



March 1, 2024

Welcome to GHLA @ the Capitol, your weekly update about news you need to know related to Georgia's lodging industry and the 2024 General Assembly. GHLA's legislative team will be your eyes and ears under the Gold Dome.

Legislative Schedule

The legislature met Monday, Tuesday and Thursday of this week for Legislative Days 26-28. Wednesday served as a committee workday. This week marked a significant procedural deadline, Day 28 or Crossover Day. A bill introduced in the House or Senate must leave its chamber of origin by this date to continue to advance through the process.

Click [here](#) to see the rest of the legislative calendar. The legislature will reconvene on Monday, March 4th for LD 29.

Short Term Rental Preemption



GHLA's Chris Hardman and AHLA's John Jarrard speak in opposition to HB1121.

On Tuesday, February 27, [HB1121](#) by Representative Bethany Ballard (R-Warner Robbins) was heard in the House Governmental Affairs Committee. As it stood, HB1121 would prohibit local governments from regulating, suspending, or prohibiting already existing short term rentals. In addition, this bill would threaten the ability for local governments to impose necessary licensing requirements and account for proper tax remittance thus jeopardizing the intent of the monumental legislation GHLA championed years ago, HB317, which requires Short Term Rental platforms to collect and remit all taxes on behalf of their host. Your GHLA is happy to report that following lengthy debate and public comment, HB1121 failed to make it out of committee and is now "dead" in its current form this year.

Sports Betting

On Tuesday, February 23, the Georgia Senate passed [SR579](#) with a 41-12 vote which marks a pivotal point for sports betting legislation to make its way to the governor desk. This bill gathered bipartisan support and met the 2/3 majority required to amend the constitution through a ballot referendum. The resolution creates a gaming commission to regulate the industry and officials are estimating over \$100M in annual tax revenue. SR579 by Senator Bill Cowser (R-Athens), a constitutional amendment that

authorizes the General Assembly to provide by general law for sports betting regulation and allocation of revenues, requires a two thirds vote by both the House and Senate accompanied by a signature from the governor before it can hit the ballot in November. Key Points in this legislation include the following:

- 80% of taxes to fully fund prekindergarten programs with the remaining 80% to college scholarships
- 15% to aiding people with gambling problems
- 5% to create a fund for Georgia to recruit and fund major sporting events

Its enabling legislation, [SB386](#) , which passed earlier this year, outlines the provisions for the legalization of online sports betting. Both bills currently await debate in the House Higher Education Committee before being taken up in the full House.

Marketplace Innkeeper

[SB534](#) by Senator Mallow (D-Savannah) "'Fair Business Practices Act of 1975"; failure of a marketplace innkeeper to provide a consumer with an itemized receipt detailing certain taxes and fees is an unlawful business practice; provide" passed the Senate unanimously. This legislation would require Short Term Rental platforms and Online Travel Agencies to provided a detailed and itemized receipt detailing each tax and excess fee imposed on a rental including onerous and often misleading booking fees, cleaning fees, etc. GHLA has been a strong proponent of this important piece of legislation in an effort to both level the playing field of all lodging establishments and combat deceptive practices of such platforms. We are grateful to Senator Mallow for bringing SB534 forward and to the Georgia Senate for their overwhelming and unanimous vote.

Film Tax Credit

[HB1180](#) by Representative Carpenter (R-Dalton), "Income tax credit; film, gaming, video, or digital production; revise a definition," seeks to revise film tax credits in Georgia. At it's core, HB1180 would increase the base investment required for a production company to be eligible for an income tax credit for film, gaming, or digital production. The substitute that passed lowered the single production cost to \$500,000 from \$1 million and included that the 10% uplift could now include music as a qualification for the credit. Having recently been amended in committee and having passed the House 131-34, HB1180 in its current form, introduces the following notable changes, which would take effect in 2026.

1. Limit transfers to 2.5% of the state budget (estimated at \$900 million currently) with eligible transfers above the limit one year allowable the following year
2. Productions would need to meet at least four out of ten new qualifying criteria, beyond the Peach Logo, to qualify for the full 30% credit:
 - (i) At least 50 percent of the number of crew members performing services in this state are Georgia residents;
 - (ii) At least 50 percent of the total number of vendors providing goods or services in this state are Georgia vendors;

- (iii) It incurs at least \$30 million of production expenditures in this state;
- (iv) At least 50 percent of its photography days occur in one or more counties that have been underutilized by production companies as determined by the Department of Economic Development;
- (v) At least 50 percent of its total photography days in studio facilities are in studio facilities in this state, including, but not limited to, soundstages and backlots, or the company or its affiliates: (a) Make capital improvements to a studio facility in this state that are in a form and manner approved by the Department of Economic Development based on the value of the capital improvements relative to the amount of tax credit sought; or (b) Enters into a lease of at least five years in duration with a studio facility in this state with at least 100,000 square feet of production space, including, but not limited to, soundstages, backlots, and production offices;
- (vi) The company agrees to contract with Georgia vendors for 20 percent of such production's postproduction expenditures or contracts with Georgia vendors for 20 percent of such production's visual effects expenditures;
- (vii) The company participates in or supports at least one Georgia workforce development program, including, but not limited to, a Georgia Film Academy program;
- (viii) It includes a qualified Georgia promotion, or the company engages in alternative marketing opportunities approved by the Department of Economic Development based on a determination that such activities offer promotional value to the state equal to or greater than the promotional value of a qualified Georgia promotion; or
- (ix) The company contracts for the recording in Georgia of elements of the state certified production's music score or one or more songs included in the state certified production's soundtrack, licenses music from a Georgia resident or company doing business in Georgia, or contracts with one or more Georgia residents for the composition or performance of music for incorporation into the state certified production's music score or one or more songs included into the state certified production's soundtrack.

Human Trafficking Prevention

[SB512](#) by Sen. Shawn Still (R-Norcross) combines three bills in a perfected committee substitute. The bill creates a new commission, the Victims of Human Trafficking Fund Commission, to protect all victims of human trafficking, not just children. The funds will only be used on such victims to pay for care, rehabilitation, and social services. The bill also includes language for hotel and motel human trafficking training. The accompanying legislation, [SR616](#) is a constitutional amendment that would appear on the ballot in November. SR616 would allow additional penalties for individuals convicted of human trafficking. The penalty would allow for civil forfeitures to fund the Victims of Human Trafficking Fund. Both bills passed overwhelmingly in the Senate. GHLA has been and will continue to work with Senator Still as this important legislation

moves through the legislative process.

Governor Kemp Signed Amended FY24 Budget

The Governor signed the AFY24 budget during a ceremony at the State Capitol on LD 28. A number of legislators and state officials, such as Lieutenant Governor Burt Jones, Speaker Jon Burns, Appropriations Chairmen Rep. Matt Hatchett and Sen. Blake Tillery, Agriculture Commissioner Tyler Harper, as well as OPB Director Rick Dunn. The amended budget included \$5.5 billion in supplemental funding for agencies. Notable changes related to tourism in the budget include \$29,250,000 for "Increase funds for the Georgia World Congress Center Authority for public safety and infrastructure costs related to the 2026 FIFA World Cup and 2025 College Football Playoff National Championship. (H and S:Increase funds for one-time funding for Georgia World Congress Center Authority for public safety, security, transportation, and infrastructure expenses and implementation between governmental agencies for hosting the Federation International de Football Association (FIFA) World Cup in 2026 and College Football Playoff National Championship in 2025)(CC:Increase funds for one-time funding for Georgia World Congress Center Authority for public safety, security, transportation, and infrastructure expenses and implementation between governmental agencies for hosting the FIFA World Cup in 2026 and College Football Playoff National Championship in 2025)." Please click [here](#) to see the Governor's press release.

The Georgia "Religious Freedom Restoration Act" (RFRA)

[SB180](#) by Sen. Ed Setzler mirrors the federal RFRA law that does not apply to state or local governments. This legislation restricts state and local government from burdening a person's exercise of religion, even if the burden results from a rule of general applicability. Sen. Setzler argued that this bill balances personal freedom with rational basis for practicing their faith. This bill was thoroughly debated, both in the Senate Judiciary Committee and the Senate Floor. Sen. Kim Jackson filed a minority report and gave a moving speech on the Senate Floor about why this piece of legislation is harmful to Georgians. Click [here](#) to view her testimony. SB180 passed with a vote of 33-19.

Tax Credits & Revenue Bills

We saw a lot of action taken on tax credits this week, including a number of tax credit bills passing on the House Floor. Most Notably:

[HB1023](#) by Rep. Bruce Williamson (R-Monroe) seeks to match the rate of income tax imposed on corporations to that imposed on individual taxpayers. This bill proposes to recouple the personal income and corporate tax structure and gives an additional 30 days for businesses to file their state income tax returns, moving from October 15 to November 15.

[HB1192](#) Sponsored by Rep. John Carson (R-Marietta) prohibits the issuance of new certificates of exemption for certain high-technology data center equipment relating to

sales and use tax. This bill would pause any new certificates on or after July 1st of 2024 for the exemption.

[HB1015](#) Sponsored by Rep. Lauren McDonald (R- Cumming) seeks to reduce the rate of income tax by 0.10 percent annually until the rate reaches 4.99 percent. – Passed the House

[HB1181](#) Sponsored by Rep. Martin (R-Alpharetta) would limit the carry-forward period of certain income tax credits to no more than three succeeding years' tax liability. – Passed the House.

[HB1021](#) Sponsored by Rep. Lauren Daniel (R-Locust Grove) increases the child tax deduction from \$3,000 to \$4,000 per child. HB 1019 passed out of the House of Representatives. – Passed the House.

Premises Liability Protection

[HB1371](#) by Rep. James Burchett (R-Waycross) would clarify liability regarding third-party criminal activity. This bill amends Chapter 3 of Title 9 of the Official Code of Georgia Annotated on tolling of limitations, changing provisions relating to tolling of limitations for a civil cause of action arising from criminal activity. The House Rules Committee brought a substitute on HB 1371 by Rep. James Burchett (R-Waycross) to address concerns raised by the business community about open-ended premise liability claims. Language that was originally included in the bill to codify harmful case law (*CVS Pharmacy vs. Carmichael*) was removed from the bill. This would have created an onerous burden on business owners to assess the probability of third party crime occurring on the premises, based on the totality of circumstances and in result be held liable for such claims. The new language maintains two provisions that the bill sponsor argues make it harder to sue businesses for crimes that occur on site. This maintains that a property owner should not be held liable for injuries in the case of a criminal coming on the premises to commit a crime that results in an injury, however, a victim of such crime can sue a business for injuries, as is in current law. The second provision includes language that protects businesses that are located in a "high crime area" to ensure that does not give additional rise to claims solely based on the location. Finally, the bill makes an exception for human trafficking victims, who would be authorized to make claims. GHLA has been a strong proponent for tort reform measures. Prior to the amendment, the business community had grave concerns about House Bill 1371. The current state of negligent security law in Georgia is critically flawed, and unfortunately, HB1371 did not achieve the necessary reform to mitigate liability concerns faced by hoteliers across our state. With the two additions amended late, GHLA is now neutral on this legislation and will continue to work with lawmakers and the coalition as HB1371 moves through the legislative process.

Other Noteworthy Crossover Day Bills

Passed The House

[HB583](#) Sponsored by Rep. Leese Hagen (R-Lyons) authorizes the production and sale of cottage food items with certain exemptions, requirements, and disclosures.

[HB910](#) Sponsored by Rep. Rick Jasperse (R-Jasper) seeks to create a civil remedy for damages against commercial entities that distribute material harmful to minors without performing age verification.

[HB1017](#) Sponsored by Rep. Devan Seabaugh (R-Marietta) amends the definition of criminal trespass to include when an individual “enters upon the land or premises and resides in such land or premises for any period of time without the knowledge or consent of the owner..”, otherwise known as “squatting.”

[HB1116](#) Sponsored by Rep. Debbie Buckner (D- Junction City) extends the sunset date for the historic home portion of the tax credits for rehabilitation of historic structures and extends the provision for automatic repeal relating to these tax credits.

[HB1312](#) Sponsored by Rep. Jasperse (R-Jasper) extends the effective date of provisions to January 1, 2026 relating to regulation and taxation of electricity used as motor fuel and electric vehicle charging stations.

Passed The Senate

[SB414](#) Sponsored by Sen. John Kennedy (R-Macon) seeks to create the “Personal Privacy Protection Act.”

[SB472](#) Sponsored by Sen. Albers (R-Roswell) to amend the Official Code of Georgia to revise definitions relating to online marketplace requirements to combat organized retail crime. Act to be known as the "Combating Organized Retail Crime Act."

[SB496](#) Sponsored by Sen. Burns (R-Sylvania) provides extensions for preferential assessment periods for certain historic properties for ad valorem taxation of property.

[SB542](#) Sponsored by Sen. Sam Watson (R-Moultrie) provides that members of the public have the right to use all navigable streams for passage, hunting, and fishing.

Failed to Crossover

[SB186](#) - Senator Greg Dolezal (R-Cumming) - "Georgia Landowners Protection Act" relating to liability of owners and occupiers of land generally. Limits the liability regarding invitees, licensees, and trespassers on property. Provides for no landowner liability due to alleged construction notice of prior crimes or violent nature. The bill also outlines for apportionment of fault.

[SB363](#) Sponsored by Sen. Albers (R-Roswell) would establish the Georgia Public Safety Training Center law enforcement unit.

[SB396](#) Sponsored by Sen. Sonya Halpern (D-Atlanta) entitled the “Georgia State-wide Music Act”, this bill would create the Georgia State-wide Music Office.

[SB403](#) Sponsored by Sen. Frank Ginn (R-Danielsville) relating to ad valorem taxation of property, this bill would revise the language required to be included in the notices of current assessment.

[SB498](#) Sponsored by Sen. Kim Jackson (D-Stone Mountain) creates the Georgia Interagency Council for the Homeless.

[SR538](#) Sponsored by Sen. Carden Summers (R-Cordele) proposes an amendment to the Constitution of the State of Georgia to require that the GGA provide by law for sports betting and casino gambling by July 2, 2025, and such profits will be split between funding educational programs/mental health services and funding the State Housing Trust Fund for the Homeless.

[HB381](#) sponsored by Rep. Teri Anulewicz to would create a right of action for private sector employees as it relates to workforce sexual harassment.

[HB940](#) sponsored Rep. Todd Jones requires retail stores and restaurants to accept cash. The bill sponsor made changes to allow for a few exceptions such as venues that host live events, airports, and wholesale membership clubs.

Legislative Tracking Update

House Bills

[HB1386](#) - Commerce and trade; surcharges charged by merchants for purchasers' use of credit cards; limit amount

[HB1405](#) - Property; landlord and tenant; comprehensive list of any existing damage; provisions

[HB1410](#) - State Housing Trust Fund for the Homeless Act; enact

[HB1415](#) - Law enforcement officers; cooperate with federal authorities on enforcement of immigration laws; provisions

[HB1416](#) - Property; duty of habitability for certain rental agreements; provide

[HB1418](#) - Community Affairs, Department of; create Office of Urban Affairs

[HB1425](#) - Weeping Time Cultural Heritage Corridor Authority; create

[HB1426](#) - Crimes and offenses; criminal trespass; provide for additional acts

House Resolutions

[HR1255](#) - House Study Committee on Combating Human Trafficking in Major Transportation Areas; create

[HR1257](#) - Joint Study Committee on Combating Homelessness Among Veterans; create

[HR1298](#) - Georgia Environmental Protection Division; protect Georgia's groundwater; urge

Senate Bills

[SB559](#) - Counties, Municipal Corporations, and other Governmental Entities; sovereign and governmental immunities for violation on the prohibition on immigration sanctuary policies; waive

Senate Resolutions

[SR677](#) - Senate Credit Card Fees on State Sales and Excise Tax and Their Impact on Georgia Merchants and Consumers Study Committee; create

[SR678](#) - Clean Energy; creation of thriving-wage green jobs, and an equitable clean energy transition; support state goal