

Welcome to the Georgia Bio Legislative Watch, a weekly update on the 2013 legislative session of the Georgia General Assembly provided by Brock Clay Attorneys exclusively for Georgia Bio members.

The Georgia General Assembly lost no time in kicking off the 2013 Legislative Session. After convening on Monday of this week, the Senate quickly got to work and passed a new version of the Senate rules. The controversial change comes on the heels of over two years of protracted conflict between Lt. Governor Casey Cagle (R - Gainesville) and the outgoing Senate Republicans leader, <a href="Tommie Williams (R - Lyons">Tommie Williams (R - Lyons</a>) and recently resigned Chip Rogers (R - Woodstock). The Senate passed the new rules by a vote of 42-12. Only Senators Tommie Williams and Mike Crane (R - Newnan) provided vocal opposition, and joined Democrats in opposing the rules change. As a result, several new committee chairs were announced:

<u>Senator Lindsey Tippins (R - Marietta)</u> - Senate Education - Replacing <u>Senator Fran Millar (R - Dunwoody)</u>

Senator Fran Millary (R - Dunwoody) - Senate Retirement - Replacing Senator Tim Golden (R - Valdosta)

<u>Senator Tim Golden (R - Valdosta)</u> - Senate Insurance - Replacing Senator Greg Goggans (Retired from Douglas, GA)

<u>Senator John Wilkinson (R - Toccoa)</u> - Senate Agriculture - Replacing Senator John Bulloch (Retired from Ochloknee, GA)

Senator Jack Murphy (R - Cumming) - Senate Regulated Industries - Replacing Senator David Shafer (R - Duluth)

Senator John Crosby (R - Tifton) - Senate Banking - replacing Senator Jack Murphy (R - Cumming)

<u>Senator Frank Ginn (R - Danielsville)</u> - Senate Economic Development - Replacing <u>Senator Ronnie Chance (R - Tyrone)</u>

Senator Rick Jeffares (R - Locust Grove) - Senate Ethics - Replacing Senator John Crosby (R - Tifton)

Senator Judson Hill (R - Marietta) - Senate Finance - Replacing Senator Bill Heath (R - Bremen)

Senator Bill Heath (R - Bremen) - Senate Government Oversight - Replacing Senator Judson Hill (R - Marietta)

Senator Bill Cowsert (R - Athens) - Senate Higher Education - Replacing Senator Buddy Carter (R - Pooler)

<u>Senator Buddy Carter (R - Pooler)</u> - Senate Public Safety - Replacing Senator Johnny Grant (Lost primary, Milledgeville, GA)

<u>Senator Josh McKoon (R - Columbus) -</u> Senate Judiciary - Replacing Senator Bill Hamrick (appointed to judicial circuit, Carroll County)

Senator Jesse Stone (R - Waynesboro) - Senate Judiciary Non - Civil - new committee

Senator Jeff Mullis (R - Chickamauga) - Senate Rules - Replacing Senator Don Balfour (R - Snelling)

Senator Don Balfour (R - Snelling) - Senate Reapportionment - replacing Senator Mitch Seabaugh (retired)

<u>Senator William Ligon (R - Brunswick)</u> - Senate State and Local Government Operations - replacing <u>Senator Butch Miller (R - Gainesville)</u>, elected Majority Caucus Chairman

Senator John Albers (R - Roswell) - Senate State Institutions and Property

Senator Steve Gooch (R - Dahlonega) - Replacing Senator Jeff Mullis (R - Chickamauga)

The House's list of committee changes was far less exhaustive. The entire list can be found <u>here</u>, and a list of the major changes is below.

Rep. Amy Carter (R - Valdosta) - House Government Affairs - Replacing Rep. Mark Hamilton (R - Cumming)

Rep. Mark Hamilton (R - Cumming) - House Industry and Labor - Replacing Rep. Bill Hembree (retired)



Rep. Tom Weldon (R - Ringgold) - House Juvenile Justice - new committee

Rep. Alan Powell (R - Hartwell) - House Public Safety Committee - Replacing Rep. Anne Purcell (Retired)

Rep. Howard Maxwell (R - Dallas) - House Regulated Industries - Replacing Rep. Roger Williams (retired)

Rep. Ed Setzler (R - Acworth) - House Science and Technology - replacing Rep. Amos Amerson (retired)

Rep. Jimmy Pruett (R - Eastman) - House State Planning and Community Affairs - replacing Rep. Tommy Smith (retired)

#### Senate Bill 24 - Hospital Provider Fee

Contrary to previous reports that Governor Nathan Deal would exert pressure on the Legislature to renew the previously pass hospital bed tax / Medicaid provider fee, the Governor's office lost no time in introducing legislation to address the important issue. Senator Charlie Bethel (R - Dalton), Governor Deal's floor leader in the Senate, dropped Senate Bill 24 the first day of session. It was heard in the Senate Regulated Industries and Utilities Committee on the second day of session. After about an hour of debate (all speaking stakeholders expressed support), the legislation passed out of committee with three votes in opposition - Senators Steve Henson (D - Tucker), David Lucas (D - Macon), and Josh McKoon (R - Columbus). The committee substitute as amended would simply authorize the Georgia Department of Community Health to re-impose the agreed upon "bed tax" for a period of four years. This would provide approximately \$689 million a year in state and federal funds for Georgia's deflated Medicaid program. All three major hospital groups in the state are in support of the legislation. The fee of 1.45% will go to cover approximately 100,000 new enrollees to the state's Medicaid rolls.

The political concerns for the issue stem primarily from the perception that this is, in reality, a new tax, though the tax goes to prevent across the board cuts to provider reimbursement rates. Neither Governor Nathan Deal nor the leadership of either the House or the Senate are keen on the idea of being perceived as raising taxes no matter the rational, and this is seen as a way to allow the provider fee to be extended *without actually voting to raise taxes*. Grover Norquist has opposed the legislation, and dozens of new legislators (who were not present for the debate on the original proposal in 2010) are the players in question.

SB 24 went to the Senate floor on Thursday afternoon and passed by a vote of 46-9 after a debate that lasted approximately 3 hours.

The House dropped a companion bill on Monday - <u>House Bill 51</u>. Despite arguments that this legislation deals with process questions rather than revenue questions, a very real concern exists that the final result deals with revenue collections, and thus a Senate bill could result in a constitutional challenge. Therefore, conventional wisdom suggests that the vote on SB 24 was merely a weather balloon, and that the final passage will ultimately rest upon HB 51.

## State of the State / Governor's Budget Proposals

The Governor's entire State of the State speech can be found here.

Governor's Amended 2013 Budget Report

Governor's 2014 Budget Report

Please let us know if you have any questions about any of the budget documents or the Governor's remarks.

#### **Legislative Schedule**

The legislature will adjourn for the traditional week of budget hearings next week. They will reconvene on Monday, January 28 for Legislative Day 5.

The schedule for all joint appropriations committee hearings next week may be found <a href="here">here</a>. All meetings will take place in Room 341 Capitol.

Department of Public Safety - 1130 AM, Wednesday



Department of Transportation - 130 PM, Wednesday Department of Behavioral Health - 2:15 PM, Wednesday Department of Human Services - 9:30 AM, Thursday Department of Community Health - 10:15 AM, Thursday Department of Public Health - 11:15 AM, Thursday

## Don't Miss the 2013 Georgia Bio Day at the Capitol

Monday, January 28 | The State Capital

## Legislative Breakfast Reception | 8:00-10:00am & Georgia Bio Lunch | 11:30am-1:00pm

This is an opportunity for Georgia Bio members to take a peek under Georgia's gold dome and discuss life sciences issues with members of the General Assembly and Gov. Nathan Deal's administration.

All Georgia Bio members are invited to attend the event. The breakfast provides an opportunity to mix with legislators and key members of Gov. Deal's administration at the start of the General Assembly session and discuss Georgia Bio's agenda. It's also a chance to tell the elected officials how the life sciences industry impacts the state's economy and improves the health and quality of life of all Georgians.

Registration is suggested. Click here to register.

#### Legislation Georgia Bio is Tracking

To view the complete report of the legislation that is being tracked, you must be an approved member. \*MEMBERS ONLY\* Once you have entered the Members Only Site, click on Advocacy to find the Legislative Watch.

<u>HB57</u>	A BILL to be entitled an Act to amend Code Section 16-13-25 of the Official Code of Georgia Annotated, relating to Schedule I controlled substances, so as to expand the definition of Schedule I controlled substances; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.	(1) Ramsey, Matt 72nd (2) Golick, Rich 40th (3) Cooke, Kevin 18th	HC: <u>Judiciar</u> <u>y Non-Civil</u> SC:	Summary Jan/17/2013 - House Second Readers	(Monitor) Sponsored by Rep. Matt Ramsey, this legislation expands the definition of Schedule I controlled substances.
HB81	A BILL to be entitled an Act to amend Code Section 48-7-40.30 of the Official Code of Georgia Annotated, relating to an income tax credit for certain qualified investments for a limited period of time, so as to extend such income tax credit; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.	(1) Dudgeon, Mike 25th (2) Williamson, Bruce 115th (3) Peake, Allen 141st (4) Lindsey, Edward 54th (5) Abrams, Stacey 89th (6) Stephens, Ron 164th	HC: Ways & Means SC:	Summary Jan/17/2013 - House First Readers	(Monitor) Sponsored by Rep. Mike Dudgeon (R - Johns Creek), this legislation authorizes an extension of the popular angel tax credit passed several years ago.



# **Legislative Watch** Week: January 14-18

<u>SB37</u>	A BILL to be entitled an Act to amend Article 5 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to abortion, so as to change certain provisions relating to criminal abortion; to change certain provisions relating to when abortion is legal; to amend Title 31 of the Official Code of Georgia Annotated, relating to health, so as to repeal provisions relating to a physician's obligation in the performance of abortions; to change certain provisions relating to civil and professional penalties for violations of the "Woman's Right to Know Act"; to change certain provisions relating to definitions relative to the "Woman's Right to Know Act"; to provide for other related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.	(1) Orrock, Nan 36th (2) Tate, Horacena 38th (3) Davenport, Gail 44th (4) Sims, Freddie Powell 12th (5) Butler, Gloria 55th (6) Thompson, Curt 5th	HC: SC: <u>Health</u> <u>and Human</u> <u>Services</u>	Summary Jan/15/2013 - Senate Read and Referred	(Monitor) This legislation repeals the mandates of 2012's fetal pain legislation.
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