



## May 15, 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.

### **Governor Kemp Eases Restaurant Restrictions**

On Tuesday, Governor Kemp released an updated Executive Order extending the state-mandated compliance guidelines for restaurants until May 31. Restaurants were allowed to reopen across the State on Apr 27, and several are planning on dine-in service in the upcoming weeks.

The Governor made some targeted changes in consultation with the Department of Public Health, such as increasing party size from six to ten patrons per table. The square footage requirements have been decreased from ten patrons per 500 square feet to 300 square feet. All of the other guidance remains in place at this time.

There are 39 COVID-related requirements in place that restaurants must follow. The most critical measures are the capacity limitations in dining areas and the condition that employees must wear masks. As with prior orders, local city or county leaders may not implement more rigid safety measures.

The public health emergency remains in effect until Jun 12, which requires anyone over the age of 65 and those deemed medically fragile to shelter in place. Public gatherings of more than ten people are not permitted. Bars, nightclubs, live performance venues, and amusement parks must remain closed through May 31. The Governor is still asking Georgians to practice social distancing.

To read the Governor's Executive Order, "Reviving a Healthy Georgia" please visit [here](#).

### **DPH Issues Pool Guidance**

The Governor's "Reviving a Healthy Georgia" has allowed restrictions on pools to expire pending additional information from the Georgia Department of Public Health. The DPH on Thursday issued a seven-page document outlining procedures for social distancing, keeping public spaces clean, and keeping sick patrons out.

DPH is recommending frequent disinfecting, cleaning surfaces, limiting locker room use, and enforcing social distancing through physical barriers. DPH recommends canceling large events and classes to prevent crowds from becoming too large. They may contact their health department on an as-needed basis for guidance on smaller events.

The State is requesting that workers be screened if they have COVID-19 symptoms and should not report to work when ill. Pools typically open around Memorial Day, so the guidance is timely. DeKalb and Cobb counties commented that they still do not have plans to reopen public pools for the season.

For more information about minimizing illnesses associated with swimming pools, please visit the Department of Public Health's website [here](#).

### **Joint Appropriations Committee Meets Virtually**

The Joint Appropriations Committees hosted a question and answer session with Dr. Jeffrey Dorfman (State Fiscal Economist) and Kelly Farr (Office of Planning and Budget Director) on Wednesday. Farr opened the meeting by stating that this is truly an unprecedented time in Georgia's history, and he believes they will have to start making difficult decisions soon. Dr. Dorfman indicated that he thinks the third quarter of 2020 will still see lagging revenue collection compared to the original forecast but that the fourth quarter could look normal. Some of the highlights from the discussion are as follows:

- Georgia will have to use \$1-1.5 billion of the reserve fund to close out the Fiscal Year 2020.
- They have asked state agencies for a 14% cut as a precautionary measure. It will better prepare them for the cuts that may follow.

- Some members asked why they couldn't focus more on mid-year adjustments. Farr indicated that midyear adjustments are costly and damaging to agencies. They tend to be more disruptive and leave less time to plan.
- Committee members asked about consumer confidence metrics. Dr. Dorfman said there are no real metrics at this time, but UGA is working on some research that he hopes to see published in the future.
- Dr. Dorfman addressed a possible housing collapse. He indicated that he expects to see housing prices remain flat.
- The Governor's office is working with GMA/ACCG on a plan to distribute the local portion of CARES Act funding. This plan will be distributed soon.
- The State expects to recoup \$1-\$1.5 billion in tax revenue after the deferral deadline is over (income tax collection).
- The State will be creating a publicly accessible website for tracking CARES Act funding.

At the end of the meeting, Chairman Terry England asked about the responsibility of states for any inappropriate expenditures of CARES Act funds by localities. He noted that the State would be responsible for repaying any improper expenses that are found during an audit. Farr indicated that he is working with GMA/ACCG on their plan to ensure the funding is spent appropriately and that there are guardrails.

To view the meeting, you can visit here for the live [link](#).

Additionally, House Speaker David Ralston issued a memo to House members and staff on Tuesday regarding reopening. The Speaker indicated that they would be following a new list of procedures upon returning to the session on Jun 11.

Ralston plans to transition staff back to the Capitol on Jun 1, with in-person meetings starting on Jun 2. The House compiled a report of safety guidelines that the Georgia Building Authority (GBA) will help them enforce. Face masks will be highly encouraged, and temperature checks will be performed at doors. The Senate does not yet appear to be on the same page. Lieutenant Governor Geoff Duncan has indicated he plans to have the Senate return on Jun 15.

### **HEROES Act Released**

Hotel industry priorities are included in the most recent Congressional legislation. Today the House of Representatives unveiled a \$3 trillion legislative package aimed at getting the economy back on track.

Here are the top three things you need to know:

1. House Leadership has released the next legislative package in response to the Coronavirus. H.R. 6800 – The HEROES Act is expected to be considered by the full House of Representatives as early as Friday. An overview of the bill can be found [HERE](#).

A number of key AHLA priorities are included in the legislation:

- Extends the covered period of the PPP from Jun 30, 2020, to Dec 31, 2020
- Allows 501(c)(6) organizations to receive Paycheck Protection Program (PPP) funding
- Eliminates the 75%/25% rule on the use of loan proceeds
- Changes the maturity period of PPP loans from 2 years, which was set by Treasury, to a minimum of 5 years
- Clarifies the coordination between the Employee Retention Tax Credit and the PPP loans to ensure borrowers can take advantage of both types of assistance
- Improves the Employee Retention Tax Credit, including increasing the applicable percentage of qualified wages reimbursed and increasing the limit on wages

2. Also included in the HEROES Act are a number of enhanced spending measures:

- \$500 BILLION for state governments, \$375 BILLION for local governments, and \$20 BILLION for tribal relief
- \$175 BILLION for a public health and social services emergency fund
- \$75 BILLION housing assistance
- \$10 BILLION for small businesses

3. AHLA Front Desk Feedback: New Survey - AHLA is conducting a survey of members regarding the impact of COVID-19 on hotel staffing, hiring and rehiring. Please [complete the survey by COB Wednesday, May 13](#). All responses will be anonymized, and no individual member information will be shared. Additionally, if you have been able to rehire staff after receiving a PPP loan and are willing to tell your story, please reach out to [media@ahla.com](mailto:media@ahla.com).

We will continue to keep you updated about developments on the Hill. Thank you for your ongoing support.

**Legislative Tracking Update**

Please [click here to go to our Legislative tracking page](#) for the complete list of bills we are watching.

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