



## LEGISLATIVE UPDATE



### **January 31, 2025**

Welcome to GHLA @ the Capitol, your weekly update about news you need to know related to Georgia's lodging industry and the 2025 General Assembly.

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

### **Legislative Schedule**

The Legislature convened Tuesday through Thursday this week for legislative days 6-8. The House Appropriations subcommittees continued their meetings regarding the amended FY 25 budget. We also received a detailed plan outlining the Governor's proposed legislation on insurance and tort reform. The Legislature will reconvene on Monday, February 3rd, for day 11. Click [here](#) to view the complete legislative calendar.

### **Litigation and Insurance Reform**

Thank you to the GHLA members who came out in droves to attend the Governor's press conference on Thursday. It is through your willingness to participate in these types of call to actions that we are able to increase our chances of passing meaningful legislation and for that we are truly grateful.



And with that, we are happy to announce that Governor Kemp's proposed tort reform legislation has officially been introduced in the following bills:

[SB 68](#) - Civil Practice; substantive and comprehensive revision of provisions regarding civil practice, evidentiary matters, damages, and liability in tort actions; provide  
[SB 69](#) - "Georgia Courts Access and Consumer Protection Act"; enact

For a full executive review of Governor Kemp's comprehensive plan, please see below.

### **Executive Summary and Tort Reform Legislation Overview**

Current Georgia law unfortunately incentivizes excessive lawsuits, harms the ability of our job creators to start, operate, and grow their businesses, and ultimately results in higher prices for hardworking Georgians. It is abundantly clear the status quo is undermining the future of our people and our economy.

Governor Kemp's tort reform package levels the playing field in our courtrooms, bans hostile foreign powers from taking advantage of consumers and legal proceedings, aims to stabilize insurance costs for businesses and consumers, increases

transparency and fairness, and ensures Georgia continues to be the best place to live, work, and raise a family.

These much-needed reforms strike the right balance by protecting every Georgian's constitutional right to civil justice while also bringing Georgia more in line with the legal environments of our neighboring states that we compete with for jobs and investment.

Above all, Governor Kemp's tort reform package puts families and consumers first by tackling the hidden costs we all pay thanks to Georgia's current tort laws.

Below are the specific policy areas addressed by the legislation.

### **1. Reevaluating the Standard for Negligent Security Liability (“Premises Liability”).**

#### **The Problem:**

Businesses of all sizes—but particularly small businesses—are shutting their doors due to skyrocketing commercial property insurance costs to cover the risk of a business being held liable for the criminal acts of a third party. Businesses have a duty to take care of their customers and keep them safe, but currently, businesses face enormous liability for things that are totally outside their control. Governor Kemp highlighted some of these examples in his State of the State Address to begin this year's legislative session.

#### **The Solution:**

Governor Kemp's legislation ensures businesses should only be liable for what they directly control. If signed into law, the legislation would hold property owners liable for failures to keep their property safe for their customers and the public, but protect establishments for simply opening their doors and employing hardworking Georgians in communities and neighborhoods that need them.

### **2. Truthful Calculation of Medical Damages in Personal Injury Cases (“Phantom Damages”)**

#### **The Problem:**

Under current law, the jury is prevented from knowing how much a plaintiff—or a plaintiff's insurer—actually paid for medical costs. This inflates the true cost of damages, which gets passed down to consumers. Plaintiffs that are successful in litigation should always be made whole and have their costs covered. However, awarding plaintiffs—and in turn, their attorneys—more than their true costs distorts our judicial system and incentivizes frivolous litigation that ultimately impacts every person in this state seeking care. Our civil justice system should make victims whole, not award “profit margins” for accidents.

#### **The Solution:**

This bill requires the plaintiff to only seek damages in the amount actually paid (or will be paid in the future) for a medical bill rather than the inflated amount that is currently introduced in evidence.

### **3. Eliminating the Ability to Arbitrarily Anchor Pain and Suffering Damages to a Jury (“Anchoring”)**

#### **The Problem:**

When a plaintiff brings a lawsuit, some of their damages are already quantifiable—bills, lost income, etc. But Georgia law also allows plaintiffs to recover damages for pain and suffering, emotional distress, and other “non-economic” damages. It has been a staple of our law that these non-economic damages should be left to the jury to decide. Recently, however, we have repeatedly seen attorneys—on both sides—attempt to “anchor” the jury’s mind to irrelevant or arbitrary amounts for these damages, often resulting in enormous windfall awards.

#### **The Solution:**

Georgia law currently gives the jury sole discretion to determine damages for pain and suffering. This portion of the bill will prohibit the use of anchoring tactics by attorneys in closing arguments so the jury can use their own discretion—rather than inflated, artificial benchmarks like the cost of fighter jets, or the number of miles a truck drove, or the salary of a professional athlete—all of which are real examples from cases. This bill does NOT place ANY limit on the jury’s discretion. Rather, the Governor’s legislation protects the jury’s decision-making from irrelevant and improper arguments from counsel.

### **4. Bifurcated Trials**

#### **The Problem:**

When an accident occurs, current Georgia law allows the harmed to recover damages only when someone else is at fault. Liability and damages are two distinct questions, but right now, the jury has to consider them both at the same time and attorneys often try to blur the distinction. Separating the question of liability from the issue of damages ensures defendants are judged for their actions, not for the extent of the plaintiff’s injuries.

#### **The Solution:**

The bill permits a party in a tort case to move for bifurcation of the trial so that liability must be established before the jury hears evidence detailing the extent of the plaintiff’s damages. This clarifies important procedures in the courtroom and gives both sides of a case the same opportunity to have their arguments heard.

### **5. Allowing a Jury to Know Whether the Plaintiff Wore Their Seatbelt (“Admissible Seatbelt Evidence”).**

#### **The Problem:**

Seatbelt use is required by law in Georgia, because we all know that seatbelts keep individuals and families safe in the event of an accident. However, the law prohibits a defendant in an automobile accident case from telling the jury that the other driver was not wearing a seatbelt. This is not only unfair, it defies common sense. Every Georgian with auto insurance is paying the additional cost of those involved in auto accidents who recklessly chose not to wear a seatbelt.

#### **The Solution:**

Remove the current exclusion from the evidence code that prevents the defendant from showing evidence the plaintiff was not wearing his or her seatbelt in an auto accident.

Allowing admission of seatbelt evidence at trial to be used by the defense to mitigate damages, particularly where the plaintiff's failure to use this essential safety feature results in significantly worse injuries for the plaintiff.

## **6. Eliminating Double Recovery of Attorney's Fees.**

### **The Problem:**

A court can award attorney's fees to the plaintiff's counsel or defense counsel under certain circumstances in a personal injury lawsuit. A separate provision under Georgia's contract code allows attorney's fees to be awarded to an insured for a "bad faith" denial of insurance coverage in a lawsuit. These two code provisions for attorney's fees were intended to apply separately in different types of cases. Despite the law's original intent, courts have interpreted the attorney's fees provision in the contract code to apply to personal injury cases as well, allowing for an instance where plaintiff's counsel can recover their fees twice for the same lawsuit – an unfair windfall.

### **The Solution:**

It is common sense that attorneys should not be awarded the same fees twice in one case. The Governor's legislation closes this loophole, and still allows courts to award attorney fees—but only once. An exception to this rule will be where a statute clearly permits double recovery of fees, costs, and expenses.

## **7. Eliminating Plaintiff Dismissal During Trial.**

### **The Problem:**

Currently, plaintiffs have the option to dismiss their case without prejudice all the way up until after the jury is picked and the parties have given opening statements. This standard unfairly allows the plaintiff to refile in or "cherry pick" a more favorable jurisdiction to them after the defense has already racked up the cost of preparing and beginning the trial.

### **The Solution:**

Our bill adopts the same standard followed in the federal rules of civil procedure for voluntary dismissals without prejudice: only allowing them up until responsive pleadings have been filed. Plaintiffs should not get multiple bites at the apple, and this bill ensures that once a plaintiff starts a case, it gets resolved.

## **8. Motion to Dismiss Timing Changes**

### **The Problem:**

Under the current rules, even if defendants file a motion to dismiss in response to a baseless lawsuit, they must still prepare and file an answer, and may also have to respond to extensive discovery requests, before their motion is ruled on. Preparing an answer and discovery responses can be very expensive and time consuming.

### **The Solution:**

This piece of the bill would change the civil practice act to mirror the Federal Rules of Civil Procedure and allow a defendant to file a motion to dismiss in lieu of an answer. It also makes sure judges rule on a motion to dismiss before discovery responses are due. This ensures meritorious cases move forward, while keeping frivolous cases from racking up legal fees and clogging our courts.

## 9. Third Party Litigation Funding

### **The Problem:**

Third-party litigation financing is a multi-billion dollar a year industry, and we know Georgia is a large market for these companies—but right now the industry is extremely opaque, completely unregulated, and rife for potential abuse. Litigation funders prey on vulnerable plaintiffs through enormous interest rates, and foreign actors may fund litigation to obtain the trade secrets of a Georgia business, or to advance their own political interests against the interests of the citizens of this state.

### **The Solution**

First and foremost, our legislation bans hostile foreign adversaries from using our litigation climate to undermine our vital security and economic interests.

Second, the Governor's package seeks to protect consumers from predatory lenders that want to take advantage of litigants in vulnerable situations by prohibiting litigation funders from having any input into the litigation strategy or from taking the plaintiff's whole recovery and making sure plaintiffs are aware of their rights. The plaintiff's interests—not the interests of outside investors—should always come first. When an injured plaintiff gets the verdict they deserve, they should not lose it all to astronomical interest rates or bogus fees that they may not be aware they are obligated to pay.

Third, litigation financiers who wish to operate in Georgia will be required to register with the Department of Banking and Finance, which will ensure these funders are helping plaintiffs and abiding by the law, not taking advantage of consumers and courtrooms alike.

Fourth, the legislation increases transparency for all parties by allowing the involvement of a litigation financier in a case to be discoverable during litigation.

### **"Support Tort Reform to Protect Georgia's Hospitality Industry – Act Today!"**

Georgia's hospitality industry is the backbone of our state's economy, welcoming millions of visitors every year and creating countless jobs. But rising costs, fueled by a broken civil litigation system, are making it harder for hotels to thrive. Governor Kemp has made tort reform a top legislative priority, and now is the time to act to ensure our industry's future success. Here's some more ways you can help secure a better legal system for Georgia's hotels:

1. **Take the Impact Survey** - Let us know how tort laws are impacting your business by taking the "**GHLA Tort Reform Impact Survey**"
2. **Email Your Legislators** – Visit [www.JusticeNotJackpots.com](http://www.JusticeNotJackpots.com) to urge your State Senator and Representative to support comprehensive tort reform.
3. **Contact Your Lawmakers Directly** – If you have relationships with your local legislators, call or text them and explain how vital tort reform is for Georgia's hospitality sector.
4. **Share This Message** – Forward this email to fellow hoteliers, industry partners, and

colleagues. Encourage them to join the fight for meaningful reform that will protect our businesses.

### **Hotel Eviction**

Another priority for GHLA is addressing the discrepancies between innkeeper-guest vs. landlord-tenant relationships. We are thrilled to announce that [House Bill 183](#) by Representative Devan Seabaugh was introduced this week. HB183; A BILL to be entitled an Act to amend Article 1 of Chapter 21 of Title 43 of the Official Code of Georgia Annotated, relating to rights, duties, and liabilities of innkeepers, so as to expand an innkeeper's liens to cover property removed from a room by an innkeeper upon the termination of a guest's contract; to provide procedures for innkeepers to eject persons under certain circumstances from inns; to provide for sheriffs, constables, marshals, and other certified peace officers to eject persons from such facilities under certain circumstances; to provide for the presumption of an innkeeper-guest relationship; to provide for related matters; to repeal conflicting laws; and for other purposes.

In short, this legislation amends Georgia's laws regarding the rights and duties of innkeepers and guests. It clarifies that:

- **Guest Contracts:** A written and signed statement specifying the period of stay is a binding contract. Once this period expires, the guest may be denied access to the room, and their belongings may be held under the innkeeper's lien until outstanding payments are made.
- **Ejection of Unauthorized Occupants:** If a guest remains beyond the agreed period without a valid contract, they may be ejected. An innkeeper can file an affidavit stating the guest's occupancy has expired. Law enforcement must then remove the guest within five days.
- **Enforcement Options:** If local law enforcement cannot execute the ejection within the timeframe, the innkeeper may hire an off-duty certified officer to carry out the removal.
- **Accommodations on a Daily/Weekly Basis:** The law also recognizes innkeeper-guest relationships.

HB183 strengthens the ability of innkeepers to enforce stay agreements and remove unauthorized occupants efficiently.

### **The Georgia Guest Worker Act**

[The Georgia Guest Worker Act \(HB 82\)](#) establishes a state-administered guest worker program under the Georgia Department of Labor. Key provisions include:

**Purpose:** The program is designed to address labor shortages by allowing foreign workers to be employed in Georgia for limited periods.

**Eligibility:**

- Guest workers must be either in their home country or legally in the U.S.
- They cannot have been previously deported, convicted of serious crimes, or denied U.S. entry.
- Employers must prove a labor shortage before hiring guest workers.

#### Employer Responsibilities:

- Pay program fees to the state.
- Provide health insurance and workers' compensation.
- Ensure proper housing and meal provisions if required.
- Cover transportation costs for workers to and from Georgia.
- Pay at least the highest applicable minimum wage.

#### Guest Worker Rights & Obligations:

- Initial work authorization lasts one year, renewable if labor shortages persist.
- Workers must carry an identification card issued by the state.
- They must leave Georgia within 30 days after their employment ends.

#### Penalties:

- Employers violating program rules face fines up to \$5,000 per violation.
- Workers who overstay beyond 30 days commit a felony, punishable by up to five years in prison or \$10,000 in fines.

Implementation: The law takes effect once the Georgia Attorney General confirms it aligns with state and federal law.

Outcome: This act aims to regulate and streamline the employment of foreign workers while ensuring worker protections and accountability for employers.

### **First Lady's Human Trafficking Legislation**

First Lady Marty Kemp and the Office of the Governor have introduced [SB 42](#) to close a legal loophole that could allow human traffickers to receive lighter sentences. The bill ensures offenders face full penalties, strengthening Georgia's fight against trafficking. Announced during Human Trafficking Prevention and Awareness Month, this effort is supported by expanded public awareness training and a new PSA at Georgia's ports to help identify and report trafficking.

### **The Red Tape Rollback Act of 2025**

[The Red Tape Rollback Act of 2025 \(SB 28\)](#) aims to reduce regulatory burdens in Georgia by reforming how legislation and administrative rules are enacted, reviewed, and repealed. Key provisions include:

#### 1. Small Business Impact Analyses

- Requires economic impact studies on small businesses (300 or fewer employees) for proposed legislation.
- Studies must assess costs, competition effects, worker availability, and compliance burdens.
- Analyses can be requested before or during legislative sessions by top state officials.
- Must be revised if a bill is amended and attached to the final legislation.

#### 2. Streamlining Administrative Rulemaking

- Requires agencies to consider economic impacts before adopting new rules.
- Rules imposing \$1 million+ compliance costs must undergo an economic impact study.
- Establishes a legislative override process for rules opposed by committees.
- Agencies must choose the least burdensome and cost-effective option when regulating.

#### 3. Automatic Review & Sunset of Regulations



- Every four years, state agencies must review and justify their existing regulations.
  - Rules automatically expire unless agencies prove they are still necessary and cost-effective.
  - Agencies must conduct public hearings and solicit input before repromulgating rules.
4. Constitutional Officer Exemptions
- Offices like the Attorney General, Secretary of State, and Commissioner of Agriculture must also review rules every four years.
  - However, they have some autonomy in repromulgating necessary regulations.
5. Implementation Timeline
- Most provisions take effect immediately after the Governor's approval.
  - The regulatory review process begins in 2028, with a full schedule established by 2027.

This act seeks to reduce unnecessary regulations, enhance transparency, and ensure laws do not overburden small businesses or the economy.

## **Legislative Tracking Update**

### **House Bills:**

- [HB 67](#) - Supplemental appropriations; State Fiscal Year July 1, 2024 - June 30, 2025
- [HB 68](#) - General appropriations; State Fiscal Year July 1, 2025 - June 30, 2026
- [HB 69](#) - Supplemental appropriations; State Fiscal Year July 1, 2024 - June 30, 2025
- [HB 70](#) - Supplemental appropriations; State Fiscal Year July 1, 2024 - June 30, 2025
- [HB 71](#) - General appropriations; State Fiscal Year July 1, 2025 - June 30, 2026
- [HB 82](#) - Georgia Guest Worker Act;
- [HB 83](#) - Revenue and taxation; increase tax rate on each pack of cigarettes
- [HB 84](#) - Revenue and taxation; increase tax rate on consumable vapor products
- [HB 90](#) - Revenue and taxation; increase maximum acreage to qualify for assessment and taxation as a bona fide conservation use property
- [HB 92](#) - Revenue and taxation; postpone date by which local governing authorities can opt out of base year homestead exemption
- [HB 95](#) - Income tax; credit equal to 20 percent of the federal earned income tax credit; provide
- [HB 96](#) - Revenue and taxation; pack of cigarettes; increase rate of tax
- [HB 98](#) - Income tax; credit equal to 10 percent of the federal child tax credit; provide
- [HB 99](#) - Income tax; credit based upon the federal qualified child and dependent care tax credit; revise
- [HB 104](#) - Equal Athletic Opportunities Act; enact
- [HB 111](#) - Income tax; reduce rate of tax
- [HB 112](#) - Income tax; one-time tax credit for taxpayers who filed returns for both 2023 and 2024 taxable years; provide
- [HB 113](#) - State government; prohibit the state or its agencies from purchasing goods from certain foreign countries or related entities
- [HB 117](#) - Food service establishments; require notification of the country of origin of seafood items
- [HB 120](#) - Crimes and offenses; preemption of local regulation and lawsuits relative to firearms, ammunition, and other weapons; provide for a definition

[HB 121](#) - Second Amendment Preservation Act; enact  
[HB 122](#) - Persons and their rights; life from the moment of conception is accorded same rights and protections guaranteed to all persons; provide  
[HB 126](#) - Alcoholic beverages; purchased from designated retail dealers by small businesses; provide for sale or distribution  
[HB 128](#) - Fair Business Practices Act of 1975; prohibit vehicle rental companies from refusing to rent or lease to individuals over the age of  
[HB 129](#) - Ad valorem tax; bona fide conservation use property; remove a limitation on leased property as to certain entities  
[HB 134](#) - Sales and use tax; manufactured homes; revise and expand exemption  
[HB 135](#) - Housing; discrimination based on hairstyles associated with race, color, or national origin; prohibit  
[HB 141](#) - Revenue and taxation; allow businesses and practitioners to provide affidavits of certified public accountants in lieu of tax returns  
[HB 142](#) - Ad valorem tax; extension of preferential assessment periods for certain historic properties; provide  
[HB 163](#) - Food service establishments; certain food products be disclosed as containing cell cultured meat and plant based meat alternatives; require  
[HB 183](#) - Innkeepers; expand liens to cover property removed from a room upon the termination of a guest's contract  
[HB 184](#) - Georgia Consumer Protection Towing Act; enact  
[HB 188](#) - Criminal procedure; extend certain protections for victims of family violence and stalking with respect to residential leases  
[HB 190](#) - Property; prohibit condominium and property owners' associations from retaliating against property owners for taking certain actions  
[HB 192](#) - Top State for Talent Act; enact  
[HB 201](#) - Food; selling, offering for sale, trading, or distributing lab-grown meat; prohibit  
[HB 210](#) - Alcoholic beverages; retail dealers; revise provisions  
[HB 211](#) - PFAS Receiver Shield Act; enact  
[HB 212](#) - Clean Energy Production Tax Credit Act; enact  
[HB 213](#) - Clean Energy Investment Tax Credit Act; enact  
[HB 214](#) - Evidence; creative and artistic expression evidence is inadmissible at trial; provide

### **House Resolutions:**

[HR 3](#) - House of Representatives; adopt Rules  
[HR 29](#) - General Assembly; appropriation of funds received from certain legal judgments or settlements; provide - CA  
[HR 30](#) - Tax Cuts and Jobs Act of 2017; permanent extension; express support  
[HR 32](#) - General Assembly; increase maximum acreage to qualify for assessment and taxation as a bona fide conservation use property - CA  
[HR 40](#) - House Study Committee on Reinsurance for Essential Industries; create  
[HR 42](#) - General Assembly; motor fuel and diesel fuel taxes; ratify Governor Brian P. Kemp's Executive Orders  
[HR 57](#) - Sex Trafficking Awareness Day at the state capitol; February 11, 2025;

recognize

[HR 97](#) - Property; conveyance of certain state owned property; authorize

[HR 98](#) - Property; granting of nonexclusive easements; authorize

[HR 100](#) - House Study Committee on the Cumulative Impact of Pollution on Economic Development and Growth; create

[HR 120](#) - General Assembly; extend regular legislative sessions to a maximum of 90 legislative days - CA

### **Senate Bills:**

[SB 9](#) - "Ensuring Accountability for Illegal AI Activities Act"; enact

[SB 12](#) - Inspection of Public Records; documents and records in the possession of private persons or entities; revise provisions

[SB 13](#) - Georgia Environmental Finance Authority; finance and perform certain duties in connection with projects relating to natural gas facilities; authorize

[SB 21](#) - Local Governments; violation of the prohibition on immigration sanctuary policies; waive sovereign and governmental immunities

[SB 24](#) - Ad Valorem Taxation of Property; extension of preferential assessment periods for certain historic properties; provide

[SB 28](#) - "Red Tape Rollback Act of 2025"; enact

[SB 36](#) - "Georgia Religious Freedom Restoration Act"; enact

[SB 37](#) - "AI Accountability Act"; enact

[SB 39](#) - Employees' Insurance and Benefits Plans; expenses for gender-affirming care under the state health benefit plan or with any state funds; prohibit coverage

[SB 41](#) - Education; equal athletic opportunities for public school students; provide

[SB 42](#) - Penalties for violating Code Sections 16-6-9 through 16-6-12; certain penalty provisions for the offense of prostitution, keeping a place of prostitution, pimping, and pandering; repeal

[SB 43](#) - Bona Fide Conservation Use Property; the maximum acreage to qualify for assessment and taxation; increase

[SB 46](#) - "Government Serves the People Act"; enact

[SB 55](#) - "Dignity and Pay Act"; enact

[SB 57](#) - "Freedom of Speech and Belief Act"; enact

[SB 59](#) - Bona Fide Conservation Use Property; a limitation on leased property; remove

[SB 64](#) - Local Government and State Government; certain transactions between government entities and certain foreign persons; prohibit

[SB 67](#) - Income Taxes; income tax credit equal to 20 percent of the federal earned income tax credit; provide

[SB 68](#) - Civil Practice; substantive and comprehensive revision of provisions regarding civil practice, evidentiary matters, damages, and liability in tort actions; provide

[SB 69](#) - "Georgia Courts Access and Consumer Protection Act"; enact

### **Senate Resolutions:**

[SR 3](#) - Senate Rules; adopt

[SR 6](#) - General Assembly Meetings and Adjournments; relative

[SR 55](#) - Bona Fide Conservation Use Property; maximum acreage to qualify for assessment and taxation; increase -CA

[SR 56](#) - Bona Fide Conservation Use Property; maximum acreage to qualify for assessment and taxation; increase -CA

[SR 84](#) - Right to Reproductive Freedom; provide

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

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