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By Rusty Paul

Georgia’s legislators return to work on Monday June 15 after an extended, unprecedented three-month hiatus.

A key question is will this be a typical final 11 legislative days with a rush of bills enacted in the session’s final days or will leadership in both chambers limit the number of bills enacted, deferring most issues until January.

Leadership prefers a more truncated list of issues. However, once the rank and file arrive, the clamor in favor of “getting my bill to the floor” from 236 legislators may thwart that goal, particularly since they all face election and want to demonstrate legislative success to the voters.

The Budget – At a time when the political and societal backdrop is rather bleak, those legislators got a bit of good news as they head back to the Capitol, though good is still relative.

The state’s most recent revenue numbers show the Covid-19 driven economic downturn was not as deep as feared and appears to be bouncing back faster than expected. As a result, the spending cuts needed to balance the budget may not be quite as deep as the 14 percent projected.

While less, the expected cuts will nonetheless be in the 11 percent range which means the legislature still must reduce spending by millions.

The session began with a mandate from Gov. Kemp to cut six percent from all spending except education. This was based on a state economist’s expectation that 2020 would see a mild recession. The unexpected intervention of Covid-19 triggered a faster, deeper and possibly more prolonged recession, so further cuts are needed to balance the budget. This time, even education is not spared.

The impact on spending in all categories will be profound. While the House and Senate are both rewriting the budget they prepared, the departments have issued their recommended reductions.

Bills We Will Be Following:

Here is a list of pending legislation that affects the construction industry that we will be tracking during the next 11 legislative days:

Lien Law Revisions – SB 315, Sen. Lindsey Tippens bill to restore traditional lien waiver rights and standards has passed the Senate, is now in the House Regulated Industries Committee where it will be heard after Crossover Day.

The bill is needed to correct a Georgia Appeals Court ruling that was upheld when the Georgia Supreme Court recently refused to hear the case. The ruling held that waivers signed during the billing/payment process do, in effect, waive a contractor’s lien rights even if the contractor subsequently goes unpaid and the waiver is canceled.

Construction Warranties – HB 968 also corrects a Georgia Appeals Court ruling that, in effect, capped construction warranties at eight years. This bill exempts contractual warranties from caps for recovery for damages related to construction at eight years. It has passed the House and is awaiting action in the Senate Judiciary Committee.
HB 486 - This proposed change prohibits someone who lacks a valid license from the Division of Master Plumbers and Journeymen Plumbers from advertising that they are either a master plumber or journeyman plumber was approved by the House this week and is now in the Senate Regulated Industries & Utilities Committee.

HB 914 – The House passed this proposition that automatically extends Georgia professional and business licenses to military spouses stationed in the state who hold an equivalent license in another state. As passed by the House, the bill contains a provision that the originating state must require comparable training, experience and testing as Georgia for the spouse to qualify for our state license. The bill is now in the Senate Veterans, Military & Veterans Affairs Committee.