

Welcome to GHLA @ the Capitol, your weekly update about news you need to know related to Georgia's lodging industry and the 2020 General Assembly. GHLA's legislative team will be your eyes and ears under the Gold Dome.

Marketplace Facilitator Passes During the First Week of Session

There was an unusual amount of activity under the Gold Dome this week, which is a sharp departure from the typical pomp and circumstance of the first week back at the Capitol. During the 2019 session, we reported extensively on HB276 by Representative Brett Harrell (R-Snellville) and the late disagreements that prevented the bill from becoming law. HB276 would require companies that facilitate (or broker) online sales to collect and remit taxes on behalf of sellers.

Lawmakers came back to the session determined to find ways to boost revenue and worked quickly to come to an agreement on the measure that stalled in April.

On the first day of the session, HB276 was sent to a closed-door conference committee. On Thursday, Senator Chuck Hufstetler (R-Rome) presented on the bill on the Senate floor. He commented that they passed the legislation out last year with a carve-out for ride-sharing applications due to some concerns on the bill. The legislature has since worked with Uber and Lyft to accommodate their concerns and will be addressing them in a separate bill later this session. He further explained that marketplace sellers currently owe these taxes, but Georgia hasn't had an efficient manner of collecting them in the past. This bill does not impose new taxes, but instead collects taxes that are already subject to collection.

He said the most critical part of the bill is that it levels the playing field with brick and mortar businesses in Georgia. He further commented that companies in Georgia are paying income, property, and sales tax, which companies using these platforms may not be paying.

Senator Hufstetler said just as a hotel pays a sales tax, Airbnb would be subject to the same requirements and be on equal footing with hotels as a result of the bill.

The implementation date will be April 1, 2020, to accommodate smaller businesses that will be impacted by the new law. This bill passing is an early victory for parity in the lodging industry, and we look forward to seeing where the rest of the session takes us.

Sports Tourism in the Spotlight

It was an important week for sports tourism here in Georgia. Champion of the industry Chairman Ron Stephens (R-Savannah) introduced two bills related to sports tourism—HB730 and HB740. HB730 creates a new tax exemption for all personal property used by a host committee tasked with recruiting, planning, and raising funds to host non-recurring major sporting events.

This would apply to a host of 'major sporting events' including the NFL Championship, MLB Championship, MLS Championship, NBA All-Star Game, and any collegiate semifinal or championship game that is non-recurring. Within the language of the bill, the impact of these events on lodging and other industry was a key consideration. HB740 would create a Sports Marketing Fund in recognition of how many events require initial up-front fees or costs to bid on a sporting event. The sponsor intends to make grants available out of the fund to registered

sports commissions. Sports tourism is a rapidly growing niche of the travel industry, and we applaud Chairman Stephens' attention to facilitating growth in the industry.

We will continue to monitor these bills and keep you updated on their progress.

January is National Human Trafficking Awareness Month

There are many tools and activities available to you so that you can enhance your efforts to prevent trafficking in Georgia. GHLA has partnered with "Businesses Ending Slavery & Trafficking" (BEST) to provide members with <u>free online training</u>. On the <u>GHLA Human Trafficking Prevention resource page</u>, you will find information and links to state and national organizations providing materials and support to end human trafficking.

Governor Kemp Delivers 2020 State of the State

Governor Brian Kemp delivered his State of the State Address during a special joint session at the Capitol on Thursday. The Governor opened the address by reflecting on the accomplishments of the previous year and suggested that the success would continue if we keep building a strong foundation in Georgia.

He cited the historically low unemployment rate of 3.3% and that for the seventh year in a row, Georgia was voted the best place to do business. Governor Kemp then pivoted to cover education initiatives, citing the \$3,000 raise afforded to teachers in the previous year. Despite the budget shortfalls facing Georgia, he took this opportunity to announce a plan to give another \$2,000 increase in the upcoming year.

The Governor also announced a partnership with the University of Georgia to develop The Johnny Isakson Fellowship for Parkinson's Disease Research. He thanked the long-serving Senator, who was given a standing ovation in the chamber for his service to Georgia.

Governor Kemp continued to outline his agenda for the year by discussing criminal street gangs, mentioning The Anti-Gang Task Force, which partners with the Georgia Bureau of Investigation (GBI) to ensure that the State is cracking down on violent crime. While discussing the safety of Georgia, Governor Kemp also highlighted the efforts made by his administration as well as the First Lady Marty Kemp, and the GRACE Commission to end sex trafficking in the State of Georgia. GHLA and its members will continue to be part of that solution.

Notably, there were minimal social issues mentioned in his speech. That being said, the state budget will be the source of much of the controversy this year as legislators battle revenue shortfalls. Legislators will be in next week to kick off their work negotiating the state budget.

Legislative Tracking Update

Click on the bill for current status.

HB-2 by Rep. Matt Gurtler (R-Tiger) alters the weapons carry laws in the State and allows for carrying in parks, recreational areas, and private property (Referred to Public Safety).

<u>HB-5</u> by Rep. Park Cannon (D-Atlanta) prohibits an employer from relying on salary history information when making certain decisions about an applicant during the hiring process (Referred to Industry & Labor).

<u>HB-15</u> by Rep. Sandra Scott (D-Rex) is a housing bill that contains eviction language (Referred to Government Affairs).

HB-19 By Rep. Sandra Scott (D-Rex) is a housing and public accommodations bill seeking to prevent discrimination (Referred to Judiciary).

HB-34 By Rep. Rhonda Burnough (D-Riverdale) relates to tax-paying business owners/reps being appointed to local development boards.

- **HB-41** by Rep. Pam Dickerson (D-Conyers) adding a new income tax credit for film, video or digital productions that employ Veterans. (Referred to Ways and Means).
- **HB-53** by Rep. Casey Carpenter (R-Dalton) outlines religious free speech in public schools (Referred to Education).
- **HB-74** by Rep. Scot Turner allows for rideshare network drivers who are weapons carry license holders to possess weapons in vehicles (Referred to Public Safety).
- HB-76 by Rep. Ron Stephens (R-Savannah) allows for counties and municipalities to regulate alcoholic licenses in a manner that is less restrictive than the distances specified by the state. (Passed by the House, Referred to Regulated Industries). *Amended to include tasting room language by Sen. Ginn SB-146
- **HB-110** by Rep. Tom Kirby (R-Loganville) adds additional language to the code relating to the payment of employee wages by money, check, or credit transfer and selection of payment dates by an employer (House Insurance & Labor, reported by a substitute) (House Withdrawn and Recommitted to Insurance and Labor).
- **HB-116** by Rep. Dewey McClain (D-Lawrenceville) relates to minimum wage increases (Referred to Insurance and Labor).
- <u>HB-175</u> by Rep. Renitta Shannon (D-Decatur) This bill prohibits the display of monuments or memorabilia related to the Confederate States on public property except for museums and civil war battlefields.
- **HB-200** by Rep. Don Hogan (R-St. Simon's Island) relating to an excise tax on rooms, lodging, and accommodations. Exempts fee from 501(c) 3 groups staying at 501(c) 3 facilities from hotel/motel fee (Referred to Ways and Means).
- HB-234 by Rep. Chuck Efstration (R-Dacula) was introduced to amend Titles 9, 15, 16, 17, and 41 to authorize the Department of Family and Children Services to provide care and supervision to children who are victims of human trafficking. (Adopted by the House, Referred to Senate Judiciary) (Senate Read and referred to Judiciary).
- <u>HB-271</u> by Rep. Kasey Carpenter (R-Dalton) is looking to change the licensing requirements of farm wineries and fruit growers and remove certain limitations regarding tasting rooms for Georgia Farm wineries.
- HB-238 by Rep. Matthew Wilson (D-Brookhaven) amends the Brady Law Regulations to mandate background checks for guns purchased at gun shows. Under the bill, dealers may only sell, transfer or exchange firearms at gun shows after using NICS and completing all necessary criminal history information (Referred to Public Safety).
- **HB-271** by Rep. Kasey Carpenter (R-Dalton) is looking to change the licensing requirements of farm wineries and fruit growers and remove certain limitations regarding tasting rooms for Georgia Farm wineries (Referred to Regulated Industry).
- HB-276 by Rep. Harrell (R-Snellville) changes Title 48 to add the terms "marketplace facilitator" and "marketplace seller" as it relates to state sales and use tax. Marketplace Facilitator means a person that contracts with a marketplace seller to make available or facilitate retail sales that are taxable under this chapter. Note: This language is now in <u>SB128</u> by Rep. Chuck Hufstetler (R-Rome) (Passed by both Senate and House).
- <u>HB-411</u> by Rep. Brett Harrell (R-Snellville) relates to ad valorem taxation of property. Provides that property tax bills shall not include any non-tax-related fees or assessments (storm-water service fees, solid waste service fees, for example)(Referred to Ways and Means).

- **HB-413** by Rep. Don Hogan (R- St. Simon's Island) relates to procedures for sales under tax levies and executions (Referred to Ways and Means).
- <u>HB-421</u> by Rep. Ron Stephens (R-Savannah) relating to the school start-date. The bill would not allow the school year to begin prior to the second full week in August (Referred to Education).
- **HB-426** by Rep. Chuck Efstration (R-Dacula) relates to Hate Crimes in Georgia (House passed, Senate read and referred to Judiciary).
- <u>HB-427</u> by Rep. Park Cannon (D-Atlanta) relates to property tax exemptions. The bill exempts all real property owned by tax-exempt organizations if such real property is used for the purpose of rented or leased multiple-family housing (Referred to Ways and Means).
- **HB-432** by Rep. John Carson (R-Marietta) relates to modifying the rate of Georgia taxable net income for an individual (Referred to Ways and Means).
- <u>HB-435</u> by Rep. Matt Wilson (D-Atlanta) seeks to enact the "Georgia Red Flag Protective Oder Act." Provides for risk protection order hearings and issuance, relates to gun control. Referred to House Public Safety and Homeland Security).
- <u>HB-448</u> by Rep. Matt Dollar (R-Marietta) requires excise tax on all rooms, lodgings, and accommodations, and revises the definition of "innkeeper" (House Withdrawn and recommitted to Ways and Means).
- **HB-451** by Rep. Houston Gaines (R-Athens) addresses the procedures, conditions, and limitations relating to tax credits for rehabilitation of historic structures in Chapter 7 of Title 48. There is a process for preapproval of additional tax credits for current recipients of tax credits. This bill was referred to the House Ways and Means Committee (Referred to Ways and Means).
- **HB-461** by Rep. Park Cannon (D-Atlanta) Exempts all real property owned by tax-exempt organizations if such real property is used exclusively for the purpose of multiple-family housing.
- <u>HB-469</u> by Rep. Matt Dollar (R-Marietta) allows for vehicle immobilization devices or boots to be applied to motor vehicles on private property in certain circumstances (House has withdrawn and recommitted to Public Safety).
- <u>HB-477</u> by Rep. Ron Stephens (R-Savannah) relates to the definition of public swimming pools, and exempt pools located in condominium complexes (Referred to State Planning and Community Affairs).
- **HB-494** by Rep. Debbie Buckner (D-Junction City) changes the time when a taxpayer is allowed a tax credit for the rehabilitation of historic structures. Changes the requirements for transferring credit (Referred to Ways and Means).
- <u>HB-495</u> by Rep. Jimmy Pruett (R-Eastman) amends Chapter 8 of Title 34 relating to employment security. The bill changes the definition of employment to include services performed by an individual for wages unless DOL makes a contrary determination based on the evidence that the individual is free from control or direction over the performance of their services (Referred to Insurance and Labor).
- <u>HB-523</u> by Rep. Kasey Carpenter (R-Dalton) relates to prohibiting local governments from regulating the use of certain real estate as short-term rental property (Referred to Regulated Industry).

- HB-560 by Rep. Ron Stephens (R-Savannah) seeks to amend Code Section 48-7-40.26 relating to the income tax credit for film, gaming, video, or digital production in Georgia. The bill will add "qualified television commercial advertisement" to the list of items under "qualified Georgia promotion," (Referred to Ways and Means).
- **HB-569** by Rep. Spencer Frye (D-Athens) is the State Revenue Investment and Employment Act of 2019, also referred to as the STRIVE Act (Referred to Insurance and Labor).
- <u>HB-570</u> by Rep. Ron Stephens (R-Savannah) allows for sports betting in the state, creates the Georgia sports betting director, and provides for the regulation of sports betting and related activities (Referred to Regulated Industries).
- <u>HB-573</u> by Rep. Spencer Frye (D-Athens) allows local government entities the right to control, adopt, maintain, and enforce minimum wage mandates and establish their own minimum wage laws (Referred to Insurance and Labor).
- <u>HB-577</u> by Rep. Park Cannon (D-Atlanta) is the "Working for Two Act" that will require certain accommodations in the workplace for pregnancy, childbirth, and related conditions (House withdrawn and recommitted to Health and Human Services).
- <u>HB-674</u> by Rep. Alan Powell (R-Hartwell) allows for the Department of Revenue to develop and implement a statewide, centralized application process for retailers for initial applications and renewals for licenses and permits for the sale of alcoholic beverages (Referred to Regulated Industries).
- <u>HB-679</u> by Rep. Vernon Jones (D-Lithonia) allows the City of Stonecrest to levy an excise tax to fund tourism product development (Referred to Intergovernmental Coordination).
- **HB-706** by Rep. Marcus Wiedower (R-Watkinsville) allows Oconee County to levy an excise tax to fund tourism product development (Referred to Intergovernmental Coordination).
- <u>HB-715</u> by Rep. Shaw Blackmon (R-Bonaire) regarding occupational and business taxes, to eliminate gross receipts as criteria for classifying businesses and practitioners for purposes of calculating the occupation tax levied by local governments. (Referred to Ways and Means).
- HB 730 by Rep. Ron Stephens (R-Pooler), amends O.C.G.A § 48-8-3 to create a new tax exemption for all tangible personal property sold to or used by a host committee tasked with recruiting, planning, and raising funds to host a nonrecurring major sporting event expected to generate over \$50 million in the host locality (Referred to Ways and Means).
- <u>HB-738</u> by Rep. Chuck Martin (R-Alpharetta) changes certain aspects of the distribution of such alcoholic beverages. Provides a statutory process for the discontinuance of agreements between small brewers and wholesalers (Referred to Regulated Industries).
- <u>HB-740</u> by Rep. Ron Stephens (R-Savannah) creates a Sports Marketing Fund in order to attract more sporting events to the state. This fund could provide grant dollars to fund the upfront costs of major sporting events in certain cases. The fund can accept appropriations, donations, and funds transferred from any government entities (Referred to Economic Development and Tourism).
- HR-378 by Rep. Ron Stephens (R-Savannah) is a Resolution proposing an amendment to the constitution so as to provide all forms of betting, bingo games, raffles, and gambling shall be permitted by the Georgia Gaming Commission (Referred to Regulated Industries).
- <u>HR-238</u> by Rep. Ron Stephens (R-Savannah) seeks to amend the Constitution to provide that the assessed value of commercial property within Savannah for all ad valorem taxation purposes shall not increase by more than 8 percent (Referred to Judiciary).

- **HR-327** by Rep. Ron Stephens (R-Savannah) seeks to amend the Constitution to allow the local authorization of a limited number of licensed destination resort facilities/casino resorts (House withdrawn and recommitted to Economic Development and Tourism).
- **HR-380** by Rep. Craig Gordon (D-Savannah) provides for a law for sports betting (Referred to Regulated Industries).
- <u>SB-12</u> by Sen. Rhett (D-Marietta) seeks to require certain health clubs to have at least one functional automated external defibrillator (Referred to Health and Human Services).
- **SB-33** by Sen. Emanuel Jones (D-Decatur) seeks to prohibit all carrying of weapons in government buildings (Referred to Public Safety).
- <u>SB-45</u> by Sen. Brandon Beach (D-Alpharetta) creates the Georgia Horse Racing Commission and the "Rural Georgia Jobs and Growth Act," (Senate recommitted to Economic Development and Tourism).
- <u>SB-46</u> by Sen. Donzella James (D-Atlanta) revises minimum wage laws to provide for an increase in the minimum wage as well as an annual cost of living adjustment (Referred to Insurance and Labor).
- **SB-49** by Sen. Nan Orrock (D-Atlanta) wants to prohibit an employer from relying on salary history (Referred to Insurance and Labor).
- <u>SB-51</u> by Sen. Elena Parent (D-Atlanta) seeks to allow local governments to relocate, remove conceal, obscure or alter certain monuments. <u>HB-175</u> by Rep. Renitta Shannon (D-Decatur) seeks to accomplish the same goal (Referred to Government Oversight).
- <u>SB-80</u> by Senator David Lucas (D-Macon) Relates to the Georgia Music Hall of Fame Authority, allows for the issuance of new RFPs for a new location, ownership, or operation. (Passed in the Senate 3/7/19).
- **SB-131** by Sen. Burt Jones (R-Jackson) seeks to create the Georgia Major Airport Authority. (Passed the Senate, referred to House Rules).
- <u>SB-146</u> by Rep. Frank Ginn (R-Danielsville) allows for tasting events to be served at retail package liquor stores (House withdrawn and recommitted to Regulated Industries).
- <u>SB-152</u> by Sen. John Albers (R-Roswell) wants to change certain limitations upon manufacturers of alcoholic beverages (Referred to Regulated Industries and Utilities).
- SB-162 by Sen. Matt Brass (R-Newnan) has been updated to include language for short-term rental preemption, does not include a regulatory framework for the time being. GHLA testified on issues in committee. (Adopted by Senate/ in House Rules Committee).
- <u>SB-166</u> by Sen. Lester Jackson (D-Savannah) is the "Georgia Enhanced Penalties for Hate Crimes Act," (Referred to Judiciary).
- <u>SB-172</u> by Sen. John Wilkinson (R-Toccoa) seeks to prohibit local governments from adopting or enforcing ordinances or regulations relating to or regulating building design elements as applied to one- or two-family dwellings (Referred to Government Oversight).
- **SB-195** by Sen. Chuck Hufstetler regarding Prescription Drug Benefits but was replaced by HB583 by Rep. Noel Williams, Jr. which creates a regulatory framework for offering or issuing travel insurance in Georgia (Adopted by the House Insurance Committee).
- <u>SB-198</u> by Sen. Renee Unterman (R-Loganville) allows for the regulation and sale of ice cream or frozen desserts made with alcoholic beverages, that they may be manufactured,

sold, distributed, transported without an alcoholic beverage license or permit (Referred to Regulated Industries and Utilities).

<u>SB-205</u> by Sen. Steve Gooch (R-Dahlonega) proposes a ballot initiative regarding Sunday Sales of distilled spirits and other alcoholic beverages (Referred to Regulated Industries and Utilities).

SB-221 by Rep. Marty Harbin is the "The Religious Freedom Restoration Act," (Referred to Judiciary).

<u>SB-288</u> by Senator Tonya Anderson (D-Lithonia) allows for records restriction from a criminal history record check in certain cases (Was pre-filed, has not been introduced during the session at yet).

<u>SR-184</u> by Sen. Brandon Beach (R-Alpharetta) seeks to amend the Constitution to allow the local authorization of a limited number of licensed destination resort facilities/casino resorts (Referred to Regulated Industries and Utilities).

Visit our main page.

You are currently subscribed to a mailing list of Georgia Hotel & Lodging Association. If you wish to unsubscribe, please <u>click here</u>.