



News From

# Rep. Hugh Floyd

House District 99 (Gwinnett County)

May 2009

## Budget, taxes dominate 2009 legislative session



Rep. Hugh Floyd welcomes members of the Gwinnett Neighborhood Leadership Institute (GNLI) on their visit to the State Capitol. GNLI trains and empowers local citizens and community leaders to promote positive changes in their neighborhoods and communities. GNLI recognizes and respects the expanding diversity that strengthens Gwinnett County and actively seeks students who represent Gwinnett's racial, ethnic, age, social and economic mix. For more information, call 770-995-3339.

On the final day of the 2009 legislative session, the House of Representatives and Senate majorities passed an \$18.6 billion annual state budget for fiscal year 2010. The plan uses \$1.3 billion in federal stimulus money to balance the budget and includes \$1 billion in spending cuts. The budget restores cuts to Medicaid and provider fees that were proposed by the Governor and would have devastated hospitals and medical treatment for the poor.

Regrettably, the budget does contain the largest property tax increase in Georgia's history. This is because Republican leaders and Gov. Perdue failed to fund the Homeowner Tax Relief Grants that go to local governments and are passed on to homeowners. This will mean a \$200-\$300 property tax increase for the average homeowner later this year.

This property tax increase could have been avoided if the leadership had allowed HB 356 to move forward. This proposal, offered by House Democrats, would have allowed local governments to contract with private firms to recover uncollected sales taxes. Similar plans have been successful in other states, notably Alabama, which saw a revenue increase of \$1 billion, more than enough to fund the Homeowner Tax Relief Grants.

Lawmakers passed and sent to the governor a package of tax cuts for businesses. HB 438 provides certain Georgia employers a \$5,000 tax credit for creating new jobs. HB 482 eliminates the state's inventory tax on businesses. However, the governor vetoed HB 481, which would have provided a \$2,400 tax credit for companies that hire those who have been unemployed for at least four weeks. The proposal also would have cut the capital gains taxes by 25 percent on investment earnings in 2010 and 50 percent in following years.

Another measure signed into law was HB 261, which provides a \$1,800 tax credit to first time home buyers and will be spread out over three years.

### Gwinnett Village CID wins grant for light rail study

The Gwinnett Village Community Improvement District has been notified that the submission by Gwinnett Village and Gwinnett Place CID for the continuance of our Light Rail analysis along I-85 won a \$30,000 grant by the Atlanta Regional Commission under the LCI supplemental grant program.

The funding (which will be matched by Gwinnett Village and Gwinnett Place CID) will be used to fund Phase 2 for Marketability and Ridership projections for the Light Rail System along I-85 to comply with federal requirements.

CID officials are finishing up on the first phase of the Light Rail study which provides conceptual layout of the light rail fixed guideway system from the current Doraville Heavy Rail station to the Gwinnett Arena, including possible costs and possible station

location. Executive Director Chuck Warbington plans to have a presentation to the CID Board of Directors sometime in June/July of this year. The grant allows us to move into Phase 2 which will cover marketability and ridership.

A funding request for Phase 3 was submitted to U.S. Rep. Hank Johnson's office as part of the five-year transportation bill. The request was for \$1 million and would cover the Alternative Analysis portion based on federal guidelines. With the completion of Phase 3 for the light rail study, the CID can then move into the new starts program under the federal guidelines for a new fixed guideway system.

Congratulations and thanks to everyone working in support of this study and analysis.

## State Rep. Hugh Floyd

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### House, Senate again fail to agree on transportation funding plan

For the second year in a row, legislators left without agreeing on sufficiently funding a transportation system that has failed to keep up with the state's growing population. The governor, lieutenant governor and House speaker failed to negotiate a compromise because they were too busy strong-arming lawmakers on separate legislation (SB 200) to expand their own power over revenues and road-building priorities.

The power-grab legislation creates a new Director of Planning at the Department of Transportation, appointed by the governor. DOT board members and rank-and-file lawmakers will have their voices limited under the new law. Top House and Senate leaders and the governor will have greater authority over DOT appropriations.

Meanwhile, the leadership failed again to resolve differences between the House and Senate transportation funding proposals. The House version called for a statewide one-cent sales tax that, if approved by the voters, would have raised \$25 billion over 10 years for transportation projects. Senators insisted on a plan allowing counties to band together and vote on one-cent sales tax for transportation projects in their region. The conferees could not agree, and any solution for funding transportation in Georgia is dead for another year.



Rep. Hugh Floyd and House Speaker Glenn Richardson express thanks to Steen Kirby, who served as a page in the House of Representatives, during this year's legislative session.

## Key legislation: what passed, what failed

*The following measures were passed by both the House and the Senate and were signed into law by the governor:*

**HB 120** renews Georgia's sales tax holiday periods. Georgians can shop for school supplies and clothing without paying a sales tax July 30-Aug. 2. The tax-free period for energy-efficient products will be Oct. 1-4.

**HB 160** adds a \$200 fine against "super speeders," motorists who are convicted of driving more than 85 mph on a four-lane highway or more than 75 on a two-lane road.

**HB 233** freezes property valuation reassessments for two years.

**SB 31** allows Georgia Power to raise its customers' rates to finance the construction of two nuclear reactors at Plant Vogtle.

**SB 55** requires tax assessors to consider

the impact of home foreclosures and bank sales on property values.

**SB 86** requires Georgians to produce birth certificates, passports or other documents proving U.S. citizenship in order to register to vote.



**SB 168** requires the release of names of legislators who have not paid state income taxes.

*The following legislation is still pending for 2010:*

**SB 5** would remove the exemption to Georgia's seat belt law for drivers and passengers in pickup trucks.

**SB 67** would require driver's

license examinations to be conducted in English only.

**SB 169** would outlaw embryonic stem cell research, even though many believe such research could lead to treatments for major diseases.

*The following proposals were defeated or failed to get out of either house this year.*

**HB 138** and **SB 16** would have authorized local referendums on Sunday package sales of alcoholic beverages.

**SB 90** would have provided taxpayer-funded vouchers for parents to send their children to private schools.

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