

February 12, 2010

The Georgia General Assembly met Monday through Thursday of this week, completing a total of 17 legislative days out of a possible 40. Beginning next week, the legislature will adopt a Tuesday, Wednesday, Thursday schedule for the foreseeable future.

Revenue numbers in Georgia continue to decline. Governor Perdue announced Tuesday that net revenue collections for the month of January '10 (FY10) totaled \$1,438,319,000 compared to \$1,575,265,000 for January '09 (FY09), a decline of 8.7 percent.

Under Georgia Law, the legislature is required to balance the budget. On Thursday, the House voted in favor of a \$17.4 billion amended FY 2010 budget, which includes over \$1 billion in cuts from the FY10 budget that was approved last session. Appropriations Chairman Ben Harbin said the committee was forced to make tough decisions across the board. If revenue numbers continue to decline, lawmakers and the governor will be forced to modify the proposed spending plan.

Property Tax Appeals and Assessments

House Resolution 1, Representative Lindsey's proposed constitutional amendment to cap increases in the assessed value of all property types failed to pass last year, but the measure remains eligible for consideration this year. The Ad valorem Subcommittee of the House Ways and Means Committee heard HR 1 and a companion bill, HB 517 at a Wednesday meeting. The two measures will receive a second hearing and possible vote next week.

Also on Wednesday, Senator Chip Rogers' bill related to Property Tax Appeals and Assessments, [SB 346](#), received a hearing in the Senate Finance committee. Senator Rogers combed through the lengthy bill page by page in great detail for the committee. No committee action was taken, but the Finance Committee is expected to hold another hearing next week and the bill will likely receive a vote at that time.

The 47 page bill details over 40 different changes to current law, including:

- Allow willing counties to join together and form "Regional BOE's"
- Establish sales price of an "arms-length" transaction as the maximum assessed value for a period of 1-year following the transaction. This shall include all sales made on or after January 1, 2010
- Revenue generation shall be considered when determining assessed value of commercially zoned property
- Current use of property at current zoning - not highest and best use, shall be used to determine current assessed value
- Every notice of assessment shall include notice of availability of qualified comparable sales data used to establish valuation
- Any county whose digest includes assessed commercial value in excess of \$100,000,000 shall make available to the taxpayer a licensed appraiser who will act in place of the BOE to determine value of any parcel which is zoned commercial

The Senate Natural Resources and Environment Committee received testimony on the Water Stewardship Act (SB 370) on Wednesday. The Environmental Quality Subcommittee of the House Natural Resources Committee held a hearing on the House version (HB 1094) on Thursday morning. The Water Stewardship Act will require low flow toilets, faucets and other equipment to be installed in new construction after July, 2012. The bill also calls for the installation and use of submetering in new multitenant commercial and residential buildings.

Members of BOMA met with the Governor’s staff to discuss the impact on our membership. BOMA, working with other commercial real estate organizations is in the process of submitting language to satisfy industry concerns.

Legislative Tracking

Type	Number	Title	Sponsor	Details	Status	Committee
HB	169	Proposed new or revised flood elevations	Carter, Earl of Pooler	This bill would require the Department of Natural Resources to notify affected property owners and local governments whenever the Federal Emergency Management Agency provides legal notice under the federal National Flood Insurance Program of any new flood elevations in this state.	Senate Conference Committee Report Adopted 4/3/09	Senate Natural Resources Committee
HB	231	Practice of Architecture	Jerguson, Sean of Canton	Would clarify the types of construction projects for which documents are prepared, certified, and submitted for building permits by a Georgia registered interior designer.	Senate Committee Favorably Reported	Senate Regulated Industries
HB	247	New Home Access Act	Thomas, Brian of Lilburn	“New Home Access Act”. General provisions and standards for construction of single family construction.	House Second Readers	House Ways and Means
HB	263	In-home services; employees; criminal background investigation	Peake, Allen of Macon	Any person that is offering in-home services shall conduct a criminal background investigation of each employee, and that any person who fails these background checks shall not be employed.	House Second Readers	Agriculture and Consumer Affairs
HB	405	Tax Credits, efficient water Fixtures	Wilkinson, Joe of Atlanta	Would provide tax credits for residential properties that retrofit water efficient fixtures in existing homes.	Failed to crossover last session.	House Ways and Means
HB	517	Revenue and taxation; method of assessing real property; comprehensive revision	Lindsey, Edward of Atlanta	Would provide for the comprehensive revision of the method of assessing real property; to limit valuation increases of real property; to provide for procedures, conditions, and limitations; to provide for applicability to certain types of real property; to provide for the manner and method of increasing or removing mill limitations regarding school systems and municipalities; to provide for optional discontinuation procedures.	House Second Readers	House Ways and Means

HB	545	Commencement and Service of Civil Actions	Willard, Wendell of Atlanta	Establishes a statewide appointment system for private process servers. The bill also mandates that property owners grant process servers access to a gated community for a reasonable time to serve process. Property owners often hire private process servicers during dispossessory cases, finding the option to have many benefits.	Senate recommitted.	Senate Public Safety
HB	579	Contractors; eligibility for licensure	Maxwell, Howard of Dallas	This bill relates to eligibility for licensure without examination and burden upon the applicant relative to residential and general contractors.	Senate Recommitted	Senate Regulated Industries and Utilities
HB	885	Magistrate Courts	Levitas, Kevin of Atlanta	Relating to civil proceedings in magistrate courts, so as to provide for applicability of the "Georgia Civil Practice Act" under certain circumstances; to change provisions relating to service of process.	House Second Readers Heard in Subcommittee 2/4/10	House Judiciary
HB	951	Sales and use tax exemption; certain school supplies; energy efficient products; provide	Smith, Lynn of Newnan	Exemptions from state sales and use tax for certain school supplies, clothing, footwear, computers, and computer related accessories July 29-Aug 1, 2010. And would provide an exemption from sales and use tax for certain energy efficient products or water efficient products Oct 7-10, 2010.	House Second Readers. Heard in Subcommittee 2/4/10	House Ways and Means
HB	953	Sales and use tax exemption; certain energy or water efficient products; provide	Smith, Lynn of Newnan	Would provide an exemption from sales and use tax for purchase of energy efficient products or water efficient products with a sales price of \$1,500.00 or less per product purchased for noncommercial home or personal use October 7-10, 2010.	House Second Readers. Heard in Subcommittee 2/4/10	House Ways and Means
HB	973	Magistrate courts; jurisdictional limit in civil claims	Jacobs, Mike of Atlanta	Would increase magistrate courts jurisdictional limit in civil claims to cases of \$25,000 , currently \$15,000	House Second Readers	House Judiciary
HB	1015	Street gang terrorism and prevention	Golick, Rich of Smyrna	Would amend Georgia code as it applies to street gang activity	House Committee Favorably reported.	House Judiciary (Non Civil)

HB	1023	Jobs, Opportunity and Business Success Act of 2010	Graves, Tom of Ranger	Would provide, for a period of time, a waiver of certain filing fees otherwise charged in connection with such entities; for a period of time, employers who hire those receiving employment security benefits will be entitled to a credit against employer contributions; a portion of net long-term capital gains shall be excluded from state taxable income of corporations and individuals.	House Second Readers	House Special Committee for Small Business Dev. And Job Creation
HB	1024	Jobs, Opportunity and Business Success Act of 2010	Graves, Tom of Ranger	Would provide tax relief and encourage employment opportunities and business stimulation; eliminate the requirement for dealers to make returns and remittances with respect to estimated sales and use tax liability.	House Second Readers	House Ways and Means
HB	1041	Tax digests; not approved by commissioner under certain conditions; eliminate	Epps, James "Bubber" of Dry Branch	Relates to the approval of tax digests when property is in arbitration or on appeal. Would eliminate certain conditions under which digests are not approved by the state revenue commissioner.	House Second Readers	House Ways and Means
HB	1048	Conveyances; structures require certified termite and wood-destroying organism inspection	McCall, Tom of Elberton	Each conveyance of real property located a residential or commercial structure shall require a certification it has been inspected for termites and other wood-destroying organisms.	House Committee Favorably reported.	House Agriculture and Consumer Affairs
HB	1050	Real estate appraisers; appraisal management companies, add regulations	Benton, Tommy of Jefferson	Would add regulations for establishment and maintenance of real estate appraisal management companies.	House Second Readers	House Regulated Industries and Utilities
HB	1069	Income tax; credits for equipment that reduces energy or water usage	Wilkinson, Joe of Atlanta	Would provide tax credits for certain qualified equipment that reduces business or domestic energy or water usage.	House Second Readers	House Ways and Means
HB	1094	Natural Resources, Department of; develop water conservation incentives; require	Smith, Lynn of Newnan	Revise provisions of law relating to water supply and water conservation; require the Georgia Department of Natural Resources, including its Environmental Protection Division, and other agencies to examine their practices, programs, policies, rules, and regulations in order to develop programs and incentives for voluntary water conservation. Require high-efficiency toilets, shower heads, and faucets in new construction.	House Second Readers	Natural Resources

HR	1	Cap valuation of real property	Lindsey, Edward of Atlanta	Proposing an amendment to the Constitution to cap value of property except for certain adjustments. Will cap property tax reassessment at 3% or the rate of inflation.	Failed to crossover last session. Heard in House Ways and Means Thursday.	House Ways and Means
SB	184	Contractor; service of notice of commencement	Weber, Dan of Dunwoody	Would provide for certain requirements regarding service of a notice of commencement to a contractor relating to payment bonds, so as to provide for certain requirements regarding service to a contractor; to provide for a procedure for the application of certain forms.	Failed to be voted on last session.	House Judiciary
SB	308	Firearms; carrying and possession	Seabaugh, Mitch of Sharpsburg	Change provisions regarding the carrying and possession of firearms, so as to permit persons with a weapons license to carry certain weapons in parks, historic sites, or recreational areas and while hunting during archery or primitive hunting season.	Senate Read and Referred	Senate Judiciary
SB	311	Water Savings and Conservation Act	Shafer, David of Duluth	Would require the Department of Natural Resources to inspect certain infrastructure relating to removing surface water; to provide certain alternatives to governmental entities required to repair or replace certain inadequate infrastructure.	Senate Read and Referred	Senate Natural Resources
SB	346	Ad Valorem Taxes; comprehensive revisions	Rogers, Chip of Woodstock	Would provide year-round property appeals; every property receives an annual notice of assessment ; statewide uniformity of assessment notices and appeal forms; Allow counties to accept payment plans for property taxes and discounts for early payments; establish time limits for assessor action in response to appeals; require a unanimous vote by Board of Equalization members to increase assessed value	Senate Read and Referred. Heard in Committee 2/10	Senate Finance
SB	362	Property; liens of mechanics/materialmen; waiver and release upon payment	Weber, Dan of Dunwoody	Relating to liens of mechanics and materialmen,would eliminate provisions stating that a mechanic or materialman who has executed a waiver and release upon payment shall be presumed to have received payment if the mechanic or materialman does not file an affidavit of nonpayment within a certain period of time.	Senate Read and Referred	Senate Judiciary
SB	370	Water; examine practices, programs, policies; develop	Tolleson, Ross of	Revise provisions of law relating to water supply and water conservation; require the Georgia Department of	Senate Read and Referred	Natural Resources

		<u>programs for voluntary water conservation; reports of measurable progress</u>	Perry	Natural Resources, including its Environmental Protection Division, and for other agencies to examine their practices, programs, policies, rules, and regulations to develop programs and incentives for voluntary water conservation; install high-efficiency toilets, shower heads, and faucets in new construction.		
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