

Capitol Forestry Report

March 16, 2009

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Thursday, March 12 at the Capitol was not only day thirty of the 2009 legislative session, but it also was the critical “crossover day”, the point in the session when legislative proposals must ‘crossover’ from the chamber of origin to the other chamber. Of course, in the world of ‘law-making’ it doesn’t mean that a legislative initiative is automatically dead if it doesn’t make it out of the chamber where it was introduced, since it may be amended onto other legislation at any time before adjournment, even up until the final minutes before midnight on day forty, the final day of the regular session.

The session’s final days are the most unpredictable and treacherous since amendments can be made unexpectedly and without the benefit of adequate hearings. A great deal of bad legislation - *and a measure of good* - can make it through in the final days and waning hours of the session, and, it would be safe to say that when the dust settles, many involved in the process, even legislators, may not know until the next day - *or later* - exactly what happened with a particular piece of legislation.

The remaining ten days of the 2009 legislative session are currently set to conclude on Friday, April 3,

Below is a brief summary of bills and resolutions which contain provisions specifically related to the forestry community.

Senate Bill 55 contains a provision which would require tax assessors to include as one criterion to use in establishing fair market value any encumbrance placed on the property as a result of its being under a conservation easement. SB 55 by Senator **Chip Pearson**, R-Dawsonville, has passed the Senate and is in the House Ways & Means Committee.

House Bill 233 by Representative **Ed Lindsey**, R-Atlanta, would essentially freeze property tax increases for the next two years on all types of real property. The bill has passed both houses, though in slightly different versions. A House/Senate conference committee will resolve differences in the bills after which it will be sent back to each chamber for final approval.

House Bill 480 by Representative **Harry Geisinger**, R-Atlanta, would eliminate the ad valorem property tax and sales tax on cars and trucks starting next year. Having won approval in the House, the bill now awaits action in the Senate.

House Bill 481 by Representative **Tom Graves**, R-Ranger, would provide tax incentives to encourage employers to hire the unemployed. The Senate is next to take up the bill which was approved by the House last week.

House Resolution 622 by Representative **Jim Cole**, R-Forsyth, urges Congress to act to change the restrictive definition of ‘renewable biomass’ that is contained in the Energy Independence and Security Act of 2007 which would reduce by almost two-thirds Georgia’s forest biomass available to count as credit toward satisfying the renewable fuels standards (RFS) to be set by Congress. Instead the resolution

calls for a far less restrictive definition more like that contained in the 2008 Farm Bill. **Senate Resolution 589** by Senator **Ross Tolleson**, R-Perry, is an identical measure introduced in the Senate.

House Bill 348 by Representative **Tom Graves** would provide that ad valorem taxes would only be paid on heavy-duty motorized equipment in the year the equipment is purchased. The legislation was heard by the Ad Valorem Tax Subcommittee of the House Ways & Means Committee last week but is not likely to move this year. It will remain alive for consideration in the 2010 session, however.

House Bill 271 by Representative **Allen Peake**, R-Macon, would phase out over five years the sales tax charged on energy used in manufacturing. The legislation had a favorable hearing before the Sales Tax Subcommittee of the House Ways & Means Committee; however, action this year is not likely. The bill will remain alive for consideration next year.

Reforestation Tax Credit – At the request of the Georgia Forestry Association, Representative **Allen Peake**, R-Macon, is expected to introduce legislation this week that would create a state income tax credit for normal reforestation expenses and a more generous income tax credit for reforestation that occurs within two years after timber loss due to natural disasters. In 2007, more than \$100 million in timber is estimated to have been lost due to the combination of historic wildfires in southeast Georgia, tornadoes in central Georgia and beetle infestation throughout the state. The bill is not intended to pass this session but will prompt discussions during the interim before being considered in 2010.

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The focus of this legislative report is not to cover those issues that you are reading about in the general press, but rather to update you on legislation of particular interest to the forestry community.

For more information on the Georgia General Assembly, including contact information for your Representative and Senator, visit the Georgia Forestry Association website at www.gfagrow.org and click on Georgia General Assembly under the Links tab, or under the Government Affairs tab you may go to Contact Your Legislator, a particularly helpful resource if you are uncertain of the members in your local legislative delegation.

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