



### **March 29, 2024**

Welcome to GHLA @ the Capitol, your Sine Die update about news you need to know related to Georgia's lodging industry and the 2024 General Assembly.

GHLA's legislative team were your eyes and ears under the Gold Dome.

### **The Georgia Assembly Adjourns Sine Die!**

With the 2024 legislative session coming to a close on Thursday, March 29th, the Governor will have 40 days to sign, veto, or allow legislation to become law by effective dates. Once again, your GHLA championed a monumental legislative session progressing several key measures important to hotels across the state. Below are the relevant updates of GHLA priority bills. More to come as the governor has 40 calendar days to determine which bills will materialize into law.

### **C-PACE Financing**



*Representative Steven Sainz presents House Bill 206 on Sine Die*

In a dramatic turnaround from Tuesday night's vote, your GHLA is proud to report that HB206 (C-PACE) received final passage by the Georgia House on Sine Die with a vote of 142 Yeas to 22 Nays, having flipped 70 votes! We are grateful to author, Representative Steven Sainz, and the Senate Sponsor, Senator Frank Ginn for bringing this important measure forward. We are especially thankful to Representative Sainz for his tireless efforts throughout the legislative process. Without his dedication and unwavering support, HB206 would not have been possible, which is why

Representative Steven Sainz will be recognized throughout the year as one of GHLA's Legislature's of The Year.

In our current high interest rate environment, C-PACE will allow hoteliers to access much lower-cost private capital to finance new developments and renovations.

### **How it works**

- C-PACE provides private funding for up to 100% of the costs of improvements, repayable over the life of the improvements at low fixed interest rates by using our existing special assessment and property tax framework to securing the financing and collect payments.
- All participants in a transaction—the commercial property owner, the lender, and the participating local government—will enter into an agreement by which the owner gets funds to make improvements and repay the loan alongside his property taxes.

[HB 206](#) by Rep. Steven Sainz (R-St. Mary's) authorizes commercial property assessed clean energy (C-PACE) financing and allows hoteliers to take advantage of low-cost financing for energy efficient upgrades and other capital purchases. The substitute authorizes development authorities to provide certain financing for qualifying improvements including energy efficiency, water conservation, renewable energy, and resiliency improvements. This bill allows for commercial/ industrial properties renovation or new construction assessments to be done to improve the financing so they can get a much better interest rate with a tax-backed assessment loan and is endorsed by the Georgia Manufacturing Association, Georgia Hotel Lodging Association, Georgia Restaurant Association, Georgia Municipal Association, and the Georgia Economic Developers Association. Currently, 34 other states have similar legislation in place.

This bill has been a two-year process to perfect the measure. HB 206 passed the Senate on LD 39 with a vote of 43-9 and received final approval and passage by the House with a vote of 142-22 on LD 40.



*HB206 passes on Sine Die 142-22*

### Swipe Fee Study Committee

[HR1135](#), by Representative Todd Jones (R-South Forsyth) "House Study Committee on Credit Card Fee on State Sales and Excise Tax and Their Impact on Georgia Merchants and Consumers; create" was also heard and passed out of House Agriculture and Consumer Affairs this week. HR1135 would create an opportunity for GHLA, along with all businesses, to come to the table during the off-season, to study the impact excessive taxes have on industry. The proposed study committee, as outlined, is a crucial step towards understanding the full extent of the problem and identifying potential solutions. By examining the impact of swipe fees on both merchants and consumers, as well as exploring topics such as fraud liability, consumer prices, and the competitiveness of the payment card marketplace, the committee can provide valuable insights and recommendations for legislative action. GHLA signed on to a letter of support along with several other business groups and associations, and we look forward to identifying potential solutions throughout the process.

### Covid Liability Protection

[SB430](#) by Sen. Greg Dolezal (R-Cumming) "COVID-19 Pandemic Business Safety; provisions for rebuttable presumptions of risk by claimants in certain COVID-19 liability claims; revise" repeals certain warning requirements for COVID-19 liability claims. The bill will allow businesses to remove warning signs around their establishment in relation to Covid-19. This bill is pending on the Governor's desk.

### Governor's Tort Reform

[HB1114](#) sponsored by Rep. Wade (R-Dawsonville) would allow the Georgia Department of Insurance Commissioner to collect additional data from certain insurers, insurance rating organizations, and state agencies from July 1, 2024 to November 1, 2029 to determine tort-related risks of insurers. This legislation is supported by the Governor and his multi-year initiative for Tort Reform. HB 1114 is now awaiting the Governor's signature.

### **TPP Tax Exemption Increase**

[HB808](#) by Rep. Mike Cheokas (R-Americus) would raise the tax exemption of the tangible personal property (TPP) tax from \$7,500 to \$20,000. This bill would reduce the tax burden for businesses that have already paid sales tax for items also eligible for the TPP tax. HB 808 passed the Senate on LD 39 and is now pending the governors signature.

### **Historic Structures Tax Credits**

[SB496](#), formerly an ad valorem tax bill by Sen. Max Burns (R-Sylvania), was stripped and substituted with language from three historic structure tax credit bills: [HB1197](#) (Rep. Houston), [HB1116](#) (Rep. Buckner), and [HB1134](#) (Rep. Stephens). This bill will extend the sunset for residential historic rehabilitation projects to 2029 and resets the sunset for Rep. Houston's downtown historical uplift tax credit. This bill is pending on the Governor's desk.

### **High Demand Career List**

[HB982](#) by Rep. Matthew Gambill (R-Cartersville) requires the State Workforce Development Board to develop, approve, and annually publish a High-demand Career List identifying those careers most critical to the state's current and future workforce needs. The high demand career list will help state and local education agencies to focus education and career pathways into filling those high demand jobs. This bill would not require annual legislation to update the list - the Board will have the ability to keep the list dynamic. This bill is pending on the Governor's desk.

### **Soap Box Derby Passes the Finish Line!**

[HB1026](#) by Rep. Leese Hagan (R-Lyons) would designate the Southeast Georgia Soap Box Derby as the official soap box derby of Georgia. Georgia does not currently have an official soap box derby; however, the Southeast Georgia Soap Box Derby was the second largest in the country. Lyons, Georgia greatly benefits greatly from the tourism the derby brings each year.

The committee substitute combined the Soap Box Derby language with [HB1440](#) by Rep. Vance Smith (R-Pine Mountain). HB1440 is titled the "Richard H. Smith Georgia CHIPS Advancement in Research and Economic Development Act" and acts as an incentive to attract semiconductor companies to locate or relocate to the state of Georgia by offering grant and loan programs. The perfected committee substitute combines the language of both bills to bring various forms of economic prosperity to the great State of Georgia.

This bill is now pending on the Governor's desk awaiting signature.

### **Small Business Protection Act of 2024**

[SB429](#) sponsored by Sen. Dolezal (R-Cumming) provides for the preparation and submission of a Small Business Impact Analysis for bills introduced during sessions of the General Assembly. This bill is the centerpiece of the Lieutenant Governor's Red Tape Reduction agenda and creates a Small Business Impact Analysis. Members of

the General Assembly will estimate the economic costs and benefits bills would have on small businesses, including the cost of providing goods and services, the availability and cost of workers, industry competition and consumer choice, and potential compliance cost. The hope of this is to prevent the implementation of any regulatory mechanisms that may be harmful to small businesses. The Senate agreed to the House Substitute on LD 39.

### **SB73 Conference Committee Report**

[SB73](#) by Sen. Blake Tillery (R-Vidalia) requires that the State Bar of Georgia create rules related to soliciting any media for the provision of legal services (billboards along interstates). These rules shall prohibit misleading or false representation, disclose the location of businesses of the law firm and prohibit the depiction of a non-employee from being depicted. Enforceable by a cease-and-desist letter by the GA attorney general. Courts may impose a \$10,000 fine for every violation and the media would not be held accountable for publishing the violations.

This bill would also allow injunctive relief for civil damages for Georgia citizens who have elected not to receive telemarketing calls but continue to receive them. It removes the requirement that a person or entity making a call to someone on the no-call list be made knowingly, meaning solicitors face strict liability in these instances.

The conference committee report was adopted by the House and Senate on LD 39.

### **FY25 Budget Education**

Teachers will see a \$2,500 pay increase and money will also go to increase school security by adding resource officers and updating technology. The FY25 budget enhances the Georgia Pre-K programs and makes salary adjustments for lead and assistant teachers to ensure parity with K-12 schools. The budget also increases start-up grants for new classrooms and transportation, as well as an operating increase for private providers. \$6.1 million was set aside for literacy employment funding. The Conference Committee restored \$6 million in funding for reduced lunch for students.

### **Transportation**

Perhaps having one of the largest appropriations in the budget, receiving nearly \$2.4 billion in state funding and close to \$4.2 billion with state and federal funding combined. \$1 billion of the Department of Transportation's budget will go towards capital construction projects for local and state road enhancement projects and road construction. About \$42 million in state funding will be set aside for the purpose of supporting the planning, development, and maintenance of Georgia's transit system.

The [FY25 budget](#) passed on LD 40.

### **Social Media Age Verification**

[SB351](#) by Sen. Jason Anavitarte (R-Dallas) seeks to provide for social media platform access by minors; to require local boards of education to adopt, implement, and

enforce social media policies. It also authorizes the Attorney General and the Department of Education to consult with and assist local boards of education in the development and implementation of such policies.

The bill also includes other technology in education language from bills [HB338](#) and [HB910](#), which seeks to protect from the distribution of material harmful to minors without performing age verification. This bill received final passage on LD 40 and is pending on the Governor's desk.

### **Squatters / Eviction Reform**

[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." HB1017 will provide additional means to ensure lawful evictions are enacted by law enforcement efficiently. This bill is pending on the Governor's desk.

Similarly, [HB404](#) Sponsored by KC Carpenter (R-Dalton) "Safe at Home Act; enact," includes language to further expedite the eviction process. HB404 was agreed to by the house on LD40 and now awaits the governor's signature.

### **Tax Bills**

[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. This bill is pending on the Governor's desk.

[HB1192](#) 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. This bill is pending on the Governor's desk.

[HB1015](#) 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. This bill is pending on the Governor's desk.

[HB1181](#) 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. This bill is pending on the Governor's desk.

[HB1021](#) by Rep. Lauren Daniel (R-Locust Grove) increases the child tax deduction from \$3,000 to \$4,000 per child. This bill is pending on the Governor's desk.

[SB496](#) by Rep. Max Burns (R-Sylvania) stripped and replaced with language from [HB1134](#), [HB1116](#) and [HB1197](#) historic properties tax credit sunset extension. This bill is pending on the Governor's desk.

### **Additional Bills That Passed:**

#### **Human Trafficking Hotline**

[SB370](#) by Sen. Mike Hodges (R-Brunswick) requires certain establishments to provide human trafficking hotline information clearly visible business restrooms, including hotels. The goal is to ensure ample resources and encourage reporting for victims or concerned individuals. This bill is pending on the Governor's desk.

#### **Covid Liability Protection**

[SB430](#) by Sen. Greg Dolezal (R-Cumming) repeals certain warning requirements for COVID-19 liability claims. The bill will allow businesses to remove warning signs around their establishment in relation to Covid-19. This bill is pending on the Governor's desk.

#### **Labor Unions**

[SB362](#) sponsored by Sen. Hodges (R-Brunswick) provides requirements for employers to be eligible to receive an economic development incentive. It states that employers must voluntarily grant recognition rights for the employees on the basis of signed labor organization authorization cards and voluntarily disclose an employee's personal contact information to a labor organization. This bill is pending on the Governor's desk.

#### **Savannah-Georgia Convention Center Authority**

[HB1041](#) by Rep. Ron Stephens would allow the Savannah Convention Center Authority to increase their bonding from \$50 million to \$400 million, matching the World Congress Center Authority. Having Generated hundreds of millions of dollars in revenue since opening in 2000, The Convention Center would like to sell private bonds to fund the construction of a new hotel at the center. This bill is pending on the Governor's desk.

#### **High Demand Careers**

[SB497](#) Sponsored by Billy Hickman (Republican) relating to vocational, technical, and adult education, so as to redesignate the High-demand Career Initiatives Program as the High Demand Apprenticeship Program.

#### **Anti Semitism Legislation**

[HB30](#) by Rep. John Carson (R-Marietta) requires certain agencies to consider the definition of antisemitism provided in this act in the enforcement of laws and regulations prohibiting discrimination on the basis of race, color, religion, or national origin.

#### **Cherokee Legend of Princess Trahleyta**

[SR609](#) by Rep. Steve Gooch (R-Dahlonega) dedicates a roundabout in Dahlonega in the memory of Princess Trahleyta.

## **Land Conveyance Bill**

[HR1116](#) by Rep. Clay Pirkle would authorize the lease of certain state-owned property in Bartow County and the conveyance of certain state-owned property in Chatham County, Dodge County, Fulton County, Houston County, Morgan County, Paulding County, Walker County, and White County.

## **Study Committees:**

[SR37](#) by Sen. Donzella James (D-South Fulton) creates the Senate study committee on Property Owners' Associations, Homeowners' Associations, and Condominium Associations. The committee will study the associations' needs, conditions, issues, and problems and create recommendations to mitigate them.

[SR476](#) Sponsored by Sen. Albers (R-Roswell) creates the Senate Study Committee for Artificial Intelligence to investigate concerns and usage of this new technology. The committee would consist of 6 Senators, an instructor from a higher education institution, an attorney with specific knowledge, a business professional with expert knowledge and experience with AI technologies and products.

[HR1135](#) Sponsored by Rep. Jones (R-South Forsyth) creates the House Study Committee on Credit Card Fees on State Sales and Excise Tax and Their Impact on Georgia Merchants and Consumers.

[HR1554](#) by Rep. Lynn Smith (R-Newman) creates the House Study Committee on Navigable Streams and Related Matters.

## **GHLA Has Established A Framework for 2025:**

### **Human Trafficking Prevention**

[HB959](#) sponsored by Rep. John Corbett, formerly a motor vehicles bill, was stripped and substituted with the language from SB 512 by Senator Still (R-Norcross). SB512 by Sen. Shawn Still creates the Victims of Human Trafficking Fund and the Victims of Human Trafficking Fund Commission, as well as creates Human Trafficking training programs for lodging businesses. Most notable to our industry is the section regarding Human Trafficking prevention training. GHLA worked closely with the author, Senator Shawn Still, and house sponsor, Representative Deborah Silcox, on a friendly and necessary amendment to include all lodging businesses, including short term rentals, while adding a good faith clause to provide necessary liability protection for hoteliers. GHLA has been working tirelessly to perfect this legislation and will continue to work closely with the author and house sponsor as it moves through the legislative process. We are grateful to Senator Still and Representative Silcox for moving this important legislation forward. If passed, this would be the first of its kind legislation to hold short term rental platforms accountable for requiring human trafficking prevention training to all their hosts and employees of those hosts including management companies. Our ultimate goal is to ensure employees of all lodging



businesses have the best training possible and for our guests to feel safe while offering our hoteliers the necessary level of protection.

Unfortunately, HB 959 did not receive a motion to agree to the Senate Substitute in the House due to mechanical issues on LD 40 and, as such, did not receive final passage.

### **Marketplace Innkeeper**

[SB534](#) by Senator Derek 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. This bill includes language from [HB1101](#) by Rep. Mainor (R-Atlanta) that requires cash overpayments to be remitted by merchants in the form of store credit under certain circumstances. Most notably, the underlying legislation would require Short Term Rental platforms and Online Travel Agencies to provide 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. Additionally, this bill now includes [HB1206](#) which requires a merchant to offer and provide a copy where any electronic signature is required of a consumer.

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. SB 534 did not receive final passage this session, but we are hopeful this legislation will be back again next year.

### **Pass the Cornbread, Please!**

[HB1048](#) by Rep. Kasey Carpenter (R-Dalton) would make cornbread the official state bread of Georgia. The bill states that cornbread is "inextricably associated" with the food history and traditions in Georgia and highlights the Prater's Mill Country Fair in Whitfield County. HB 1048 passed out of the Senate Economic Development & Tourism committee this week as a committee substitute, with language including the creation of the "Georgia State-wide Music Office Act".

The "Georgia State-wide Music Office Act" language is from a bill authored by Sen. Sonya Halpern (D-Atlanta). Administered by the Department of Economic Development, the office will focus on the statewide growth of Georgia's booming music industry.

Unfortunately, this piece of legislation never made it off the Senate Table on Sine Die and did not receive final passage this year.

### **Sports Betting**

The House Higher Education Committee passed [SB386](#) & [SR579](#) to authorize a ballot question for Georgia voters to decide whether or not to legalize, regulate and tax sports betting. If approved by voters, the legislation sets out a framework under the Georgia Lottery Commission and dedicated funding for education, as well as to address

problem gaming. Sports betting made it to the rules calendar on LD 40 on a supplemental late in the day; however, it never received a vote.

## **GHLA Opposed Legislation that Failed:**

### **Premise Liability**

[HB1371](#) by Rep. James Burchett (R-Waycross) deals with premise liability and the substitute narrows its applicability. The bill was brought under the guise of balancing the business community's growing tort liability and the concern about insurance companies pulling out of Georgia. In concept, the bill seeks to reduce property owners' liability for third party crimes that occur on their property. Concerns from the business community remain due to an extremely narrow scope of applicability and no assurances of how this would work in practice. GHLA and many other business organizations issued the following statement to members of the senate in an effort to stall the legislation:

“Members of the Senate: The business community has grave concerns about House Bill 1371. The current state of negligent security law in Georgia is critically flawed and, unfortunately, HB 1371 does not achieve the necessary reform to mitigate liability concerns faced by landowners across our state. While the effort to refine and improve our legal framework is always welcome, it is vital that the legislation you enact is the product of thorough consideration and constructive dialogue. As it stands, HB 1371 not only overlooks the business community's essential needs but risks exacerbating our existing challenges. We urge this body to carefully consider taking an action on this bill in light of our opposition. The breadth of our coalition spans across all commercial entities, including vulnerable small businesses. Every landowner in the state of Georgia should be concerned if HB 1371 is enacted in its current form.”

GHLA is proud to report that this bill did not receive final passage.

### **Student Athlete Mental Health**

[HB1104](#) sponsored by Rep. Omari Crawford (D-Decatur) originally included language to address mental health risks for student athletes; however, the bill was substituted in the Senate Education and Youth committee to provide for notifications to parents/ legal guardians of public school students of the right to receive email notification each time their child obtains school library material, prevent sex education from being taught before sixth grade, protects the sanctity of female sports, and to keep bathrooms and locker rooms segregated between biological males and biological females. This bill passed the Senate on LD 39 with a vote of 33-21. GHLA is proud to report that the House did not call up a motion to agree to the Senate Substitute, and HB 1104 did not pass.

### **The Georgia Religious Freedom Restoration Act**

A related measure, [SB180](#) the RFRA legislation, sponsored by Sen. Ed Setzler (R-

Acworth) did not receive a committee hearing in the House and was not eligible for final passage.

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. Though SB180 passed the senate, GHLA is proud to report that it did not receive final passage in the house.

GHLA will continue to oppose any legislation that gives the perception that Georgia is an unwelcoming state.

### **Film Tax Credit Repeal**

[HB1180](#) by Rep. Carpenter (R-Dalton) 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. HB 1180 was substituted into SB 349 in a House Rules substitute on LD 40 in a last ditch effort to receive passage; however, it never received a motion to agree in the Senate. The film tax credit legislation did not pass this year.

### **Other Noteworthy Bills That Did Not Pass**

[HB314](#) by Rep. Ron Stephens (R-Savannah) establishes the position of director of outdoor recreation in the Department of Natural Resources

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

[HB398](#) by Rep. Scott Hilton (R-Peachtree Corners) removes an exception permitting certain ticket broker retail restrictions and provides that resale restrictions are void and against public policy.

[HB501](#) by Rep. Deborah Silcox (R-Sandy Springs) Allows minors of 14 years or older to work without an employment certificate during vacation from school in the summers and Prohibits employers from discriminating against employees based on age of 40 or more.

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

[HB738](#) by Rep. Scott Hilton (R-Peachtree Corners) creates the Task force on workforce and safety net integration.

[HB843](#) by Rep. Ron Stephens (R-Savannah) provides regulations for the sale of alcoholic beverages at certain locations on Sundays, such as wine barns and wine shops.

[HB1121](#) sponsored by Rep. Bethany Ballard (R-Warner Robins) relating to general provisions applicable to counties and municipal corporations, so as to prohibit local governments from suspending or prohibiting the continued use of property as a short-term rental unit by a property owner under certain circumstances. GHLA opposed this legislation.

[HB1232](#) sponsored by Rep. Matt Reeves (R-Suwanee) would allow municipalities to keep wine bars and wine shops open on Sundays if the sale is lawful otherwise.

[HB1432](#) sponsored by Rep. Matt Reeves (R-Suwanee) provides for a state administered guest worker program under the Commissioner of Labor.

[SB126](#) by Sen. Billy Hickman (R-Statesboro) provides for a limitation on interchange fees charged by payment card networks for retailer transactions.

[SB180](#) by Sen. Ed Setzler (R-Acworth) restricts state and local government from burdening a person's exercise of religion, even if the burden results from a rule of general applicability.

[SB186](#) by Sen. Greg Dolezal (R-Cumming) entitled the Georgia Landowners Protection Act, revises Georgia's premise liability laws.

[SB473](#) Sponsored by Sen. Albers (R-Roswell) protects the privacy of consumer personal data in Georgia. Act to be referred to as the "Georgia Consumer Privacy Protection Act."

### **[GHLA Full Legislative Tracking Update](#)**

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