

2022 Legislative Priorities



During the 2021-2022 biennial legislative sessions, we are shining 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. As we enter 2022, many Georgians still 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 laws, including:

- A utility financing option called securitization to lower power bills and protect consumers from cost overruns at Plant Vogtle.
- Statewide regulation of car title lenders by the Department of Banking and Finance, making them subject to the state usury cap.
- New wage and bank account garnishment protection rules that ensure families can meet their basic living needs.
- Creation of an equity impact tool to analyze potential impacts of proposed legislation on certain demographic populations.

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

Support securitization in utility financing to protect consumers from paying excess profit to Georgia Power for the overbudget construction of Nuclear Plant Vogtle units 3 and 4. In 2009, the Georgia General Assembly passed Senate Bill 31, the Georgia Nuclear Financing Act, authorizing Georgia Power to collect financing costs, including its profits and income taxes on profits, for the construction of Plant Vogtle from ratepayers during construction. The Nuclear Construction Cost Recovery (NCCR) tariff was intended to pre-collect financing costs for roughly six years. However, 11 years later, ratepayers are still paying these costs, totaling more than \$3.5 billion collected, 80% of which is the company's profit and associated income taxes. Construction of units 3 and 4 is now six years behind and the cost has nearly doubled to \$30 billion. Despite this poor performance, Georgia Power will reap \$12.6 billion in profit from the mismanaged project, including an additional \$5 billion tied directly to the delays and cost overruns. Georgia Power now seeks to move Vogtle capital costs into its rate base and begin earning its full rate of return on these bloated costs for the next 60 years. In turn, customers face steep rate increases. Georgia Power estimates a 10% peak rate impact related to Vogtle units 3 and 4, with only 3.2% currently in rates through the NCCR. Securitization is a low-cost capital option for investor-owned utilities like Georgia Power to replace higher-cost capital financing. It uses bond financing to lower costs for utility customers, saving customers hundreds of millions of dollars in the long run. We support the implementation of utility securitization to help Georgians claw

back some of the Vogtle overpayments collected to date while curtailing the excess profit customers must pay to Georgia Power on Vogtle's cost overruns going forward.

Support legislation to move regulation of car title lenders to the state Department of Banking and Finance subject to the state's usury cap on small dollar loans 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. Predatory 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:

- Move licensing and regulation of motor vehicle title lenders under the Department of Banking and Finance.
- 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 state small-dollar loan standards.
- Require lenders to return to the borrower any surplus obtained if the vehicle is repossessed and sold.

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

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 during the COVID-19 crisis, many Georgians were unable to pay old debts or cover expenses related to food, rent, and medical costs. Garnishment of wages or bank accounts 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 wage and bank account garnishment protections to help Georgians pay off their debts while maintaining a livable wage and emergency savings.

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

The public health and economic crises tied to the COVID-19 pandemic shone a light on existing disparities affecting communities of color, economically distressed communities, and other demographic groups who have historically experienced disinvestment and barriers to opportunity. To adequately address existing disparities and prevent the emergence of new ones, Georgia legislators should have a tool to analyze the potential positive or negative affect of proposed laws or regulations. As they have been applied in at least nine states, equity impact tools are shown to be useful and practical resources that demonstrate the potential scope of the impact of pending legislation on certain demographic populations. We support the development and adoption of an equity impact tool by which certain state policy and law makers can request formal examinations of the impacts of proposed bills to ensure the legislation advances equity and justice.

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

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 to improve healthcare quality and reduce healthcare costs for Georgians.

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.

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.