



*House of Representatives
Rural Development Council*

Final Recommendations Overview

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2021

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Introduction

The House Rural Development Council (RDC) was reauthorized by House Resolution 185 during the 2021 General Legislative Session of the Georgia General Assembly. Created during the 2017 Legislative Session, the RDC has reviewed and developed sound policy and budget appropriations to enhance opportunities and increase public health for rural Georgia. HR 185 calls for the continuation of thorough, intensive, and systematic study of the existing issues in the state's rural areas. This report contains the RDC's recommendations developed from the council's work throughout the 2021 Interim.

In 2021, the RDC met four times and heard from local officials, policy experts, and other relevant stakeholders who discussed several complex issues, including agriculture, economic development, health care, and transportation. Video archives and documentation from each meeting may be accessed on the Georgia House of Representatives website at:

<https://www.house.ga.gov/Committees/en-US/HouseRuralDevelopmentCouncil.aspx>

The House Rural Development Council applauds the vigorous work and persistence of the Center for Rural Prosperity and Innovation and the Rural Health Innovation Center. The employees of these centers, created by the direction of the RDC, work tirelessly to better the lives of all Georgians, but particularly those citizens affected by the unique circumstances in rural areas. Moreover, the council appreciates the work of all the public servants who work with the RDC and other entities to continue increasing opportunities in rural Georgia.

Recommendations

Agriculture

Agriculture Cooperatives

The Georgia agriculture cooperative law was written in 1921 and has been amended several times since then; however, research shows that although some businesses consider themselves cooperatives, those businesses are not operating under the outdated law.

Recommendation

Refer the agriculture cooperative Code section to the House Code Revision Committee for review and possible repeal.

Oyster Hatcheries

The oyster industry in the state of Georgia continues to grow and attract prospective businesses and brings additional economic opportunities to Georgia residents. As a newer industry, state departments and offices will continue to learn how to streamline the process and capitalize on neighboring states' experiences in order to make Georgia's oysters competitive with those harvested in other states and prevalent in Georgia restaurants.

Recommendation

Encourage the Department of Natural Resources (DNR) and the University of Georgia Marine Extension and Georgia Sea Grant Office to continue gathering information related to the state's oyster hatchery rules, regulations, and laws. Request that DNR and the UGA Marine Extension and Georgia Sea Grant Office return to the Rural Development Council during the fall of 2022 with comprehensive legislative recommendations to increase economic opportunities in the oyster industry while continuing to meet obligations to ensure public health standards.

Regulation Roadmap

Georgia has a burgeoning livestock industry, with nearly one million beef on the hoof and one million hogs ready for slaughter; however, most of the state's livestock ships out of state to be slaughtered and processed. A roadmap to help Georgia start-ups navigate federal, state, and local regulations could expedite development of homegrown slaughterhouses.

Recommendation

Require the Center for Rural Prosperity and Innovation and relevant stakeholders to develop a roadmap of federal, state, and local regulations that current and future slaughterhouses may use for developmental and operational guidance.

Right-to-Farm

The current right-to-farm statute was adopted in 1980, but development patterns in agricultural areas have changed significantly over the past four decades.

Recommendation

Amend the Code to address modern agricultural changes and promote development and investment in the agriculture and forestry industries. Pass right-to-farm legislation that will conserve, protect, and encourage the development and improvement of agricultural and forest land and facilities for the production and distribution of food and other agricultural products, including forestry products.

Broadband

Supporting Broadband Funding Initiatives

Broadband was singled out at the first meeting of the RDC in 2017 as the key foundational piece for turning the tide in the fight for rural Georgia and it continues to be a need today. Broadband access affects everything from health care to transportation and economic development. The RDC has passed several pieces of legislation in the past five years to increase broadband access in unserved areas, which culminated in a \$40 million appropriation for a grant program in 2021. Since then, the federal government has appropriated billions of dollars for broadband expansion through several pieces of legislation and federal programs, of which Georgia receives a portion.

Recommendation

Support the use of federal and state funding to expand broadband access through the state and support the use of state funding to expand access to homes where fiber-to-the-premises (FTTP) is not feasible.

Economic Development

Bureaucratic Hindrances

Area Development Magazine ranked Georgia the number one state in which to do business for the eighth year in a row, but bureaucratic hindrances continue to be a concern among the business community, particularly at the local level. Many businesses find local ordinances can vary wildly by city or county, which makes them confusing. Others find state agency rules and regulations difficult to comprehend or locate. A comprehensive study of potential roadblocks is required to remove undue burdens while maintaining a balance between public safety and economic growth.

Recommendation

Request the House Small Business Development Committee sponsor and support the passage of a bill to create a study committee to review state and local laws and regulations and provide recommendations to the General Assembly for action.

Development Authorities

Many of Georgia's development authorities meet regularly, provide excellent service, and continue to bring economic opportunities to their communities; however, authorities may be further strengthened and benefit from continuing education to ensure the provision of high levels of standardized services. A similar situation exists for water and sewer authorities, where continuing education through a standard training curriculum can ensure standards across the state.

Recommendation

Require development authorities to take four hours of annual online continuing education in addition to the already required eight hours of initial training, and require this training as a prerequisite for access to OneGeorgia Authority grants. Require water and sewer authorities to take four hours of online continuing education and prohibit access to Georgia Environmental Finance Authority financing programs if the members are not up-to-date on their training.

Railroad Infrastructure

The RDC passed legislation in 2019 to create the Railroad Track Maintenance Tax Credit in order to help upgrade rail lines. The entire credit allotment has been utilized annually, and in order to continue to create supply chain efficiencies and enhance economic development in rural Georgia's remaining lines, the tax credit needs to be extended.

Recommendation

Extend the Railroad Track Maintenance Tax Credit for Class III rail to 2028.

Regional Development Authorities (HB 1073, 2019-2020 Session)

With a shrinking population and lack of modern assets, some rural counties are struggling to attract new businesses and industries. While many communities have begun to take a regional approach to economic development, an incentive for creating a regional development authority may give rural communities a greater chance of attracting new businesses. In many cases, the key partner to that successful economic development in rural communities is access to adequate medical care.

Recommendation

Provide a framework for the creation of regional development authorities and enhance the Jobs Tax Credit for such authorities. Provide a grant program within the OneGeorgia Authority for the development of a primary care facility within one of the counties within an authority as an incentive for physicians to provide health care in the area.

Small Business

Businesses in the state will save valuable time and effort by the creation of a single business identification (ID) number or code to be used for all state purposes. A single ID will also help streamline several state bureaucratic functions.

Recommendation

Require the Department of Revenue to develop a single business ID to be used for all state purposes. Require the University of Georgia, through the Small Business Development Center, to develop a dedicated website that small business owners and operators may use to access state resources.

Workforce Development and Benefit Programs

As the federal government continues to grow the social safety net, the RDC encourages integrating and streamlining workforce and basic welfare programs at the state level. To ensure families are not affected by a benefits cliff, programs should be modified to support the graduated decrease in benefits to accompany and coincide with increased independence.

Recommendation

Create an integrated workforce program and basic welfare program system that streamlines access to workforce programs and provides easy access to finding support services and employment. Benefits should be reviewed for sensible reductions over time in lieu of complete loss of support at once.

Education

Statewide Education Coordination

As job opportunities continue to grow in the state and educational attainment becomes more varied, statewide education coordination that focuses the opportunities and needs of the state that brings all relevant stakeholders together is essential.

Recommendation

Develop a statewide education coordination plan that encompasses all public, private, and quasi-public primary and secondary education partners to ensure all economic and workforce development goals are met, while also ensuring there is no unnecessary duplication of effort. Develop emergency health and natural disaster response plans for education partners.

Public-Private Partnerships (HB 1084, 2019-2020 Session)

Technical colleges are challenged to generate enough funds to pay an instructor's salary when class sizes are small. Rural Georgia technical colleges experience smaller class sizes for various

degrees than their more urban counterparts, yet these degree paths may still be critical to the economic and workforce development of a small community.

Recommendation

Create a Georgia Endowment for Teaching Professionals to foster public-private partnerships that financially support the costs of providing postsecondary teaching professionals in high-demand courses.

General

Center for Rural Prosperity and Innovation

The Georgia Center for Rural Prosperity and Innovation, housed at Abraham Baldwin Agricultural College and a satellite office located at the University of North Georgia, provides essential support services to rural businesses and governments trying to navigate the unique circumstances found in rural Georgia. The center, which operates with seven full-time staff and one intern, completed several economic development and health projects in rural communities and assisted several rural governments with the preparation and submission of applications for ‘American Rescue Plan Act’ funding. Additional staff and funding will allow the center to accommodate more projects essential to the continued development of rural areas.

Recommendation

Appropriate funding for two new positions at the Center for Rural Prosperity and Innovation for the efficient development, growth, and management of rural projects.

Community Action Agencies

Georgia’s 19 community action agencies (CAAs) contract with the state using Community Service Block Grant funds to connect low-income citizens and communities with high poverty levels with significant services and resources. The council finds there is a lack of standardized accountability and transparency regarding the use of these federal funds, or surety that CAA board members are actively involved in any contract decision-making.

Recommendation

Require community action agencies to submit the most current and up-to-date IRS 990 Form and current audits to the Department of Audits and Accounts before contracts from the Department of Human Services (DHS) are offered or executed. Require the board members of the community action agencies to sign those contracts with DHS.

County Consolidation Study

Counties are mandated by law to provide several services for the benefit and protection of the public; however, as county populations continue to shrink in rural areas, higher tax burdens are placed on those who remain in those smaller communities. State legislators and local populations should review consolidation, including possible incentives and economies of scale that may come with consolidation.

Recommendation

Create a study commission made up of legislators and relevant stakeholders to review and/or propose incentives to consolidate county governments and/or school systems.

Single Point-of-Contact

In order to ensure rural governments, businesses, and health care providers have access to expert assistance in navigating rural hurdles, designate a single point-of-contact in state government.

Recommendation

Establish the director of the Center for Rural Prosperity and Innovation as the single point-of-contact for rural economic development issues. Establish the director of the Rural Health Innovation Center as the single point-of-contact for rural health care issues.

Regional Commissions (HB 1122, 2019-2020 Session)

While many regional commissions provide excellent services to their local governments, some have failed to fulfill their mandates. Regional commissions play a crucial part in regional planning and economic development, but structural reform is needed to ensure the best outcomes for today's rural communities.

Recommendation

Reform regional commissions by providing an executive committee for each regional commission council and revise the provisions related to the appointment of non-public members to the regional commission councils. Amend the statute to require each regional commission to provide a standard suite of services.

Health Care

Rural Hospital Tax Credit

Since its inception, the Rural Hospital Tax Credit has infused millions of dollars into the health care systems in rural Georgia and prevented the closure of essential hospitals in rural communities. Taxpayers consistently donate funding that helps stabilize these critical health facilities, reaching the \$60 million annual cap before the end of the 2021 calendar year according to the Department of Revenue.

Recommendation

Increase the Rural Hospital Tax Credit cap from \$60 million to \$100 million.

Rural Physician Tax Credit

Rural physician recruitment and retention is vital to a local community's health outcomes, as well as its workforce and overall economic development. Georgia has acted to improve recruitment and retention for the past two decades, including the use of the Rural Physician Tax Credit, enacted in 1995 to provide a \$5,000 tax credit for up to five years to physicians who practice and reside in a rural county. Unfortunately, there remains a shortage of essential medical professionals, with 46 counties designated as a dental health professional shortage area and 53 counties designated as a primary care health professional shortage area by the State Office of Rural Health.

Recommendation

Update and expand the Rural Physician Tax Credit to include other medical professions, including dentists, nurse practitioners, and physician assistants.

State Health Benefit Plan Study

The State Health Benefit Plan (SHBP) is a division of the Department of Community Health (DCH) and administers health insurance coverage for state employees, teachers, public school employees, retirees, and others. Several House members have received numerous constituent complaints that health insurance providers contracted with SHBP have not been delivering and paying for benefits as agreed to within provider plans. Both the House and DCH should review compliance and enforcement mechanisms available to SHBP to ensure insurance providers are delivering and paying for benefits as agreed.

Recommendation

Request the House Insurance Committee to sponsor and support the passage of a bill to create a study committee to review the State Health Benefit Plan, review compliance and enforcement mechanisms, and provide recommendations to the General Assembly for action. Request the Department of Community Health to contract with a third-party entity to review compliance and enforcement mechanisms within the State Health Benefit Plan.

State Health Benefit Plan Pilot Program

The members heard testimony from AllHealth Choice, a provider that improves health outcomes through proactive electronic monitoring and management of certain patient health conditions, and a platform for consistent coaching and information. The use of this tool to manage chronic and co-morbid health conditions prevents costly emergency room visits and hospital readmissions.

Recommendation

Encourage the development of an electronic monitoring pilot program within the State Health Benefit Plan to improve health outcomes and provide benchmarks and findings to the General Assembly.

White Bagging

“White bagging” refers to an insurance company’s agreement with a specialty pharmacy to fill a patient’s medication and ship or deliver it to the site of care rather than have the prescription processed at the site, such as a clinic, outpatient treatment center, or hospital. The practice promotes the retention of financial incentives and purchasing power away from the care facilities, while still requiring the sites to administer the medications. Moreover, white bagging can create safety concerns for the patient and disrupt care-planning processes.

Recommendation

Request the Office of Insurance and Safety Fire commissioner to review the state’s white bagging policy, if one exists, and make appropriate changes to protect Georgians’ health and access to medication. Report those findings to the House Health and Human Services Committee with any legislative changes required.

Workforce Shortage

The impact of COVID-19 has turned Georgia's health care workforce shortage from problematic to critical, and is placing a greater strain on overworked nursing staff. Moreover, the state expects nearly 640,000 baby boomer registered nurses to retire between 2020 and 2030 and take with them more than two million years of nursing experience. Georgia's long-term care workforce shortage continues to be exacerbated as well, due to the state's growing aging population. A national survey shows 86 percent of nursing homes and 77 percent of assisted living providers say their workforce situation has grown worse over the last three months. As the health care workforce shortage grows more dire, collaboration between health care stakeholders across the board is needed to develop solutions. Standalone collaborations between education institutions or health care facilities have produced unusual, but effective solutions to distinct problems in recent years; however, a combined collaboration of everyone involved with health care in the state will produce private-sector solutions and legislative recommendations to solve short-term and long-term shortages and shortage projections.

Recommendation

Establish a commission, chaired by the dean of Mercer University School of Medicine, to gather all relevant stakeholders to develop private-sector action items and legislative recommendations to address short-term and long-term health care workforce shortages.

Mental Health

Catchment Barrier

The Department of Behavioral Health and Developmental Disabilities (DBHDD) divides the state into six catchment areas to offer mental health services to those in immediate need. These regions are designed to keep clients close to home and ensure no area's system is overwhelmed. A barrier to care is unintentionally created when a catchment area's bed capacity becomes full and a new client is not placed in a different catchment area with capacity.

Recommendation

Encourage the Department of Behavioral Health and Developmental Disabilities to eliminate catchment boundaries or provide for contingency crossover plans if there is bed availability elsewhere for a person in need of services.

Community Service Boards

The 23 community service boards (CSBs) in the state deliver invaluable assistance by providing services to those with mental illnesses and/or addictive diseases. The individual CSB boards, through grant funding and other aid, may direct those funds to address specific health needs affecting their communities. While the state and local partnership is a flexible tool for care, there are certain functions that should be provided in every service area to improve overall health outcomes.

Recommendation

Develop a standard suite of services similar to the National Council for Mental Wellbeing's Certified Community Behavioral Health Clinics' model that community service boards must provide in order to raise awareness and accountability with the public.

Leveraging Available Mental Health Bed Space

State-run crisis stabilization units (CSUs) are a valuable resource in communities for individuals in need of immediate mental health services. CSUs are intended to be the safety net providers to provide care for indigent populations, and over 97 percent of beds are utilized by uninsured clients according to the Department of Behavioral Health and Developmental Disabilities. Medicaid or payors of last resort typically cover the remaining three percent of bed capacity, although private insurers do provide coverage to some clients. In these cases, demand for bed space often exceeds capacity. Federal law prohibits states from using Medicaid to pay for care in private “institutions for mental disease” (IMDs), meaning many private care facilities cannot accept patients who use Medicaid, even though private partners have available capacity for treatment beds. There are some pathways for the Georgia managed care vendors to pay for this type of service and utilize private facilities. A state may request an IMD waiver from the federal government in order to use Medicaid in private settings, and if Georgia is granted a waiver, CSUs will be more capable of fulfilling their role as the public safety net by placing the priority on uninsured patients.

Recommendation

Instruct the Department of Community Health to apply for federal approval of an IMD waiver. Pass any necessary approval through the General Assembly.

Mental Health Provider Qualifications

Research shows there are greater licensure requirements for some of Georgia’s mental health professionals in contrast with surrounding states’ requirements, to include: psychiatrists, psychologists, social workers, licensed professional counselors, marriage and family therapists, and certified addiction counselors.

Recommendation

Instruct the licensing boards with authority to regulate these certifications to review and reform the existing requirements that prudently accelerate the placement of professionals in the field while maintaining professional standards and patient safety. Assemble any necessary Code revisions for recommendation to the General Assembly.