

## Plumbing and Mechanical Association of Georgia

# *Legislative Report*

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February 8, 2008

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*One major issue has already completed the process as Governor Sonny Perdue this week signed the Comprehensive Statewide Water Plan. The Georgia General Assembly completes the 14<sup>th</sup> legislative day of the 40-day session today and will meet next week Monday through Thursday. After a four-day recess, the lawmakers will then reconvene on Tuesday, February 19.*

### **Mandated leave bill diminishes “employment-at-will.”**

The House Industrial Relations Committee yesterday heard testimony on legislation to enact state-level mandated leave. Chairman Mike Coan then sent the bill to a subcommittee. Perhaps the most troubling aspect of HB 901 is that it would allow employees to set the stage for suing their employers. Under this bill, any employee who has ever asked for leave – whether or not that leave was granted – will have a potential cause of action against the employer if he is ever discharged, disciplined, or penalized.

Proponents of the bill say it is intended to apply to small employers who fall below the employment threshold in the federal Family and Medical Leave Act. However, HB 901 does not specifically exempt large employers from its provisions. The bill provides that Georgia employers must grant 24 hours of unpaid annual leave for the purposes of attending school conferences and medical appointments for children and elderly relatives. As written, HB 901 would require an employer to provide this 24 hours of leave in addition to employer-provided leave if such employer-provided leave is used up by July 1 of any given calendar year.

Parent-teacher organizations and labor unions are mounting a major effort to pass this bill which has bi-partisan sponsorship. Sponsors of HB 901 include Democrats Roger Bruce, Margaret Kaiser, and Howard Mosby, and Republicans John Lunsford and Bill Hembree.

### **Retrofit bill goes to subcommittee.**

A bill to provide an income tax credit against the “expenditure of funds” for the replacement of toilets with a low flush toilets was referred to a House Ways & Means subcommittee yesterday. Introduced by Rep. Judy Manning of Marietta, HB 1107 defines “low flush toilet” as a toilet that “uses an average of less than or equal to 1.6 gallons of water per flush.

HB 1107 would allow for an income tax credit of up to \$100.00 per re toilet for as many as three toilets when replacing toilets in a residential building, or six toilets in a

commercial building. Rep. Rich Golick, the Governor's floor leader in the House, is a co-sponsor of this bi-partisan bill.

House leaders are reportedly still working on a reservoir bill that may also include a tax credit for toilet retrofits.

### **Tax measures dominate first weeks of the session.**

Speaker Glenn Richardson's GREAT plan for reforming Georgia's tax structure remains in the House Ways & Means Committee, unable so far to attract the necessary two-thirds vote for passage. While HR 979 has not moved, other property tax measures are receiving a great deal of attention.

The Senate Finance Committee this week approved two different resolutions proposing Constitutional amendments to freeze property taxes. The most prominent of these may be SR 796 by Finance Committee Chairman Chip Rogers, who apparently is carrying the bill for Lt. Governor Casey Cagle. SR 796 provides that the 2007 assessed value of residential property shall not be increased more than two percent in any tax year. Moreover, the resolution would limit increases in *nonresidential* assessments to three percent. Chairman Rogers said the higher cap was placed on nonresidential assessments because residential property turns over more frequently, and the caps do not apply when property is sold or transferred.

The Senate Finance Committee also approved SR 686, a proposed Constitutional Amendment that appears to be in direct conflict with SR 796. Introduced by Senate President Pro Tempore Eric Johnson, SR 686 would freeze assessments only on residential property. Although both resolutions are now on the Senate general calendar, Senate Finance Committee members seem to recognize that applying a freeze only to residential property will shift a greater tax burden on to businesses.

In addition to these two resolutions, the Senate Finance Committee last week approved SR 687 by Senator Mitch Seabaugh. This proposed Constitutional Amendment would allow local governments to rollback property taxes and replace the lost revenue with a one cent sales tax.

### **Other bills of interest.**

HB 661: Burkhalter of Alpharetta – would create a workers compensation records inquiry service so that health insurers could match their claims against workers compensation claims. Provides no corresponding service for workers compensation insurers or self insurers. Would lead to higher workers compensation costs for employers. Still in House Insurance Committee.

HB 895: Levitas of Atlanta – would provide a “sales tax holiday” certain water efficient products, including High Efficiency toilets. Referred to Ways & Means Committee.

HB 901: Bruce of Atlanta – would require employers to provide leave for employees to attend school conferences and for medical appointments of children or parents. Still in House Industrial Relations Committee.

HB 947: Drenner of Atlanta -- to provide a tax credit of up to \$100 for replacement of inefficient plumbing fixtures with modern, efficient fixtures. Still in Ways & Means.

HB 979: Richardson of Hiram – would implement the GREAT plan, replacing the school portion of property taxes on homesteads with a new sales tax on consumer services. Hearings underway in a House Ways & Means subcommittee.

HB 1022: Porter of Dublin would codify the Statewide Water Plan and conform planning regions to river basins. Referred to Natural Resources Committee.

SB 343: Pearson of the 51<sup>st</sup> – would create the Water Conservation and Drought Relief Act relating to issuance of permits, certifications, and construction of new public water reservoirs. Referred to Senate Natural Resources Committee.

SB 374: Weber of Dunwoody – would change provisions related to materialmen and mechanics liens. Referred to Special Judiciary Committee.

SB 407: Seabaugh of Sharpsburg – to revise provisions relating to unlawful contracts with utility contractors. Does not affect language in 43-41-17 preserving the rights of licensed plumbers to perform any work for which their licensed was issued. Referred to Regulated Industries and Utilities Committee.

SR 687: Seabaugh of Sharpsburg – a resolution proposing a constitutional amendment authorizing local taxing jurisdictions to wholly or partially replace ad valorem taxation with a one percent sales and use tax. Referred to Senate Finance Committee.

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