#### News from GATES...

Georgia Association of Training, Employment and Supports

# GATES PORTAL

## New Vocational Rehabilitation Services Agency Created



Legislature Has Four Very Busy Days Left

by Dawn A. Randolph, MPA

On Tuesday, March 20<sup>th</sup>, the Senate passed <u>HB 1146</u> (by a 46-2 vote) in the same version as passed by the House creating a new **Vocational Rehabilitation Services Agency** attached to DHS. There was very little discussion as the measure came before the chamber. The bill now awaits Governor Deal's signature and the really important work of transitioning VRS to an independent agency begins in earnest.

**Tax Reform awaits Governor's Signature.** As I mentioned in last weeks Portal the Special Joint Committee on Georgia's Revenue Structure meet on Monday, March 19<sup>th</sup> to offer a substitute to <u>HB</u> <u>386</u>. The new version was quickly passed out of the committee by Tuesday and on the House floor Tuesday afternoon with a 155-9 vote. Because the legislation authorizing the Joint Revenue Structure Committee also suspended all normal rules for moving through the legislature it was immediately placed on the Senate Floor Thursday, March 22<sup>nd</sup> and passed by a vote of 53-0. The bill awaits the Governor's Signature.

This isn't the comprehensive tax overhaul as original recommended by the Special Joint Committee, it is a targeted tax policy bill that was more politically acceptable and simpler. However, it will have financial impact on state revenues, estimated at cutting \$63 million in 2013. While this reduction in state revenues has not been reflected yet in the FY 2013 In This Issue

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Spring Board Meeting April 12, 2012 9:00 AM Location: Goodwill of the Coastal Empire

VRLT/GATES Meeting budget, it was voiced by the House and Senate Republican Leadership that the benefits of the tax changes will create more jobs in Georgia and aid the economic recovery. There were no strong voices against this incremental approach to tax policy reform, but there was concern voiced by the Democratic Caucuses in both chambers that there was not enough time to evaluate the impact while there is hope it will produce the desired outcomes.

#### Here is a brief overview of the tax reform bill.

*Motor Vehicles* - sales and ad valorem taxes are replaced with a title fee tax beginning on March 1, 2013 starting at 6.5% the first year, 6.75% the second year and capping at 7%. The so called "birthday tax" is now replaced with this one time title fee when a motor vehicle is purchased new or used from a dealer or person-person sale. *Personal Income tax* - increases the tax exemption for married

couples and caps income tax on unearned retirement income exclusion at \$65,000.

*Film Industry* - repeals the film sales tax exemption and maintains the film tax credit.

**Sales Tax Holidays** - reinstates the "Back to School" and Energy Efficiency sales tax holidays in the fall for calendar years 2013 and 2014.

*Manufacturing Energy Use Sales Tax* - phases out the tax on energy used in agriculture, manufacturing, and mining.

*Jet Fuel Sales Tax* - Places the sales tax of jet fuel at all Georgia airports at 3% down from 4%. Originally this reduction only applied to Delta and is now expanded to all airlines and airports statewide.

The **FY 2013 Budget** also moved swiftly through the Senate this week with no subcommittee meetings held. On Wednesday, March 21<sup>st</sup> the Senate voted 53-0 in favor of the \$19.2 billion spending plan. There were only minor changes made from the House version and a conference committee meet on Friday to briefly discuss those differences. With only three days left in the session it is certain this budget will see quick compromises and be on the Governor's desk by Friday. Unfortunately the Senate did not restore the 2% cuts to the contracts of VR providers. All agencies and contracts experienced similar cuts and there was little move to restore them by the Senate. You can view the Senate FY 2013 budget here.

The Senate passed (48-2) Rep Doug Collins' (R-Gainesville) bill on March 13<sup>th</sup>, <u>HB 642</u> creates the **Georgia Services Administration**. This new agency will transform the former DOAS (Department of Administrative Services) into a mega state administrative agency. The State Property Commission and the State Personnel Administration functions will come into this new agency. This

is part of Governor Deal's initiative to reorganize and consolidate state government. It is awaiting his signature.

Monday, March 22<sup>nd</sup> is the 38<sup>th</sup> day. The end of the session has been set. The Legislature will be in on Monday and Tuesday and then conclude on Thursday, March 29<sup>th</sup>, the 40<sup>th</sup> day.

#### April 18, 2012

Location: Macon VR Leadership Team and GATES members meet to discuss programs, activities and cooperative projects. More detail to be announced later.

#### ARMS Meeting

April 20, 2012 Location: Tommy Nobis Center 1480 Bells Ferry Rd Marietta, GA

#### Annual Meeting June 7-8, 2012 Location: Macon

Details coming

#### THE PORTAL is a

regular publication of GATES. If you have staff or others associated with your organization that you would like to receive **THE** 

#### *PORTAL*, please send their email address to: Charles Hall, <u>chall@asginfo.net</u>

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### GATES SPRING BOARD MEETING

All GATES members are invited to the Spring BOARD meeting to be held at Goodwill of the Coastal Empire in Savannah on Thursday, April 12 at 9:00 AM. Lunch will be provided. Please contact Charles Hall, (<u>chall@asginfo.net</u>) if you plan to attend so we will have an accurate count for lunch.



## GATES ANNUAL MEETING - June 7 - 8 MARK YOUR CALENDAR

The GATES Annual Meeting will be June 7-8 in Macon at the Anderson Conference Center on the Goodwill of Middle Georgia campus. The Annual Meeting Planning Committee has been hard at work and a detailed program will be released soon. The meeting will kick off with afternoon training and a networking evening function on June 7. Workshops and training programs are planned for the morning of June 8 with a recognition luncheon closing the meeting.

## Nominations Open for GATES Board of Directors



This year GATES has two Director terms that are expiring. The Nominating Committee will accept recommendations for Directors (Post 2 and Post 5) until April 1. In early April the Nominating Committee will meet and decide on the names to submit to the membership for each of the open positions. At the

Annual Meeting in June, in addition to the Nominating Committee's report, nominations for Directors can be made from the floor.

If you would like to serve as a Director, or have recommendations for someone to serve please email Charles Hall at <u>chall@asginfo.net</u> before April 1.

## **Call for Information**

THE PORTAL is a communication tool for GATES and GATES members. If you have stories about your organization, staff announcements, program descriptions, or other information you want to share with other GATES members, please send the info to Charles Hall, <u>chall@asginfo.net</u>



## **GATES** *Georgia Association of Training, Employment and Supports*

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