

Investing in Georgia

Economic Development Newsletter



Welcome to King & Spalding's economic development news bulletin, Investing in Georgia. In this edition, you will find:

- An overview of the sequester, debt ceilings, continuing resolutions to fund the government, and more
- An update on the status of important new ethics legislation now making its way through the General Assembly
- Commentary on the threatened treatment of municipal bonds as "just another tax loophole"

We hope you find this helpful, as we partner to keep Georgia a great place to live and work!

Bill Holby
King & Spalding Economic Development Practice Group

Recent Developments

General Assembly Focuses on Lobbyists, Political Gifts. On Monday, February 25, the Georgia House passed by a vote of 164 to 4 sweeping changes to Georgia's ethics laws. The legislation, H.B. 142, was originally introduced by House Speaker David Ralston (R-Blue Ridge) on January 29. The final legislation, recommended by the House Rules Committee on Friday, February 22 was a substitute offered by the Speaker. [More »](#)

Immigration and Economic Development. It is interesting to see that economic development is now being integrated into the national conversation regarding the reformation of our broken immigration system. While most of the dialogue has focused on strengthening border security and creating a pathway to citizenship, the President's immigration proposals also include the permanent authorization of immigrant visa opportunities for regional center (pooled investment) programs. [More »](#)

In The News

Innovation Economics: The Race for Global Advantage. In their timely new book, authors Rob Atkinson and Stephen Ezell examine how the United States is now losing the global innovation advantage, an area where we once led resoundingly. The authors examine where we've been, where things stand currently, and what needs to be done to get America's economy back on track.

February 2013

By the numbers

\$38,750

The cost of a 30 second advertisement during Super Bowl I, in 1967

\$3.8 million

The cost of that same 30 second advertisement during Super Bowl LVII on Sunday, February 3, 2013

\$2,533

The maximum Social Security retirement benefit per month that can be received by an individual reaching full retirement age (66) in the year 2013

\$15.8 trillion

Size of the U.S. economy, which is 22% of the entire world economy of \$72 trillion. Europe represents 18% of the global economy, while China's economy is half the size of the USA at 11%

14%

Job approval rating of Congress at the start of the 113th Congress in January. The approval rating has not exceeded 50% since April 2003

\$2.7 trillion

Health care spending in the US for 2011,

This new book presents a compelling analysis and offer numerous solutions centered around the need for innovation policy. [More »](#)

Lines in the Sand. The sequester debate is setting the stage for who has the upper hand in the larger and more consequential debate over the debt limit this summer, and whether the country can get beyond serial budget crises. To recap, in the summer of 2011 the President and the Congress agreed to raise the debt limit by \$2.4 trillion and to cut the deficit by an equal amount over 10 years.

[More »](#)

Looking Ahead

In Search of Lost Revenues. As Congress and the White House search for "tax loopholes" that can be closed in order to generate additional tax revenues, the exemption of interest on state and local bonds is once again a convenient target. A recent op-ed piece in *The Bond Buyer* did a nice job of putting this issue in historical context. [More »](#)

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making it 17.6% of our total economy

18.4%

Portion of the 1,835,000 new jobs created in the US in 2012 that were in the health care industry

\$1,008,000

Winner's paycheck for PGA Tour Rookie Russell Henley, a Macon, Georgia native who attended the University of Georgia, for his January victory at the Sony Open in Hawaii, his PGA debut. It took Arnold Palmer 13 years to win \$1 million in his career!

39%

Funding level for the five public-sector pension plans for Illinois state workers as of 6/30/12, equal to a \$97 billion unfunded liability.



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