

-----AGC Georgia Legislative Update

2026 Pre-Session Report

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Published: January 8, 2026

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The new year is upon us and Monday, January 12, 2026, marks the beginning of the legislative session. The governmental affairs team anticipates another fast-paced and impactful year of advocacy on behalf of AGC Georgia members.

The 2026 session is the second year of a two-year cycle, which means legislators are in position to immediately pick up where discussions left off on their bills from the 2025 session since they are still eligible for consideration.

Below are summaries of AGC Georgia's key initiatives, as well as what we know to be on the horizon during the next three months. If you have any questions or comments, please reach out to us. It's our privilege to serve

AGC Georgia members each year, and we look forward to kicking off another great session under Georgia's Gold Dome.



2026 Session: AGC Georgia Initiatives

Construction Workforce Development Funding

K-12 Funding: During the 2025 session, AGC Georgia was instrumental in securing \$1M in the base budget for construction workforce development. Traditionally our request has been a line-item budget item, but we were appreciative of legislative support that added our request in the state's base budget. This shows a clear nod of approval from the General Assembly and acknowledges leaderships understanding of the clear return on investment. In 2026, we will be monitoring the status of this base budget request and will advocate for securing \$1M.

As with each year, there will be many groups advocating for funding in the budget, but given our track record, and the good news the 2025 session brought, we are optimistic. Since the passage of the CONNECT Act in 2018, (Creating Opportunities Needed Now to Expand Credentialed Training) the \$1M in funding secured during the 2025 session marked the seventh straight year AGC Georgia secured funding in the appropriations budget for construction industry workforce development programs.

Apprenticeship Funding: The workforce shortage is an alarming reality for all industries across Georgia. However, there are state-led initiatives in place that are bearing fruit that we believe can help address this issue. The High Demand Apprenticeship Program (HDAP) (formerly the High Demand Career Initiative) resulted in \$720,000 for construction and 72 apprentices in 2024. While we are still waiting for final statistics for 2025, the 2024 numbers report \$720,000 of a total of \$1.1M that was allotted for this program going to the construction industry.

Although HDAP is a step in the right direction in its current state, increased apprenticeship funding is still a massive need for our state. AGC Georgia recognizes the capabilities of the HDAP program and that is why we will push for increased funding. As a program that aims to promote workforce development for all industries, and as a program that is showing proven results for construction, we are posing the question . . . what could

this program achieve for Georgia if it were funded at a much higher level? In our eyes, increased funding could be a tremendous leap forward in addressing one of Georgia's largest issues.

Tort Reform Follow Up

Tort Reform took main stage last year with passage and signage of Governor Kemp's package that included Senate Bills 68 and 69. Legislators in both bodies, Governor Kemp and his team, and interested stakeholders spent the entirety of last session advocating for comprehensive change to this area of Georgia law. After a session packed with heated debate, SB 68, which included the bulk of the proposed changes, narrowly passed in the House with 91 votes in its favor (*1 vote above the magic number of 90*).

AGC Georgia's Governmental Affairs team was heavily involved in this fight. With the support of the association's Board of Directors, we aligned with two tort reform coalitions: *Competitive Georgia* and *It's Time Georgia*. *Competitive Georgia* is a coalition of business leaders across all industries from around the state. We donated \$100,000 to this organization and joined forces with them in their lobbying efforts at the Capitol. *It's Time Georgia* is a coalition of business organizations from around the state formed by the Georgia Chamber of Commerce. We supported their efforts with \$15,000 in donations.

With the 2026 session approaching it is imperative that we remain vigilant to make sure that no attempts to peel back the tort reform passed in 2025 will be successful. We will continue to work in tandem with our counterparts with *Competitive Georgia* and the General Assembly to protect the meaningful progress achieved in 2025.

Private Plan Review & Inspection

At the end of the 2025 session, homebuilder advocates dropped HB 812 which revolves around permitting. AGC Georgia fully supports the residential building community pursuing this legislation. In the past several months, we've heard from members in various regions of Georgia that have encountered issues with the private plan review and inspection processes. With the homebuilder group opening the door to the permitting conversation at the Capitol, we opened talks with the engineers and other interested parties about introducing a bill on the Senate side to compliment HB 812 in the House. The main goal with this potential legislation is to ensure that once a contractor has paid the premium to trigger private plan review and inspection by a third-party licensed architect or engineer, that the municipalities cannot come out and re-inspect, thereby stalling progress.

Subrogation

Subrogation is the ability of an employer/insurer to enforce a lien against a judgement entered against a third-party tortfeasor where the employer/insurer has already paid out workers' compensation claims for the accident at hand. The ability to do so is highly limited in Georgia thanks to Georgia's "Made Whole" Doctrine. The inability to do so hurts Georgia's construction companies beyond just the ability to recover workers' compensation that has been paid out due to the impact this can have on a company's safety mod score. One of the key factors considered when a company's safety mod is calculated is a company's actual losses which include costs incurred by workers' compensation packages that are paid out. If an employer/insurer were able to recover these costs via subrogation, then no actual loss would need to be weighed when calculating the safety mod score. As previously referenced though, since it is overly difficult to subrogate in Georgia, in simple terms this means that accidents that are no fault of the employer/employee are directly impacting safety mod scores in Georgia. Given that these scores can directly impact a company's ability to successfully bid and receive jobs, it is clear change is needed. AGC Georgia's Government Affairs team is planning to address this issue with the General Assembly during the 2026 session to figure out what the best path forward is. It is unclear what the appetite for such a hefty legislative change will be following last year's tort reform fight, but we are prepared for a multi-year fight to enact much needed change.

2026 Session: Things to Look Out For

- Governor Kemp is entering his last session as Governor. As session kicks off, we are eager to learn what his vision is for the final session of his term in office. While many Governors use this final session to tie

up *loose ends*, Governor Kemp has never been one coast. We expect him charge hard and go out with a bang.

- With many legislators running for higher office in 2026, Georgia could experience one of its most heated legislative sessions in recent times. This is especially true for the Senate since many key players are running for Governor, Lt. Governor, and Attorney General. While it is no doubt that the General Assembly will strive to provide another year of common-sense legislation for the state, expect to see some gamesmanship.
- It's almost guaranteed that we'll see legislation involving data centers and their growing presence in Georgia. For a few years now, the General Assembly has assessed the merits of tax credits allotted for building these centers. A Special Committee on Resource Management met multiple times in recent months to weigh the impact data centers are having on our state's resources. We will share findings and next steps as we learn more.
- Following last year's focus on tort reform, the General Assembly created the Blue-Ribbon Committee on insurance rates. Given the primary focus of tort reform was lowering insurance premium costs for Georgians, it was encouraging to see the General Assembly form this committee to assess whether there were any contributing factors to Georgia's exorbitant rates in the insurance community. This committee met multiple times throughout the interim, so we expect to hear its findings in the form of legislation proposed during the 2026 session.
- The Governor's proposed budget will drop shortly after the start of the session. This will give legislators an idea of the surplus the state is working with and what key initiatives the Governor has highlighted as priorities. This will allow legislators, as well as those asking for funding (such as AGC Georgia's K-12 funding request), to understand the funding parameters the General Assembly will be working within during the 2026 session. We are hearing that Governor Kemp and his team have warned legislators that due to federal budget cuts impacting funds flowing down to Georgia, there will be no new funds added to the budget. Essentially this means that any changes made to Governor Kemp's proposed budget will result in funds having to be repurposed rather than new funding being added.
- Throughout the session we will continue to provide updates through written reports like this one and by video in our e-newsletter and LinkedIn page.

Reminders:

"Building Georgia" Legislative Meet & Greet

Please join us on January 27, 2026, for our association's *Day at the Capitol* where you can visit the historic building, meet legislators, and see the General Assembly in action. This event begins in the Rotunda at 8:00 am. We encourage each of you to attend and to personally invite your legislators to join the event as your guest.

AGC Georgia PAC

Please consider donating to AGC Georgia's Political Action Committee. The 2026 election cycle will prove to be one of the most impactful yet. With the number of current legislators vying for higher office, it will undoubtedly lead to a shifting landscape. To support the legislators that support Georgia's construction industry, the AGC Georgia PAC needs financial support. As always, thank you for your help in allowing us to promote common sense legislation for our state's construction industry.

If AGC Georgia's Governmental Affairs team can ever be of assistance, please contact us at woodall@agcga.org or graddick@agcga.org.



POLITICAL ACTION COMMITTEE



Please contribute to the AGC Georgia PAC!

AGC Georgia maintains a visible and active presence throughout the year with elected and appointed state officials and policy makers advocating for what is in the best interest of our members and the commercial construction industry.

During each year's session of the Georgia General Assembly, AGC Georgia is front and center regarding pending legislation, proposed policy changes, and other regulations that can negatively impact your firm and our industry. In addition to maintaining a strong defensive posture, AGC Georgia is also very proactive in identifying opportunities to better the business climate for your company.

We firmly believe electing pro-business officials to Georgia's General Assembly who objectively listen to our concerns, understand them and act accordingly is critical to the industry's success.

Please consider donating to the AGC Georgia PAC to help our association continue a long tradition of being a respected voice in the legislative process. Since actions taken under Georgia's Gold Dome significantly impact the construction industry, it's important for AGC Georgia's PAC to be a vibrant source of support for pro-business candidates seeking office throughout our state.

AGC Georgia's PAC can accept both corporate and personal contributions.

Contact Will Graddick, Associate Director of Governmental Affairs, at 678.298.4142 or graddick@agcga.org to learn more about our legislative and advocacy efforts and opportunities to get more involved.

Please accept the following ☐ Corporate or ☐ Individual contribution to AGC Georgia PAC.

- If corporate contribution, please provide company name: _____
- If individual contribution, please provide your name: _____

Contribution amount: ☐ \$5,000 ☐ \$2,500 ☐ \$1,000 ☐ \$500 ☐ Other \$ _____

Payment: ☐ **Check** -- Make check payable to AGC Georgia PAC.

For check payment, scan form to graddick@agcga.org and then send payment AND this form to:
Wells Fargo/AGC Georgia, PO Box 934023, Atlanta, GA 31193-4023.

☐ **Credit card** -- ☐ AmEx ☐ MC ☐ Discover ☐ Visa # _____ Exp. _____

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For credit card payment, please scan this form and email it to graddick@agcga.org.

THANK YOU!