

A View from the House

By Representative Doug Holt

The fiscal 2010 budget was still in the Senate's hands last week, as their Appropriations Committee reviewed the bill. However, the recently released February revenue numbers have us wondering whether this budget will have to be cut even further. State revenue during February was down an incredible 34.8%, compared to February 2008. Contrast this to a drop of 14.3% for January, and 8.9% in December. It's possible that this astounding plunge is some kind of statistical fluke, perhaps due to a slowed pace of businesses and taxpayers filing their 2008 returns. If such is not the case, and the trend continues, some rather dramatic budget decisions will be in order. Governor Perdue may have to call the General Assembly back for a special session later this year to deal with the problem. For now, all we can do is wait on further information.

In regular business, Senate legislation began emerging from the House committee system last week, and we considered 22 bills and resolutions. Several were significant or interesting. SB 13 would allow imposition of a sentence of imprisonment for life without parole for murder, even if prosecutors choose not to seek the death penalty. Current law requires punishment either by death, or by life imprisonment with the possibility of parole. The bill would create an option for a perceived gray area between those two sentences. It passed unanimously.

SB 44 seeks to strengthen the purchasing preferences directing state and local governments to buy in Georgia, within reasonable and practical limits. In our present economy, the need for this goes without saying. I supported the bill, and it passed by 157 to 5.

SB 83 was returned to the House floor by a vote "reconsidering" the fact that it failed to get the 2/3rds majority needed to pass earlier in the session. The bill was revised to offer a referendum in November of 2010, asking voters if they would approve increasing the statewide homestead exemption from \$2,000 to \$4,000. The exemption would be phased in, half in 2011, and the other half in 2012. Then the exemption would increase annually in step with cost of living changes. The bill again saw a fair amount of debate, but still could not muster the 2/3rds-majority necessary. I voted yes, but it failed by 109 to 63 (versus 98 to 63 on the previous try).

SB 123 is meant to deal with a problem associated with Pharmacy Benefit Management (PBM) firms. The PBM business has emerged in recent years to help deal with skyrocketing medical costs. These firms manage prescription drug benefit programs for health plans and large employers, and they focus on leveraging the buying power of their size to negotiate lower prices for drugs, as well as on reducing cost by using generic drugs wherever possible. It turns out that some of these firms may have negotiated "kickback" contracts with some of the big pharmaceutical companies, in return for which the PBM promotes use of a specific brand drug. This is a pretty questionable practice, especially if it is not disclosed to program members, it and has brought the industry under scrutiny. Some of the firms, wanting to keep their industry from descending into murky waters, have asked for sufficient regulation to constrain less ethical competitors. This bill would provide basic licensing, bonding and auditing requirements, in order to address the problem. I supported the bill, and it passed by 160 to 1.

SB 155 deals with a gray area of watershed protection law. "Ephemeral" streams (what most of us know as "run-off ditches") are those which only have water flow during and immediately after a rainfall. Existing law does not require that such channels have the 25-foot buffer necessary for streams that flow constantly or even intermittently. However, there has been inconsistency around the state in making the distinction between ephemeral and other streams, due to ambiguity of the code. Landowners have been deprived of reasonable uses of their land. This bill would put the Environmental Protection Division's (EPD) own field guide definition of ephemeral streams into law. The EPD and the Georgia Soil and Water Conservation Commission both support the bill as a means of adding clarity in application of buffer rules. The bill did generate a fair amount of debate,

with some saying it would endanger water quality. I didn't find these arguments very strong, and constituent issues I've worked on convinced me that landowner's rights deserve greater protection in this area. I voted for the bill, and it passed by a largely party line 106 to 58.

SB 165 would grant the Department of Community Health (DCH) the ability to verify income eligibility of applicants for Medicaid and PeachCare, via the Department of Revenue. Present provisions require applicants to state their income, but do not give DCH the authority to verify such figures. This is a pretty commonsense change, so I voted "yes", and the bill passed by 155 to 7.

SB 210 would make home schooled students eligible to participate in the summer Georgia honors program. Since that program was intended for the whole state, I can't see why any legitimate Georgia students should be excluded. I voted for the bill, and it passed unanimously.

Now for some transportation developments. As reported previously, both House and Senate had passed a version of a referendum based 1% sales tax for transportation funding. The versions were sufficiently different (one being statewide, and the other more of a local option program) that little progress had been made in reconciling them. However, the House has adopted a version that contains both options, with the public choosing between them in a referendum. Hopefully this will form a basis from which a final compromise can be reached.

SB 200, the transportation governance bill, is undergoing rapid transformation. With the House Transportation Committee continuing to make significant amendments to the bill, Speaker Richardson has offered a major compromise. His new draft of the bill keeps the existing DOT and its leadership structure largely intact, while adding a director of planning position that would be appointed by the Governor. Otherwise, it still offers the changes to planning, funding and legislative oversight proposed in the original version. This will likely pass muster with those of us in the House. Whether it will please the Senate and the Governor is quite another question. I still hope we can find a leadership solution satisfactory to all, so we can move forward with the other provisions.

I had a chance to visit with several folks this week. Sid and Mary Garner, from south Newton, came by to watch the House and Senate in action. Covington Police Chief Stacey Cotton was at the Capitol for a presentation and other business, and we had the chance to chat for a few minutes.

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