regarding transportation in 2010, which led to the passage of the Transportation Investment Act (TIA), which provided a mechanism to develop a regional Transportation Special Project Local Option Sales Tax (TSPLOST). While it was not very popular in many parts of the state, Representative Tanner said that three regions passed a TSPLOST and they have seen tremendous success. Following the TIA conversations, a joint committee of the House and Senate traveled the state, showing people the need for additional funding for transportation. As a result of that committee's work, House Bill 170 passed in 2015, which created an additional \$1 billion in transportation funding and changed the landscape of transportation in Georgia. A Carl Vinson Institute of Government study on HB 170's effect showed that for every \$1 spent, an additional \$1.90 is put back into the economy. During the 2018 Session, the General Assembly passed House Bill 930, which established a regional transit structure for the metro area through the creation of the Atlanta Transit Link (ATL) Authority. During the 2019 Session, the House passed HB 511, which addressed the rural component of transportation in the state. The bill will be in the Senate at the start of the 2020 Session.

House Bill 511 Panel

Representative Tanner moderated a panel on House Bill 511, which included Vicki Johnson, the chair of the Georgia Council on Aging; Kathleen Bowen, the associate legislative director for the Association County Commissioners of Georgia; and Donald Masisak, the transportation director for the Coastal Regional Commission.

The Department of Human Services was directed in Fiscal Year 2019 to provide research and quantify the need for transportation for older adults, according to Ms. Johnson. 196,000-plus adults 70 and older lack access to transportation, despite the fact that 43,000 older adults are currently served by state programs. A lack of transportation is only going to worsen health conditions and put seniors at risk, particularly those in rural Georgia who have chronic health conditions and low income. She said that group of people should be targeted for help by state programs. Ms. Johnson also spoke about barriers to transportation, which includes 35 counties that do not have public transit. Additionally, some county transit does not extend beyond county lines, which is problematic because many medical trips require transit across county boundaries. One of the main reasons the Georgia Council on Aging supports HB 511 is its consolidated rural transit mobility management strategy. A regional transit planning system is important because every region has different needs.

Ms. Bowen pointed to the cost for establishing a transit service within counties, which accounts for why 35 counties do not provide transit service. HB 511 streamlines the process and provides for one place to go for funding and planning services. Additionally, HB 511 provides for single-county TSPLOSTs, which is currently only allowed in metro areas. This option could give local leaders another funding source.

Mr. Masisak said the Coastal Regional Commission (CRC) is the only regional transportation system that owns and operates all 65 buses in the system. The regionalization of transit needs

allows the CRC to serve and adapt to a customer's need, whether it be a medical visit or moving employees to a place of business throughout all three shifts.

Regional and Single County TSPLOSTs, Freight Commission Panel

Representative Tanner also moderated a panel on TSPLOSTs and the Freight Commission, saying that the Georgia Ports Authority projects the state will grow from 4 million containers a year to 8 million containers a year by 2028. Roughly 83 percent of that freight will traverse the state by truck, according to Representative Tanner. The panel included Craig Camuso, regional vice president with CSX Transportation; Kathleen Bowen, the associate legislative director for the Association County Commissioners of Georgia; Joshua Waller, director of state government affairs at the Georgia Department of Transportation; and Seth Millican, the executive director of the Georgia Transportation Alliance.

Mr. Millican spoke about the importance of single-county TSPLOSTs, saying they have been a key part of transportation growth in the state. Atlanta has the busiest airport in the world in and the fastest growing port in the country, which puts the state in a unique position to continue growing economically; however, maintenance and safety implications come with that growth.

Ms. Bowen said citizens will support a TSPLOST referendum if the local government comes up with project lists that the citizens understand. Twenty-four counties have passed a single-county TSPLOST, which is a 1 percent sales tax for five years, compared to six counties that did not. Local governments cannot promote a TSPLOST; however, they can educate the public on the possibilities. She added that local governments own and maintain 80 percent of road infrastructure in the state, which is important because most of the bridges built in the 1950s and 1960s only have a 50-year life span. There are 8,000 bridges in the state, with 1,150 closed to traffic or listed with weight restrictions. Support for maintaining and reconstructing those bridges is very important.

Mr. Waller said TIA and TSPLOSTs allow for more of a "menu" approach to transportation, allowing the state to have more partnerships with local governments. It provides the ability to combine federal, state, and local funds to accomplish even more transportation projects. To date, TIA has collected \$1 billion. These TSPLOSTs allow the state to identify and develop projects that are important to local communities.

Mr. Camuso told the council that the port of Savannah is doubling in size over the next five to ten years, so the trucking and railroad industry is going to grow. Stress on the road, the rails, and the airport is going to grow with the amount of freight moving throughout the state. Freight rail is one of the most capital intensive industries in the country, with about 18 cents of every dollar reinvested into its rail infrastructure. Nationwide, the freight industry is going to need billions of dollars just to keep up with the need to move freight.

Agriculture

Susan Park, the Region IV agriculture advisor for the Environmental Protection Agency (EPA) gave the council an update on hemp regulations and Tier 4 requirements. EPA adopted multiple emissions standards to reduce emissions from non-road, newly-purchased diesel engines. In 2004, Tier 4 rules were passed, which were phased in between 2008 and 2015. According to the

EPA, these emissions contribute to premature mortality and aggravation of respiratory and cardiovascular disease. It is estimated that 12,000 premature deaths will be prevented annually by 2030 due to the Tier 4 standards. To meet the standards, manufacturers are directed to produce new engines with advanced control technology, including selective catalytic reduction (SCR) technology that has resulted in numerous complaints about Tier 4 requirements. Even with proper equipment maintenance, equipment reliability is still a concern. The timber industry would like to have a Tier 4 standard exemption due to the low-volume use of Tier 4 equipment, Ms. Park said; however, EPA headquarters was not open to considering any exemption to any provision.

Transitioning to hemp regulations, Ms. Park said the 2018 Farm Bill legalized hemp with a THC concentration of no more than 0.3 percent. The bill also allows the EPA to work with pesticide registrants who submit pesticide registration applications for pesticide use on hemp. Ms. Park said there are currently no EPA-registered pesticides specifically for use on hemp, but there are 10 registration requests under review; however, six products are currently registered for use on any crop, including hemp. Farmers may also use pesticides that are considered minimum-risk pesticides, which do not need to be registered.

Speaker Ralston

Speaker David Ralston spoke to the RDC about its mission, saying he wanted the council to hear from Georgians who feel like they have been forgotten and assure them they have not. He told the council that they would be dealing with the lesser known side of the state's seal while in Kingsland. The other side of the seal features a pastoral scene with the words agriculture and commerce inscribed. The speaker said the state is well-positioned to lead the nation in producing and moving agriculture and fiber, with agriculture remaining the state's number one industry. Farmers are used to challenges and adapting to Mother Nature, but Hurricane Michael was hard on the state's agriculture community. More than 70 people lost their lives in the storm, including an 11-year-old girl in Seminole County. The damage to the agriculture community was devastating, with the livestock industry taking a \$3 billion hit. It will take decades for the industry to fully recover, but it will recover, the speaker said. He also said that the 2018 Special Session helped impact these suffering communities, and he was proud of how Governors Deal and Kemp and the General Assembly responded; however, he has been less than thrilled with the response of Washington D.C., which took nearly one year to respond. He thanked President Trump and the state's congressional delegation for working for relief. Lastly, he touched on hemp farming, saying that Georgia will not legalize recreational drug use.

Hemp

UGA College of Agricultural and Environmental Sciences Associate Dean for Research Allen Moore gave the RDC an update on the university's research on hemp, which began in May 2019. The goal for the first year of study is to explore the plant's genetics, testing with 30 different varieties. Industrial hemp must have a THC concentration below 0.3 percent on a dry weight basis. With low THC levels, the plant does not have any psychoactive effects, compared to medical cannabis that has THC levels up to 15 to 20 percent or more. The testing research shows that hemp typically flowers below 14 hours of daylight, but it grows differently based on where it is planted. Professor Moore said what the plant does in South Carolina may not happen in Georgia.

GAXtracts is a hemp processing facility in Watkinsville, according to CEO and founder Rob Lee. After purchasing the hemp crop, the facility sends the crop through an extraction process to remove the CBD molecules and create the essential ingredient to be used in many of today's hemp products. Georgia farmers need to begin harvesting and growing in 2020 in order for the state to catch-up with the rest of the country. Part of the company's concern is safety for Georgia consumers, because hemp products are everywhere and they have virtually no standards. More research is needed at every stage of the CBD process.

Domestic and International Trade Panel

Georgia Department of Agriculture Commissioner Gary Black and Director of Marketing Jack Spruill spoke to the council about domestic and international trade. Commissioner Black began with a review of Georgia Grown's successes at the Georgia National Fair. Approximately 74,000 people "followed" or engaged with the Georgia Grown through social media platforms, with 13,000 likes, shares and comments. Commissioner Black and the department's international brand manager, Paul Thompson, are working to build a brand new platform for pecans in Taiwan. The commissioner hopes that these trade missions will lead to more markets opening up in Asia. Due to state and federal funding, the department has been actively seeking new markets domestically as well as abroad including Indonesia, Canada, and West Africa.

October 30 – Agriculture and Forestry

During the second day of meetings in Kingsland, the RDC heard from a brownfield revitalization panel consisting of Shana Jones, planning and environmental services unit program manager at the Carl Vinson Institute of Government, and Linda Grijalva, director of community planning at the Central Savannah River Area Regional Commission. A brownfield is a portion of land that is vacant or underused because of concerns about contamination, according to Ms. Jones.

Brownfields are typically difficult to sell or they are not contributing to the tax roll. Ms. Grijalva said local governments can apply to the EPA for funding for assessment grants or clean-up funds. The assessment grant requires no match from the local government. She said that people are returning to downtowns after redevelopment, which is considered the return-on-investment.

Marine Extension and Georgia Sea Grant Panel

Following the brownfields panel, UGA Marine Extension and Georgia Sea Grant Director Mark Risse and UGA Shellfish Research Lab Director Tom Bliss discussed Georgia's marine environment. Mr. Risse said that the marine extension will begin to focus more on supporting sustainable coastal tourism. Georgia has a rich culture and history as a destination for vacations, hunting, and fishing, but that has changed of late. Mr. Risse said the marine extension is planning to make Georgia's coast a tourist destination again by hosting multiple events, including a birding certification for water-based ecotourism groups. He also said that aquaculture is the biggest opportunity for economic development in the state, with 95 percent of seafood in the country imported. UGA is trying to help build the oyster industry in the state, akin to the clam industry that saw a 37-fold increase in the value of the crop from \$64,973 in 1995 to \$2.4 million in 2016. Several other states have developed their oyster industry, including Virginia, which grew its oyster industry from \$196,125 in 2004 to \$36.2 million in 2016. Mr. Risse said that Georgia's oyster industry value is close to Virginia's 2004 value.

Mr. Bliss said UGA's oyster hatchery is the only one in the state, giving the marine extension the ability to research other shellfish species and help plan for the future. Traditionally, oysters are farmed through baskets, which is labor-intensive. Recently, however, the hatchery has begun testing floating field nurseries that allow growers to access oysters any time, instead of exclusively between tides. Additionally, it allows growers to develop a much more consistent product, which is what retailers are looking for, while also taking out the guesswork that comes with wild harvest.

Georgia Grown Panel

The RDC heard from a Georgia Grown Panel consisting of Jack Spruill, the division director of marketing at the Georgia Department of Agriculture; Misty Friedman, the farm to school nutrition coordinator at the Georgia Department of Agriculture; Shaun Bryant, the program consultant within the Environmental Health Section of the Georgia Department of Public Health; and Kathy Peavy, the assistant director of the School Nutrition Program at the Georgia Department of Education. Mr. Spruill moderated the panel, which focused on feeding Georgia students with Georgia Grown products.

Ms. Friedman said the biggest barrier to placing Georgia Grown products in Georgia schools is procurement, specifically finding food-safe products that the school needs. She said buy-in from school leadership is needed, because some school systems will not buy any raw products at all. What is brought into the school system is up to the personal preference of the purchasing director.

There are 1.1 million lunches served daily in Georgia schools, according to Ms. Peavy. Currently, USDA regulations prevent school nutrition directors from formulating a bid for Georgia Grown products only. There is an allowance for a geographic preference, but it is incredibly small. Products are coming in from other states at a lower price and the USDA requires the lowest bid to be chosen.

Ms. Bryant said she is surprised that many Georgia Grown products are not used by the state's school systems, because they are utilized in the state's restaurants. The only impediment that the Georgia Department of Public Health is concerned about is when the food has been processed. If it is raw and grown in the ground, there is no concern from the department.

Commissioner Gary Black then stepped on stage to add that the rural economy could be changed if the state gets out of the regulatory mindset and uses all of the tools in its toolbox, namely school lunches.

Forestry Industry

The forestry industry is important to the state for a number of reasons, including its \$35.9 billion economic impact, according to Georgia Forestry Association President Andres Villegas. He said the industry is facing some difficulties in trade, particularly with China. Softwood lumber purchases have dropped in China 66 percent. Hardwood lumber has dropped by 39 percent and wood pulp has dropped by 15 percent. Mr. Villegas also discussed mass timber, which is essentially a large clump of lumber that has been glued together which allows buildings to be rapidly made out of wood. It has been existent in Europe for over 10 years, with some use in the

Pacific Northwest. To allow local communities to approve this type of construction, they pushed the early adoption of the International Building Codes. The largest mass timber building in the country is in west midtown Atlanta, Mr. Villegas said. Mass timber provides a new market for the timber industry and it can provide an overall cost saving in construction costs.

Chad Nimmer, a member of the Georgia Forestry Commission Board of Directors, told the RDC about local government harvesting ordinance issues that are reducing competitiveness. For instance, some local governments are requiring that timber companies have a street sweeper and pressure washer to be used each time a timber truck gets on the highway, which requires traffic to be stopped and a certified employee on site each time a truck leaves. He also said some counties are requesting higher than the \$5,000 bond limit to harvest. Some of these issues are a lack of education on the local level and some of it is a lack of involvement from the industry. With neighboring states working to attract foresters, Georgia needs to address some of these issues, Mr. Nimmer said. Mr. Villegas said the Georgia Forestry Association and the Association County Commissioners of Georgia are currently discussing possible solutions.

Dr. Glenn Deibert, president of the Coastal Pines Technical College, spoke about labor problems within the timber industry. With baby boomers retiring and employers struggling to find younger generations with pertinent skills, the Coastal Pines Technical College began working through dual enrollment to get high school students interested and trained in timber employment.

Local Farmer Perspective

Russ Goodman and Lawton “Bud” Chiles, Jr., provided a local farmer perspective to the council. Mr. Goodman, a seventh generation Georgia farmer, told the council that the American farmer is struggling. In 1980, the American farmer received 31 cents of every dollar spent on food, compared to 14.6 cents today. Farm debt is as high as it has been since the 1980s and farmer suicide is one of the highest of any occupation in the country. He said awareness needs to be spread about the struggles of the American farmer, especially the competition with foreign products. He rhetorically asked the council how they would feel if the country’s national defense was contracted out to a foreign country, adding the importance of not exporting the country’s food security to a foreign entity.

Mr. Chiles is taking a grower-funded awareness campaign nationwide. He said the campaign will allow farmers and growers to tell their stories in a powerful, compelling way. Farmers will receive preparation from professional media trainers to share their stories. In the next 12 to 24 months, a powerful voice for the American farmer will be created to discuss risk factors across a variety of issues facing American farms, Mr. Chiles concluded.

Dan Bremer, the president of AgWorks, discussed the needs of farm labor in the state. The H-2A visa program allows farmers to legally bring aliens into the state for temporary agricultural work, but it is expensive. The farmer pays the person to come to the United States; pays them \$11.13 an hour; and then pays for them to return home. Additionally, they provide free housing. Every housing unit with an H-2A employee is inspected by the Georgia Department of Labor, so Mr. Bremer said the council should indicate that more timely inspections of housing should be completed.

Solar Power Panel

Public Service Commissioner Jason Shaw; Hall, Booth, and Smith Senior Managing Director Brad Carver; and Association County Commissioners of Georgia (ACCG) Consulting Services Manager Bill Twomey discussed solar power on a panel at the end of the day.

Commissioner Shaw said that Georgia is now a leader in solar power energy in the nation, starting in 2010 and culminating in 2,210 megawatts of solar being added in the 2019 Georgia Power Integrated Resource Plan. Of the new solar, 2,000 megawatts is going to utility scale or community solar projects. Solar power is a positive economic development tool for rural communities, Commissioner Shaw said, adding that cost of equipment has decreased significantly.

Community solar projects, a vast majority of which are in South Georgia, are not taking prime agriculture or timber land out of production in most circumstances, according to Mr. Carver. Plus, it has generated approximately \$348 million in tax revenue for local governments and \$806 million in rent to landowners. He also said that a standardized solar ordinance is not possible in Georgia due to the differences in metro, suburban, and rural communities; however, the industry does think it is important to have reasonable expectations from local governments on how these projects will be managed. The industry has worked with ACCG on a model ordinance, but that is with the understanding that each county and region will have different needs.

Mr. Twomey said that community solar projects have been a breath of fresh air for rural communities in both revenue and the ability for citizens to diversify their operations. There is a needed education component within local governments, however. The model ordinance has helped to build an educational foundation for these local governments to prepare for community solar projects that may be coming to their area.