

2015 Post Session Summary

Published: Friday, April 3, 2015

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AGC Georgia and the construction industry enjoy successful legislative session

AGC Georgia scores major legislative wins for the construction industry during the 2015 Legislative Session with the passage of HB 412 focusing on changes to our state's workers' compensation laws and SB 59 which paves the way for Public Private Partnerships.

This year's session is the first year of a two-year legislative process, which means bills failing to pass this week are eligible for consideration next year when the legislature convenes in January 2016.



AGC Georgia successfully pushed through our proactive legislative agenda

this session, and provided very meaningful input on behalf of the construction industry on a number of other industry related bills. Governor Deal has 40 days to act on each piece of legislation that passed the House and Senate. He can sign bills into law, veto them, or allow them to become law without his signature after the 40 days.

Our association owes a great debt of gratitude to a number of people for another successful year. Members of our Legislative Committee and those serving on subcommittees and taskforces were extremely instrumental in helping craft legislation and advise us through the process. We owe a great deal of gratitude to legislators serving as sponsors of our bills and other elected friends who helped support our efforts. AGC Georgia will provide a comprehensive report on all industry-related measures after the Governor's 40-day time period.

Workers' Compensation - House Bill 412 – Sponsor: Representative Hamilton – AGC Georgia Supports

This is the Workers' Compensation Board's legislative package and it addresses the Pitts case

www.legis.ga.gov/Legislation/20152016/148541.pdf

Awaits the Governor's Consideration: HB 412 passed the Senate by a unanimous vote of support on Tuesday, March 31. Freshman Senator P.K. Martin presented the bill and did a great job. AGC Georgia is very appreciative of the tremendous amount of support from the entire business community throughout the process on this very important piece of pro-business legislation. We are also very grateful for the leadership and support provided by our legislative sponsor, Chairman Mark Hamilton.

HB 412 includes our originally developed and agreed upon language to address the Pitts Court decision as well as:

- Section 1 of House Bill 412 is designed to make it clear that the workers' compensation exclusive remedy defense applies to all claims, regardless of whether they are based in contract, tort or some other legal

theory for civil liability. Specifically, it adds a few words to O.C.G.A. § 34-9-11(a) to make it clear that the rights and remedies created by the Georgia workers' compensation statute shall exclude ***"and be in place of"*** all other rights and remedies ***"and all other civil liabilities whatsoever."*** The bill also includes that an employer may, if it chooses, assume greater liability to employees, but only ***"by expressly agreeing in writing to specific additional rights and remedies; provided, further, however, that the use of contractual provisions generally relating to workplace safety, generally relating to compliance with laws or regulations, or generally relating to liability insurance requirements shall not be construed to create rights and remedies beyond those provided in this chapter."***

Other provisions of the bill:

- Extends the Subsequent Injury Trust Fund out to 2023 – this is important for system and workers' compensation rate stability
- Increases weekly and death benefits for injured employees under the law

Background on this issue: AGC Georgia believes the Pitts court decision circumvents Georgia's workers' compensation exclusive remedy provisions! The *exclusive remedy* provisions within our state's workers' compensation laws are a trade off, or quid pro quo, between employer and employee. We believe if the *Pitts* decision is not addressed legislatively, every employer in Georgia must question whether Georgia's no fault workers' compensation coverage will in fact be the exclusive remedy for work place injuries, or will they be subject to additional actions for not providing a safe work place.

Since the end of the 2014 session, AGC Georgia has met with representatives of the state workers' compensation legislative committee to express our desire to work through their committee process to address this issue. The committee has a cross section of representatives from business, trial and defense attorneys, as well as labor. For years, this committee has successfully worked through a consensus process to develop legislation addressing Georgia's workers' compensation needs. The committee agreed the Pitts decision merited legislative consideration and began working on an appropriate fix. AGC Georgia representatives, including Phil Beck and the late David Hendrick, spent countless hours on our association's behalf and the business community developing an appropriate legislative fix that could be supported by all divergent parties.

Transportation Funding Act of 2015 - House Bill 170 – Sponsor: Representative Roberts

AGC Georgia Supports - www.legis.ga.gov/Legislation/20152016/148467.pdf

Awaits the Governor's Consideration: On Tuesday, March 31, just before midnight, both the House and Senate passed the transportation bill sending the compromise proposal to the Governor for signature. The final version of HB 170 is projected to raise more than \$900 million through a combination of user impact fees and an excise tax on motor fuel, while eliminating the state's portion of sales tax on fuel. HB 170 received Republican and Democratic support with the House voting 129-41 and the Senate voting 42-12 in favor of the bill.

Key changes in the bill include:

- Elimination of the 4% state's sales tax on motor fuel.
- An excise tax of 26 cents-per-gallon on gasoline and a 29 cents-per-gallon on diesel.
- A new provision charging an annual highway impact fee for heavy trucks.
- Elimination of \$5,000 state income tax credit for the purchase of an electric vehicle
- A new annual fee on electric vehicles of \$200 for private vehicles and \$300 for commercial vehicles.
- Elimination of tax breaks for airlines on jet fuel.
- A flat \$5 per-night hotel/motel tax statewide.
- Counties are provided the option of holding a referendum to institute a local sales tax of a fraction of a penny to fund transportation projects.

Background on this issue: Georgia's economic success largely relies on our position as a transportation and logistics hub, along with our ability to safely and reliably move people and goods. Georgia is recognized nationally as the best place to do business. Passage of HB 170 helps ensure we have adequate funds to address our state's transportation infrastructure needs.

Partnership for Public Facilities and Infrastructure Act (P3) - Senate Bill 59 – Sponsor: Senator Hill, AGC Georgia Supports www.legis.ga.gov/Legislation/20152016/145892.pdf

Awaits the Governor's Consideration: SB 59 passed the Senate late Thursday evening, and now moves to the Governor for consideration. AGC Georgia has been actively engaged with stake holder groups on P3 for the last 3 years. This legislation, which has had input from all impacted groups creates the "Partnership for Public Facilities and Infrastructure Act." It grants board authority to state and local governments to finance design and build all types of infrastructure projects through Public-Private Partnerships.

Atlanta Belt Line Urban Redevelopment - Senate Bill 4 – Sponsor: Senator Gooch – AGC Georgia Supports - www.legis.ga.gov/Legislation/20152016/148687.pdf

Awaits the Governor's Consideration: On Thursday, April 2, House and Senate conferees presented a compromise proposal to the House and Senate which both approved the measure regarding utility relocations for the Belt Line project. SB 4 now moves to the Governor for consideration.

SB 4 is an urban redevelopment measure for the Atlanta Belt Line project that is utilizing Public Private Partnerships as a tool to help finance and build the Belt Line. AGC Georgia supports Public Private Partnerships (P3) as a tool to help public owners address their respective infrastructure needs.

Equal Green Building Credits for Georgia Forest Products – House Bill 255 – Sponsor: Rep. Cheokas AGC Georgia is Neutral - www.legis.ga.gov/Legislation/20152016/147073.pdf

Awaits the Governor's Consideration HB 255 was passed by the Senate Friday, March 27. HB 255 was introduced at the request of Georgia Forestry Association. It codifies an Executive Order issued by Governor Deal in 2012 requiring Georgia forest products receive equal certification credit when the state uses Green Building Standards in state construction projects. Current LEED Certification standards do not recognize Georgia's wood certification standards.

There has been a tremendous amount of testimony on this bill, with the environmental community strongly opposing it. Good information has been offered by both sides of the proposal. However, questions regarding the compliance with the Governor's current Executive Order on the issue have seemed to have prevailed.

Building Officials Association of Georgia Certification (BOAG) – House Bill 341 - Sponsor: Representative Maxwell - AGC Georgia Supports www.legis.ga.gov/Legislation/20152016/147882.pdf

Awaits the Governor's Consideration HB 341 passed the Senate and House on Thursday, April 2. The Senate amended the bill in the Regulated Industry committee which caused it to bounce back to the House for agreement before passage. HB 341 now moves to the Governor for consideration. AGC Georgia has been working on this legislation with bill sponsor Howard Maxwell, Regulated Industries Chairman and representatives of the Builders Officials Association of Georgia (BOAG) and the Department of Community Affairs (DCA). Our common goal is to develop appropriate criteria for qualified inspector status under the law. HB 341 would require experience, continuing education and testing for BOAG certification levels II, III, IV & V.

HB 461 – Metal Theft – Sponsor: Representative Shaw- AGC Georgia Supports
www.legis.ga.gov/Legislation/20152016/150209.pdf

Awaits the Governor's Consideration: HB 461 passed the Senate on Thursday, April 2 and now moves to the Governor for consideration. AGC Georgia worked with the stakeholders on this legislation in an effort to clean up existing law and establish a deadline for compliance for metal recyclers to upload required information on metals sales/purchases to the GBI database.

Workforce Development - Senate Bill 2 – Sponsor: Senator Tippins – AGC Georgia Supports
www.legis.ga.gov/Legislation/20152016/146305.pdf

Awaits the Governor's Consideration: SB 2 passed both the Senate and House. AGC Georgia supports this measure and testified in support of it throughout the process. We believe this legislation has the potential to help address the construction industry's skilled workforce needs.

Background on this issue: Lt. Governor Cagle and Senator Tippins are leading the efforts with this legislation. It will allow high school students who have completed the ninth and tenth grade course requirements and assessments to enroll in post-secondary institutions (Technical, Career & Community Colleges). They can work toward an associate degree while counting that coursework toward high school graduation requirements. The business and education community have enthusiastically endorsed this proposal as a way to help address our state's workforce needs. AGC Georgia and other members of the business community continue to stress the need for the education community to work in tandem with business to help ensure their training programs are addressing real business needs.

Move on When Ready Act - Senate Bill 132 – Sponsor: Senator Dugan – AGC Georgia Supports
www.legis.ga.gov/Legislation/20152016/148415.pdf

Awaits the Governor's Consideration: SB 132 passed the House on Tuesday, March 31, and now moves to the Governor for consideration.

Background on the Issue: SB 132 is the Governor's bill and complements SB 2 by revising the **Move on When Ready Act** regarding dual enrollment. SB 132 is the broader (umbrella) legislation that consolidates all the various dual enrollment programs in Georgia into one unified program. Today, the various technical college and university programs are in separate locations and the marketing of such programs to students and parents can be confusing. SB 132 signals Georgia's commitment to make dual enrollment a larger part of the high school experience by:

- Limiting out-of-pocket costs to high school students who wish to dual enroll (that is not the case today).
- Funding full tuition for both academic and technical dual enrollment (that is not the case today).
- Acknowledging the importance of the kind of dual enrollment proposed in SB 2.
- Ensuring that courses taken while dual enrolled during high school do not deplete the "HOPE cap" on the total number of college courses eligible for HOPE funding.

SB 191 – Call Before You Dig Requirements/Single Statewide Standard –Sponsor: Senator Tippins
AGC Georgia Supports - www.legis.ga.gov/Legislation/20152016/150218.pdf

Current Update: SB 191 was our lone pro-active bill that did not get on the dance floor for final consideration this year. The House Rules Committee would not place it on the House debate calendar. This bill remains alive for consideration next year and only needs to pass the House for final Governor Consideration. This issue will now officially be taken up by the Call Before You Dig Legislative Committee for consideration during the legislative off-season.

SB 191 provided one of the most exciting votes of the entire session. An unfriendly amendment was proposed during debate on the floor of the Senate which would have gutted the bill. The amendment failed twice by two separate tie votes - 23-23 and 26-26. Last week, AGC Georgia testified in favor of the bill in the House Energy, Utilities & Telecommunication committee. The measure passed out of both sub and full committees over the opposition of the municipalities and counties.

This legislation would prohibit local government from adopting and enforcing different standards regarding white lining requirements other than those required under the Statewide Call Before You Dig law. AGC Georgia supports a single statewide standard versus having to operate under 159 county and 500 municipal standards that could vary in each jurisdiction. Members and AGC Georgia staff worked on Call Before You Dig Legislation over the past two years through a stakeholder that included representation by local governments, including Association County Commissioners of Georgia (ACCG) and Georgia Municipal Association (GMA). If local government has a desire to raise the bar for White Lining, we feel state law is the place to do it, not individually county by county and city by city.

If you have questions about AGC Georgia's positions or advocacy roles on behalf of the membership, please contact me at woodall@agcga.org or 678-298-4116. AGC Georgia will be producing a comprehensive final Legislative Report on all bills that passed impacting the construction industry once the time frame has passed for the Governor to review all legislation that awaits his consideration.