

2021 Legislative Priorities



During the 2021-2022 biennial legislative sessions, we will shine a light on critical consumer protection issues, calling for solutions to meet the urgent needs of financially vulnerable Georgians to help stabilize their families during the ongoing COVID-19 crisis and set them up to thrive afterwards. During this critical time, many Georgians will face a tidal wave of debt tied to insecure employment, the end of unemployment benefits, un-insured and under-insured medical bills, deferred rent, mortgage and utility payments, and possibly high-cost borrowing to stay afloat. Our efforts will include educating Georgians and their legislators on the need for new legislative protections, including:

- New bank account garnishment protection rules, and increased protections of wages from garnishment, so families can meet their basic living needs.
- Credit reporting protections so COVID-19 bad debts do not further harm consumers with tanking credit scores.
- Statewide regulation of car title lenders and new, online FinTech lenders, making them subject to the state usury cap.
- Appropriation of funds to establish an All-Payer Claims Database to promote healthcare value and price transparency.
- Adoption of an equity impact tool to evaluate proposed legislation.

For additional information, see our detailed list of priorities below.

Support protections from garnishment of wages and bank accounts by debt collectors.

Wage garnishment for consumer debts may occur after a creditor goes to court and wins a judgment against a consumer. A judgment is a court decision stating the consumer owes a specific amount of money, allowing a creditor to take steps to seize a portion of the consumer's wages to pay the debt. With unemployment reaching unprecedented levels amid the ongoing COVID-19 crisis, many Americans will be unable to pay old debts or cover expenses related to food, rent, and medical costs. Garnishment of wages to collect these judgments risks destabilizing family finances and local businesses that depend on consumer spending just as the economy reopens. We support adoption of policies to protect wages from garnishment until the end of the economic crisis to protect families and communities struggling to get back on their feet.

Support credit reporting protections for COVID-19 bad debts. The following protections should be implemented around credit reports to help Georgians weather this ongoing economic crisis:

- Allow consumers impacted by COVID-19 to report to credit and other consumer reporting agencies (CRAs) that they have been affected by COVID-19 and require such CRAs to include a COVID-19 alert in their credit or other consumer report.

- If a consumer's credit or other consumer report includes a COVID-19 alert, or if the consumer informs the user of a consumer report that information in their report was the result of the economic impact of COVID-19, the user is required to disregard COVID-19 related information. Users would include lenders, employers, or landlords.
- If the consumer's credit or other consumer reports includes a COVID-19 alert, prohibit credit scoring models from treating as a negative factor any adverse events that occurred during the COVID-19 crisis.

We support the passage of legislation implementing robust credit reporting protections for debts related to COVID-19.

Support legislation to move car title lenders to the state Department of Banking and Finance subject to a 36% usury cap and additional consumer protections. Many consumers turn to car title loans in times of crisis only to find out later that these small-dollar loans spell big trouble. These small-dollar lenders prey on financially insecure consumers by providing high-interest quick cash loans that trap consumers in a cycle of debt. Georgia law caps most small consumer loans at an interest rate of 60% per year, but a legal loophole allows car titles to be "pawned" at interest rates as high as 300%, rates that would otherwise be considered usurious. To protect Georgians during this financially unstable time, the legislature should:

- Close legal loopholes to ensure that cash loaned in exchange for a car title is treated as a "loan" rather than a "pawn";
- Bring title lending into compliance with current small-dollar loan industry standards;
- Cap interest rates on car title loans at 36% APR to protect all Georgians, including veterans, not just actively serving military; and
- Level the playing field for Georgians by bringing uniformity to title loans across the state.

We support the passage of legislation that protects Georgians from predatory car title loans.

Support appropriation of funding to establish the All-Payer Claims Database (APCD) created by the Surprise Medical Billing Consumer Protection Act. An APCD is a system that collects health care claims and related data from all (or nearly all) entities that pay for health care services in a geographic area, including private and public health plans. An APCD will increase transparency in healthcare costs and enable policymakers to address costs that are too high, unwarranted variation in costs, and quality of care concerns. We support the establishment of an APCD that specifically:

- Provides total care costs, prices, use, quality, and results of care for different providers, treatments and patients;
- Provides comprehensive data on spending that can help to identify and eliminate waste in the healthcare system;
- Identifies high value providers so that consumers can be steered to them;
- Is a user-friendly website or portal that allows consumers to compare price information for specific procedures across providers;
- Enables policymakers to evaluate the effects of state reforms; and
- Provides general health status and disease burden information, both in terms of health equity and improving the general health of Georgians.

We support the establishment of an APCD to improve healthcare quality and reduce healthcare costs for Georgians.

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Support adoption of an “equity impact tool” to measure proposed legislation or regulation.

Georgia legislators should be aware of the potential for significant impact to communities of color who are less likely to recover from the COVID-19 health and economic crisis due to existing disparities. We support the development and adoption of a system by which state legislators and certain executive branch officials can request formal examinations of the racial equity impacts of proposed bills, fiscal notes, and regulations to ensure that there are no un-intended consequences for communities of color. Such equity impact tools exist in other states and are similar to legislation elsewhere that requires a budget deficit impact evaluation on all newly proposed bills or allows any legislator to use a fiscal note to call for such evaluation. We propose legislation requiring development of an Analytical Tool for lawmakers to proactively address the perpetuation of structural racism through law and policy. Policymakers would use the “equity impact tool” to identify, evaluate, and communicate the potential impact (both positive and negative) of a policy or program on equity. We support measures, including the adoption of an “equity impact tool,” to ensure any proposed legislation or regulations advances equity and justice.

OTHER PRIORITIES. We will continue monitoring for and working on the following issues during this session.

Support appropriation of funding for a state certification and training process for Community Health Workers in Georgia.

A state certification for Community Health Workers (CHWs) can address training, assessment, and continuing education needs for the roles for these frontline healthcare professionals. A voluntary, well designed, and well-implemented state certification process would help sustain the CHW workforce by providing recognition for this growing group of health professionals and ensuring reimbursement from third party payors for their services. We support efforts to standardize and sustain the CHW workforce in Georgia.

Oppose online FINTECH lending legislation that would weaken existing protections.

Predatory lenders promise “fast cash” and “short-term” fixes but at a high cost. These lenders, which cluster in low-income neighborhoods and communities of color, often charge annual interest rates as high as 300% or more for short-term loans. As a result, borrowers find themselves trapped in a vicious debt cycle as they end up having to borrow more and more to pay for their initial loans. In 2004, Georgia took steps to effectively ban payday lenders by imposing strict usury caps on the interest rates the lenders can charge. However, predatory lenders are now benefiting in Georgia by forming partnerships with Fintech companies that offer automated services to speed up their processes. These “rent-a-bank” schemes enable predatory lenders, including some Fintech companies, to evade Georgia’s interest rate cap and other hard-fought protections. With the economic

instability tied to the pandemic, this would be the worst time to increase risk of financial exploitation for already cash-strapped Georgians. We oppose any effort to create a loophole that could allow predatory lenders to exploit rent-a-bank schemes to evade Georgia's strong consumer protection laws and put our usury caps at risk.

Support programs to reduce the energy burden for Georgia utility customers. Creating a more equitable Georgia means bringing comprehensive, accessible programs, like energy efficiency and solar, to utilities and EMCs throughout the state. With skyrocketing energy bills and the interests of utilities as firmly entrenched across the state as ever, the state must take steps to reduce power bills for struggling families. We support efforts to lower utility bills and diversify the state energy portfolio to mitigate future rate increases.

Oppose attempts at the State or Federal level to limit consumers' access to the civil justice system. This includes tort reform legislation seeking to cap damages, expand the use of mandatory arbitration, and limiting consumers' right to join in class action lawsuits against powerful special interests. We oppose any efforts to limit access to civil justice.

ADDITIONAL ISSUES. We will continue supporting our partners' efforts around the following issues during this session.

Oppose work requirements and any efforts to limit Medicaid eligibility or reduce access to healthcare amid the ongoing COVID-19 crisis. We understand that Georgia is facing increased demands on its Medicaid program due to the COVID-19 public health emergency. Georgia legislators should not impose any work requirements that would lock Georgians out of healthcare coverage. Instead, Georgia should streamline enrollment to expedite coverage for eligible families and minimize administrative burden for overwhelmed eligibility workers. We oppose work requirements and any policies that reduce access to Medicaid.

Support state-level earned income tax credit (Georgia Work Credit) legislation to give an economic boost to low-income working families in Georgia. Georgia is one of the few states that continue to levy an income tax on low-income families. Many states have used state EITC legislation to help working families move up the economic ladder into the middle-class and break the cycle of poverty. Providing a state-level work credit to low-income working Georgians would benefit Georgia families and our economy by putting more disposable income into the pockets of consumers, infusing dollars into local economies, and boosting business. We support the Georgia Work Credit that would boost the financial well-being of struggling Georgia families and communities during this difficult time.

Support measures to increase rural access and equity. Measures that would stimulate and incentivize rural access to healthcare, include but are not limited to increasing the Medicaid provider reimbursement rate, physician student loan forgiveness, expanding rural broadband access for purposes of telemedicine, and increasing the state tobacco tax (including for vaping products) to provide funds for rural healthcare. We support efforts to increase rural access and equity.