

March 20, 2020

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.

Session Update

As reported last Friday, the Lieutenant Governor and Speaker announced they would be suspending the session following Legislative Day 29 due to the recent Coronavirus outbreak.

Over the weekend, Governor Kemp declared a State of Emergency, and a "special session" was called to convene on Monday, March 16, to approve extraordinary powers for the Governor to deal with the crisis at hand. When the legislature resumes at the call of Speaker Ralston and Lieutenant Governor Duncan, the clock will begin at Day 30, leaving 11 days on the legislative calendar. Any bill that passed the House or Senate, and there were many, is eligible for action by the other body at this point. As a reminder, this includes some of our key initiatives, such as HB448 by Rep. Matt Dollar (R-Marietta) related to short-term rentals and alcohol delivery through HB879 by Chairman Brett Harrell (R-Snellville).

There are several options in play; however, of heightened concern now is the inability of legislators to raise funds for their primary campaigns. Because the legislature "suspended" and did not adjourn to preserve the process for pending legislation, incumbent legislators running for re-election may not raise funds. That is a problem for some as they approach the May 19 primary. Ironically, there are more Democratic seats with primaries than GOP. There are just 9 GOP House members who have primaries. The ban on fundraising does not apply to first-time candidates.

The General Assembly must come back into session at some point since they have not approved a budget for FY2021, which begins on July 1, 2020. The original assumption was that they would only be out for two to three weeks, but changes in circumstances have altered the political and economic environment here in Georgia.

Give Our Industry a Voice - ACTION ALERT

Nearly 40,000 letters have been sent to Congress already. Now, it's time to make our voices heard on social media. If Congress doesn't take a bold enough step to save the hotel industry from this unprecedented travel crisis, millions of workers will lose their livelihoods and thousands of small business hotels will shutter.

Please see AHLA's link here and add your story. This will help our industry and protect our employees. While Congress has taken an excellent first step, it doesn't go far enough. Elected officials need to hear from YOU.

GHLA at the Table

In response to state-level concerns related to the Coronavirus, GHLA has been actively compiling a list of recommended relief efforts for review by Governor Brian Kemp's office in response to the Coronavirus. Our Board and Government Affairs Committee are examining the draft and providing additional insights based on their experiences on the front lines. This list is in process and will be finalized shortly. It will help inform Georgia's Coronavirus response as it relates to the industry.

We will provide a copy of the letter to the membership after it is delivered to the Governor.

Negotiations Begin on Third Stimulus Package in Congress

Yesterday afternoon, Senate Republicans introduced the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the third phase of the Coronavirus stimulus package. Congress is seeking to provide relief for individuals, families, and businesses alike through direct financial assistance to

Americans, rapid relief for companies and employees, steps to stabilize the economy, and aid for the healthcare workforce.

Discussions and negotiations will begin today and have been characterized as mostly bipartisan. Mitch McConnell has vowed that the talks will continue until they've reached a consensus. For the full bill text, please visit here.

A high-level summary of the Economic Stabilization section of the CARES Act is below:

- It provides loans that must be repaid to the government.
- Allows the Treasury Secretary to provide loans and loan guarantees to passenger air carriers, cargo air carriers, and other significant industries severely impacted by government health restrictions to combat the Coronavirus.
- Directs the Treasury Secretary to ensure the U.S. government is compensated for the loans to these industries.
- It provides tax relief to businesses affected by the coronavirus emergency.
- Allows deferred payments on estimated taxes and some payroll taxes, increased deductibility for interest expenses, immediate expensing of qualified property improvements, especially for the hospitality industry, and corrects errors in the Tax Cuts and Jobs Act that inadvertently affected certain businesses.

Senate Majority Leader Mitch McConnell's office provided section-by-section press summaries related to the CARES Act for additional information. Note: healthcare summaries are omitted.

- · Small Business Summary.
- Appropriations Summary.
- Finance Tax Summary.

Political Update

The team would be remiss if we didn't share some political polling data that was published earlier this week for the Atlanta Journal-Constitution by the University of Georgia's School of Public and International Affairs. The research team conducted a poll from March 4-March 14 by contacting 807 likely Democratic primary voters. Their research has a 3.4% margin of error.

How the AJC poll was conducted: Likely Democratic primary voters were respondents who had voted in one or more of the following elections: the 2016 Democratic Primary, the 2018 Democratic Primary, or the 2016 Democratic presidential preference primary; who indicated they were currently registered to vote in Georgia and were definitely or probably going to vote in the 2020 Democratic presidential preference primary.

If the Democratic primary for President were being held today, for whom would you vote?

- Joe Biden 66%
- Bernie Sanders 22%
- Tulsi Gabbard 1%
- Other 0%
- Undecided 12%

The state Democratic primary in May will decide which candidate will challenge Republican U.S. Senator David Perdue. For whom would you vote?

- Jon Ossoff 31%
- Teresa Tomlinson 16%
- Sarah Riggs Amico 15%
- Undecided 39%

Crossover Day Successes

GHLA advocated both for and against several items that were up for consideration through Crossover Day on March 13. We are pleased to report that HB448 by Rep. Matt Dollar (R-Marietta), which focused on capturing the hotel/motel tax and the \$5 fee from short-term rentals, passed the House (105-48) and was assigned to the Senate Committee on Assignments until further notice. This bill works in concert with HB276 by Chairman Brett Harrell (R-Snellville), which mandates that marketplace facilitators collect and remit taxes on short-term rentals and other platforms. Additionally, GHLA worked to ensure HB879 by Chairman Brett Harrell (R-Snellville) passed the House. This bill is focused on alcohol delivery and an update to the three-tier system in Georgia.

There were several burdensome mandates that the industry had concern over that failed to cross over. One such item was creating a private right of action for sexual harassment in the workplace. While supportive of the intent, the Association had concerns over how HB1121 by Rep. Chuck Efstration (R-Dacula) was drafted. This bill was placed on the supplemental Rules calendar but failed to get a vote before the end of the day.

Additionally, there were several bills that could be perceived as discriminatory that failed to Cross Over:

- SB221 by Sen. Marty Harbin (R-Tyrone) adopts the federal Religious Freedom Restoration Act.
- SB368 by Sen. Marty Harbin (R-Tyrone) allows faith-based adoption agencies to refuse to place children with couples on religious grounds.
- HB1060 by Rep. Ginny Ehrhart (R-Marietta) would make it a felony for doctors to administer treatment to a minor undergoing transgender transition therapy.
- HB1083 by Rep. Jesse Petrea (R-Savannah) seeks to amend Title 17 to require a peace officer to take certain actions upon verification that a suspect is an illegal alien.

Legislative Tracking Update

Please click here to go to our Legislative tracking page for the complete list of bills we are watching.

Visit our main page.

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