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By Rusty Paul

The Georgia House this week approved one of the construction industry’s top objectives; a bill restoring the state’s lien law to the way it was practiced before a Georgia Court of Appeals ruled the normal releases attached to contractor billings surrendered lien rights even if the contractor never was paid.

It also extends the payment waiver period from 60 to 90 days. The House unanimously approved SB 315 sponsored by Sen. Lindsey Tippens, which now goes to Gov. Kemp for his signature.

**Third Party Plan Reviews/Permits** – In another victory for the industry, the House Insurance Committee amended SB 377 inserting language from another construction industry bill that allows third party plan reviews and inspections. It codifies language from Gov. Kemp’s emergency declaration authorizing private reviews in security-related projects.

This bill allows private plan review and inspections for projects such as hospitals, nursing homes, jails and correction facilities, airports, buildings and structures that impact homeland security and high rises including interior build outs. Cities may prequalify the reviewers and the contractor could choose a reviewer from the approved list.

If the local jurisdiction could complete its plan review or permit issuance within 30 days, the permit holder must pay 100% jurisdiction’s fees. If the jurisdiction cannot complete these steps within 30 days, the fee is reduced by 50 percent. The jurisdictions will still do certificates of occupancy.

Senate will likely agree to this change this week and the proposal would then go to the Governor for signature.

**Business Liability Protections** – The first series of bills to offer business tort liability protections in more than a decade appears to be dead for the 2020 session. Three Senate bills were designed to restore protections lost through a series of court decisions over recent years. These bills were a prime legislative objective for the Georgia Chamber of Commerce, Metro Atlanta Chamber of Commerce and other business groups.

However, they were attacked by the Georgia Trial Lawyers Association as overly broad and momentum for passage was undercut by Speaker Ralston’s decision to form a study committee to look at the status of tort law and report to the House on any legislation needed.

The Senate also passed a Covid-19 liability limiting bill last week, but it is unlikely to get through this session either. These issues will be revisited in January.

**Budget** – The Senate passed its version of the FY 21 budget for the fiscal period starting July 1. FY 21 and now goes to a conference committee to resolve the House/Senate differences. Because revenue impacts from the Covid-19 lockdown were not as severe as expected, appropriators had only to cut 11 percent rather than the initially expected 14 percent. Nevertheless, the spending reductions are still very steep.

The ability to plug some budget holes with Federal CARES Act funds – particularly in social programs – the impact of the cuts in these key programs were mitigated a bit, but not completely.
The bill allocates $362.7 million in bond proceeds for various education construction programs. Another $209.1 million will fund University System construction, renovations and building repairs for FY 21. Approximately $5 million was set aside for behavioral health facilities in Georgia, while $32.5 million was designated for corrections facilities.

Approximately $50 million is appropriated for construction for other state facilities. While a conference committee was appointed to reconcile differences in the House and Senate budget versions, the Governor and both chambers agreed on all the bond spending. Thus, no changes are anticipated in the bond program.

**Count Down to Finale** – The 2020 session is slated to end Friday June 26 if the budget is agreed upon by the conference committee. The legislative agenda each day is more crowded than normal given the protracted voting schemes each chamber is using to decide legislation. Normally, there is a flood of bills in the final two days, but the slow process of voting means each body is ramping up the agenda earlier in the session than usual. Tuesday will see one of the few controversial bills taken up after the Covid-10 hiatus.

The Senate will debate hate crimes legislation. While the Senate Judiciary basically adopted the House bipartisan version it added first responders as a protected class which has splintered the bipartisan coalition.

The fireworks started during a rare Saturday session when Democrats and Republicans squared off in a pre-debate skirmish over the appropriateness of adding an occupation to a list of traditional protected classes in civil rights legislation.