

2010 Constitutional Amendments for Georgia

*The Metro Atlanta Chamber encourages our members to **vote on November 2** for the following six ballot measures. All of the measures are business friendly and will stimulate job creation, and one of the measures also addresses trauma funding which is very important to Grady Hospital. Below is a summary of each issue and details on where you can get additional information but we encourage you to **Vote YES** on each of these and to share this with your employees and staff.*

AMENDMENT 1: Allows contracts with non-compete clauses to be enforced in Georgia courts.

BALLOT QUESTION: Shall the Constitution of Georgia be amended so as to make Georgia more economically competitive by authorizing legislation to uphold reasonable competitive agreements?

Summary: Currently, the Constitution prohibits the General Assembly from authorizing any contract or agreement that may or intends to have the effect of defeating or lessening competition. For many companies, non-compete clauses are essential to guarantee that former employees with specialized knowledge are not able to leave the company and take that knowledge to the next highest bidder or to create their own companies using knowledge gained from trade secrets. Non-compete clauses in contracts may limit where a former employee works, where he or she works and the type of work they can perform.

If passed, the amendment would give the General Assembly the power to grant to courts the ability to limit the duration, geographic area and scope of prohibited activities provided in a contract or agreement and make such non-compete language reasonable.

This amendment would ensure that Georgia employers and employees enjoy the same certainty regarding employment agreements as in other states.

More Information: www.jobsoftomorrow.org

AMENDMENT 2: Adds \$10 tag fee on private passenger vehicles to fund statewide trauma care expansion.

BALLOT QUESTION: Shall the Constitution of Georgia be amended so as to impose an annual \$10.00 trauma charge on certain passenger motor vehicles in this state for the purpose of funding trauma care?

Summary: Establishes a comprehensive, statewide trauma care network and shores up the existing network through the creation of a \$10 vehicle tag fee that will provide funding for critically needed trauma services throughout the state. Today our state has only 16 designated

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trauma centers, putting many Georgians at risk of being too far away from the specialized care they need to survive an accident at work, at home, or on the road.

This fee can only be spent to fund trauma care and cannot be diverted to the general fund for other purposes. All motor vehicles designed to carry ten or fewer persons will pay the fee.

In July 2007, the Metro Atlanta Chamber published a report on Grady Hospital and acknowledged the inadequate trauma system that was in place and lobbied the legislature for passage of this bill. This additional fee would help support Grady in its efforts to recoup millions of uncompensated dollars each year and to improve their existing system.

More Information: www.yes2savelives.com

AMENDMENT 3: Allows the State to execute multiyear contracts for long-term transportation projects.

BALLOT QUESTION: Shall the Constitution of Georgia be amended so as to allow the Georgia Department of Transportation to enter into multiyear construction agreements without requiring appropriations in the current fiscal year for the total amount of payments that would be due under the entire agreement so as to reduce long-term construction costs paid by the state?

Summary: Currently, Georgia DOT is required to have all the funds when a multiyear project contract is signed. This amendment would allow Georgia DOT to pay for the project as it is being constructed. For example, if \$3 million of a \$10 million project is spent in the first year of the contract; then the remaining \$7 million could be used that year on another project. The end result is an increase the number of necessary projects that can be done in a given year.

More Information: www.dot.ga.gov/ref3

AMENDMENT 4: Allows the State to execute multiyear contracts for projects to improve energy efficiency and conservation.

BALLOT QUESTION: Shall the Constitution of Georgia be amended so as to provide for guaranteed cost savings for the state by authorizing a state entity to enter into multiyear contracts which obligate state funds for energy efficiency or conservation improvement projects?

Summary: Currently, the constitution prohibits a state agency from entering into contracts with private vendors that obligate funds the agency does not already have committed. This amendment will authorize “energy performance contracts” which allow a state agency use debt to finance energy efficiency and water improvement projects at state buildings. In addition, the

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vendors who build the projects guarantee payments back to the agency based on realized savings (lower energy costs, less water used), which is achieved by the cost savings resulting from the improvements.

More Information - www.yestoamendment4.com

AMENDMENT 5: Allows owners of industrial-zoned property to choose to remove the industrial designation from their property.

BALLOT QUESTION: Shall the Constitution of Georgia be amended so as to allow the owners of real property located in industrial areas to remove the property from the industrial area?

Summary: The proposal would allow land owners whose property is designated as an industrial zone - a special designation existing only in Chatham and Jefferson Davis counties - to have their land annexed into a city. Back in the 1950s, the two counties had special amendments passed to the state constitution affecting only their jurisdictions. The amendments established industrial zones that could never be annexed, but could be served by local cities. Amendment 5 will allow the land owners the choice of switching to local government taxation, zoning and services.

STATEWIDE REFERENDUM: Provides for inventory of businesses to be exempt from state property tax.

BALLOT QUESTION: Shall the Act be approved which grants an exemption from state ad valorem taxation for inventory of a business?

Summary: This Act eliminates the state portion of the ad valorem tax on business inventories. If approved by a majority of the voters, the Act becomes effective on January 1, 2011, and applies to all tax years beginning on or after that date.

Georgia is one of only 14 states that currently imposes an inventory tax. The tax puts Georgia at a competitive disadvantage and its imposition strikes independent retailers and chain stores selling the same goods unevenly, and thus, unfairly. Businesses along the border have an incentive to move their locations (and their jobs) out of state. Other businesses simply rent storage space across the state line in order to avoid Georgia's tax. In addition, large retailers often receive shipments from out-of-state distribution centers. Because they are able to sell and replenish their goods without on-site storage, they avoid the taxes that independent retailers must pay.