



2017 PRE – LEGISLATIVE SESSION REPORT

2016 Election Season and Political Environment

In 2016, we saw the political world turned upside down. With the election of President – Elect Donald Trump, history was made. Most pundits and political observers were taken by surprise. With a Republican Congress and White House, we are watching closely to determine what this could mean for public policy in Georgia. We are hoping to see a more transparent budget process, as well as, the ability for Georgia to leverage their political position to move forward an agenda that is positive for Georgians.

In Georgia, all of our Congressmen were re-elected as well as U.S. Senator, Johnny Isakson. In early December President – Elect Trump appointed Congressman Tom Price as his Secretary of Health and Human Services. This creates a vacancy in the 6th District to be filled by a special election in early April. We will see the spiral effect as State officials and others step up to run for this seat.

Amongst the political uncertainty in Washington, Georgia's overall political landscape remained essentially the same. Republicans maintain a super majority in the Senate with a 38-18 stronghold. In the House, Republicans began and ended the election with 118 of 180 seats – this puts them two shy of a constitutional majority. Republicans lost two seats - Valerie Clark (R – Duluth) and Mike Cheokas (R – Americus). These losses were balanced by two pick-ups – Meagan Hanson (R – Brookhaven, defeated Taylor Bennett) and Ricky Williams (R – Milledgeville, open seat vacated by Independent – Rusty Kidd).

Legislative Issues

With 2016 being an election year, there were a number of issues that were not taken up, as they did not play well in election-year politics.

One issue we expect to return in some form is religious freedom. In 2016, the Legislature passed a bill entitled the “Free Exercise Protection Act” allowing faith-based organizations to deny services to individuals and businesses who violate their “sincerely held religious belief” and preserve the right to fire employees who are not in accord with those beliefs. The bill was seen as a compromise bill by conservative faith based groups and legislators yet it received much criticism from the business community and gay rights groups among others. Governor Deal ultimately vetoed the measure. This set Georgia apart from other southern states and gave Georgia precedence with businesses, conferences, sports events, etc. Conservative legislators have indicated they will bring the issue back in 2017, however leadership in both Chambers has indicated they are not interested in resurrecting the fight.

Another newsworthy veto by Governor Deal was the veto of 2016’s HB 859 allowing guns on college campuses. In vetoing the bill, Governor Deal cited possible negative impacts on school disciplinary hearings and day care centers on campus. Gun advocate groups and legislators have pre-filed a bill on the issue and have indicated they will address the Governor’s concerns.

Along with the controversial issues above, many believe 2017 will be dominated by education funding reform and healthcare issues. In 2017, legislators will reconsider the hospital provider tax that in part funds Georgia’s Medicaid program. It was previously expected the Legislature would look at a version of Medicaid expansion but the federal environment has postponed this. Before acting, Georgia will wait to see if the Affordable Care Act is repealed, which parts are repealed, and what replaces it. With the appointment of Congressman Tom Price to President-Elect Trump’s cabinet as the Health and Human Services Secretary, Georgia’s interest will be well represented in the development of the new plan. Throughout the summer and fall, there were a number of Study Committees looking at various aspects of healthcare law. Senator Untermyer chaired Committees looking at “Surprise billing” and opioid abuse, which we expect to result in legislation. She has also indicated there will be legislation relating to dental hygienists and sexual abuse in the medical field.

Education will, no doubt, be the other hot-button issue of 2017. Governor Deal appointed an education reform commission who compiled a report completed in 2015. The Governor indicated in 2016 that he would bring the rewrite of the funding formula to the Legislature in 2017 giving ample time to study the recommendations of the Commission. This comprehensive rewrite of the way the state distributes funds for K-12 education will involve an extremely large amount of money and will involve virtually every stakeholder at the Capitol in some way. We also expect to see fall-out from the failure of the Governor’s Opportunity School District Amendment. The amendment was defeated 60%-40% after a vocal campaign by national education groups as well as local systems, teachers and parents.

Other issues on the table for 2017 include transportation, casino gambling, data security, immigration and taxation.

The Georgia Association of Health Underwriters is gearing up for a 2017 Legislative Session where Insurance and Healthcare issues will be a major focus. As previously mentioned, we will remain in a “wait and see” posture in relation to Medicaid expansion but will remain diligent in representing our interests as the conversation progresses.

Over the summer and fall, there were a number of study committees and special coalitions of which we were a part. Senate Health Chairwoman Renee Unterman chaired a study committee on “surprise billing” looking at the issue of out-of-network coverage. She has pre-filed SB 8 (<http://www.legis.ga.gov/Legislation/20172018/162567.pdf>) - identical to SB 382 from 2016 – which is serving as the current surprise billing bill. We will be a part of refining this bill as it moves through the House and Senate.

We have also been having discussions with representatives from the Professional Employer Organizations and the DOI in regards to PEO representatives selling insurance without being licensed. This is a consumer protection issue. We will continue to work with interested parties as the legislative session moves forward.

Another issue we expect to return is the issue of mandatory commission for agents. This issue became politicized in 2016 as it was an important issue to the powerful Rules Chairman John Meadows – there were bills held and deals made but, ultimately, the bill did not pass. We have no indication at this point whether the Chairman will revive the bill.

Important Dates and Information

In Georgia, the Legislative Session runs on a biennial schedule. 2017 begins the next biennial session to include 2017 – 2018. This means that all bills that did not pass in 2016 are dead bills and everything starts from scratch in 2017. Legislators began pre-filing bills on November 15th and can do so until January 3rd. The Legislative Session officially begins on January 9th.

You can find pre-filed bills at the links below:

House of Representatives – <http://www.legis.ga.gov/Legislation/en-US/Prefiles.aspx?Chamber=2>

Senate – <http://www.legis.ga.gov/Legislation/en-US/Prefiles.aspx?Chamber=1>

We will continue to update you on legislative activity throughout the Session. Please contact your Peachtree Government Relations team if you have any questions or concerns. (*Contact information below*)

Don Bolia

Don.Bolia@peachgr.com

404-314-4484

Laura Norton

Laura.Norton@peachgr.com

678-699-6426

Jennifer Winkler

Jennifer@peachgr.com

504-237-3498

Thank you!