



Leaders promised focus on job creation, but action has been limited

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Speaking to the state's top business leaders in January, newly sworn-in Gov. Nathan Deal said Georgians would hear a common theme from their top officials.

"There is a mantra all of us will be repeating, and that is creating jobs for our state," Deal said at the Georgia Chamber of Commerce's annual Eggs and Issues breakfast.

House Speaker David Ralston, R-Blue Ridge, offered similar assurances to a state where unemployment remains above 10 percent.

"It's time that we in state government focus on doing those things that will make us No. 1 in terms of sustaining jobs and creating new jobs," Ralston said.

But with the 2011 legislative session more than three-quarters done, legislation specifically tied to job growth has largely been absent, or if it exists, is stuck in committee. And while Deal and other leaders say job creation remains a priority -- and pre-election polls showed it was voters' top concern in 2010 -- some Georgians are concerned action hasn't matched the rhetoric.

"I haven't seen them do anything at all yet to help create jobs or help bring back jobs to industries that were lost," said Gary Miller, 56, of Lilburn.

Miller, who works for an insurance company, said he visits other businesses "all the time that sometimes wonder if they're going to be here next week."

It's also personal, he said.

"What scares me more at my age, am I going to have a job in five years?" Miller said. He is also worried about his children in college. "What's out there for them?"

Deal and other state officials say progress is being made. But the major legislative initiative designed to spur job growth this year is unlikely to pass this session. House Bill 385, the result of a months-long study of Georgia's tax system, would overhaul the state's tax code. It would lower individual and corporate income tax rates and eliminate dozens of sales tax exemptions.

But Deal and others have indicated it will not be adopted this year.

"The governor is committed to tax reform that is going to make Georgia more competitive to attract jobs," Deal spokesman Brian Robinson said.

By late Wednesday there were signs the bill could be gaining new life, although officials would not comment for the record. There are only seven legislative days left, however, and it would be difficult to push the measure through this year.

Robinson said Deal remains committed to his major campaign promise that dealt with job creation: lowering the corporate income tax rate by one-third. That proposal, however, is part of the larger overhaul.

Senate Majority Leader Chip Rogers, R-Woodstock, agreed that the tax plan is the General Assembly's main opportunity to spur job growth.

"Whenever we're talking about job creation at the state level, you almost always have to look at the tax code," he said. "We believe that committee and that legislation ... will be the vehicle that leads to a lot more job growth."

Other, smaller initiatives have had more success. Sales tax breaks were extended for Delta Air Lines and Gulfstream, which backers say will help retain jobs. Supporters said a bill to make it easier for billboard companies to cut state-owned trees will protect jobs. And Rogers pointed to Senate Bill 151, which he said would limit increases in unemployment taxes that businesses pay.

"That will be an enormous positive step," Rogers said. The bill has passed the Senate and is in a House committee.

Other lawmakers are focused on a more local approach. Rep. Elena Parent, D-Atlanta, has introduced bills to help Doraville redevelop the General Motors plant that closed in 2008.

Business and economics experts said state leaders are hamstrung.

"The starting point is coming to the realization that government can't create jobs," said Antony Davies, an associate professor of economics at Duquesne University. "It's entrepreneurs who create jobs. The best government can do is create an environment that encourages entrepreneurs to create jobs."

That is done by limiting onerous regulations, Davies said. A low tax rate and simplified tax code, both stated goals of the stalled tax overhaul, also help.

Greg Charleston, senior managing director of Conway MacKenzie in Atlanta, an expert in business management and growth, said Georgia -- like all states -- is greatly affected by the overall national economy.

"To grow jobs in the state, the quickest way is to attract businesses and to compete with other states," Charleston said.

Other so-called jobs bill, such as specific tax incentives, "tend to create jobs over a longer period of time," Charleston said.

Robinson, the governor's spokesman, said the administration has plans to lure new business to the state. Deal's budget proposal for the coming fiscal year includes more than \$11 million -- a record, Robinson said -- specifically keyed toward economic development in urban areas through the Regional Economic Business Assistance program. Deal also included \$19 million for the OneGeorgia Authority to help spur economic development in rural areas.

Deal, Robinson said, inherited a \$300 million hole in the HOPE scholarship program and budget deficits of more than \$1 billion. His budget also eliminates thousands of unfilled state positions.

"We're not de-emphasizing job creation by any means," Robinson said, adding that this session "was a matter of triage."

Still, others question whether enough is being done.

Virginia Galloway, the state director for Americans for Prosperity and an important voice in state Republican politics, is not satisfied with the GOP-dominated General Assembly.

"While Georgians struggle with one of the highest unemployment rates in the nation, the General Assembly has done next to nothing that will result in job creation," she said. "Where's a 'Jobs Act'? Nowhere to be seen. Where's tax reform? They're still 'working on it.' "

Galloway added that she opposes the tax overhaul plan that leaders are banking on, calling the first version a "near disaster."

Yet, other business groups, such as the Georgia Agribusiness Council, believe the tax plan will "bring fairness and make our state competitive in the region," said Bryan Tolar, the council's president.

But, Tolar said, while that bill languishes, lawmakers are advancing other bills he believes will "kill jobs," including two targeting illegal immigration.

"Time will tell if the General Assembly is indeed serious about growing jobs in Georgia," he said.

Tom Stacy of Vinings, however, believes it is past time.

"Look at other states in the Southeast and tell me which one places behind Georgia in doing less with more?" said Stacy, 61, who raises capital for property development and green energy projects. "I know this place too well and really wish something would change so we could at least keep up with our slower region in job growth."