



2015 LEGISLATIVE WRAP UP REPORT

DATE: June 22, 2015
 TO: Kate Little, Georgia ACT and Housing Georgia
 FROM: Elizabeth J. Appley, Legislative Counsel
 RE: Wrap Up Report on Affordable Housing Issues: 2015 Georgia General Assembly

This is a report on affordable housing related legislation that received action during the 2015 session of the Georgia General Assembly. This is the first of the two-year term, so all legislation that did not receive final passage (unless defeated) remains eligible for action next year. This report encompasses all signing and veto action taken by the Governor post-session. Most of the laws that passed and were not vetoed will be effective as of July 1, 2015.

Budget Items Related to Affordable Housing

FY2015 Amended Budget (HB 75) Status: Passed and signed into law.

State Board of Pardons and Paroles	
Add one housing coordinator position	\$ 34,500
Dept of Corrections	
Increase funds for 5 counselors, 5 community coordinators, 1 coordinator supervisor, and 1 housing coordinator to support Governor’s Office of Transition, Support and Reentry and the Georgia Prisoner Reentry Initiative	\$420,000

FY 2016 Budget (HB 76) Status: Passed and signed into law.

Dept of Corrections	
Increase funds and utilize existing State Criminal Alien Assistance Program funds (\$5.2M) for the Reentry Housing Program and other support services to enhance the Governor’s Criminal Justice Reform Initiative	\$830,815
Increase funds for 5 counselors, 5 community coordinators, 1 coordinator supervisor, and 1 housing coordinator to support Governor’s Office of Transition, Support and Reentry and the Ga Prisoner Reentry Initiative	\$840,075
State Board of Pardons and Paroles	
Increase funds for one reentry housing coordinator position	\$ 69,000
Increase funds to provide intensive supervision at 6 targeted pilot sites as part of the Ga Prison Reentry Initiative	\$467,132

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Dept of Community Affairs
 Housing Trust Fund - Special Housing Initiatives
 \$2.96 M state and \$2.6 M federal (Total \$5.5 Million) (NO INCREASE)

Rental Housing Programs - \$0 state and \$118.94M
 Federal (NO INCREASE)

Legislation of Interest:

Low Income Tax Credits and Appraisals

HB 221 - Amends existing law regarding tax assessors use of criteria in determining FMV of real property to provide that rent limitations, operational requirements and any other restrictions “or covenants” imposed upon the property in connection with being eligible for specified income tax credits or receiving any other state or federal subsidies or “loans” provided with respect to use of the property as residential rental property, and further specifies that such properties shall not be considered comparable for assessment of other properties “which are not subject to such restrictions or covenants.” (Jay Powell, R-Camilla)

Status: Passed House by Committee Substitute. Senate Committee substitute not taken up for Senate floor vote on final day of session. Returned to Senate Committee.

HB 20 - Amends state tax credit for low income housing by providing that the allocation of the tax credit and any recaptured tax credit among partners, members or shareholders of the entity owning the project shall be valid so long as the person receiving the allocation is admitted as a partner, member or shareholder of such entity under the laws of Georgia at any time within the applicable year, regardless of the federal income tax treatment of such person, interest or allocation and the federal income tax classification of the entity making the allocation. (John Carson, R-Marietta)

Status: Passed House. Bill not taken up for Senate floor vote on final day of session. Returned to Senate Finance Committee.

HB 253 - Amends requirements for real estate appraisal management company to prohibit payment of fees to appraiser in a federally related transaction without complying with the rules and regulations adopted in accordance with federal law and the standards required by federal financial institutions that regulate the transaction, including appraisals for one to four family residential units in the market area of the property being appraised. (Mandi Ballinger, R-Canton)

Status: House passed. Passed and signed into law. Effective April 29, 2015.

HB 439 - Georgia New Market Jobs Act addresses qualified low income community investments by qualified community development entities with state allocation of up to \$240 million in qualified equity investment. (Jason Shaw, R-Lakeland)

Status: Passed House and Senate; Governor VETOED.

Governor’s Veto Message:

“HB 439, the Georgia New Markets Jobs Act, contains two major tax policy initiatives that affect the Georgia insurance premium tax. It provides for \$55 million in tax credits against insurance premium tax liability for certain equity investments in qualified community development entities. During the legislative process, language was added to HB 439 authorizing the Invest Georgia Fund to sell up to \$55 million in tax credits against insurance premium tax liability. Each of these concepts merit serious discussion standing on their own; however, the combination of these policy initiatives into one piece of legislation and the prospect of implementing these initiatives at the same time under our current budget environment would have too much of an impact on the

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general fund. It is my opinion that these initiatives require further study and, thus, I hereby VETO House Bill 439.”

First Time Homebuyers

[HB 530](#) - First time home buyers savings accounts to cover down payment and closing costs in an interest bearing savings account to be used within ten years of establishment with 10% penalty assessed and paid to Dept of Revenue on unused or misused funds. Funds saved can be unlimited but savings up to \$3,000 per year for an individual or \$6,000 for married couple filing jointly are deductible from taxable net income for Georgia income tax purposes beginning Jan. 1, 2016. (Bruce Williamson, R-Monroe—former DCA Board Member)

Status: House Banks and Banking Committee.

Foreclosure

[HB 322](#) - Provides penalty of \$500 for failure to file deed under power within 120 days after foreclosure (despite law requiring deed be filed within 90 days of foreclosure). Penalty paid to Superior Court clerk at time of filing in addition to filing fee and distributed to the governing authority of the county or municipality within 30 days of receipt. No purposes defined for sums collected. (Bill received late additions on unrelated issues of witnesses to deeds from HB 267 and escheat of US Savings Bonds.) (Brian Strickland, R-McDonough)

Status: Passed and signed into law. Effective July 1, 2015.

[HB 115](#) - Provides a right to cure for residential properties up to five days prior to foreclosure by tendering any past due sums, fees, expenses, reinstatement fees, etc. but not acceleration of the full balance of the loan. (Billy Mitchell, D-Stone Mountain) (See also [HB 31](#) - Pre-filed.)

Status: Passed out of Committee. Held in House Rules. Returned to House Judiciary Committee.

[HB 173](#) - Provides right to notice of fines, fees and taxes to homeowner attendant upon foreclosure. (LaDawn Jones, D- Atlanta)

Status: House Judiciary Committee.

[SB 117](#) - Requires purchaser of condominium development at foreclosure sale to take title subject to a lien in favor of the condominium under certain circumstances.

Status: Senate Judiciary Committee.

Lending and Finance

[HB 174](#) - Amends Urban Redevelopment Law to redesignate “slum areas” as “pockets of blight” for purposes of clearance and redevelopment. (LaDawn Jones, D- Atlanta)

Status: Passed and signed into law. Effective July 1, 2015.

[HB 184](#) - Rewrites banking and finance code. (Bruce Williamson, R- Monroe)

Status: Passed and signed into law. Effective July 1, 2015.

Code Enforcement

[HB 33](#) - Felony to resist, obstruct or oppose a code enforcement officer. (Tom Taylor, R-Dunwoody)

Status: House Judiciary Committee Non-Civil.

Taxes, Executions, Sales and Redemption

[HB 49](#) - Taxpayer option to receive tax bills or delinquent notices by electronic means in lieu of paper bill by first class mail. (Brett Harrell, R-Snellville)

Status: Passed House. Senate Finance Committee.

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[HB 51](#) - Change provisions relating to the amount payable at redemption of land sold under tax executions after July 1, 2015, to include sums paid from the date of the tax sale to the date of redemption to a condo association, property owners association or homeowners' association dues, fees, etc. (Tommy Benton, R-Jefferson)

Status: House passed by Committee Substitute. Senate Judiciary Committee.

[HB 68](#) - Property tax liability for \$5 or less waived for the year. (Jason Spencer, R-Woodbine)

Status: House Ways & Means Committee.

[HB 81](#) - Different limitations if property redeemed from tax sale within 30 days, or after 300 days from sale. Right to redeem in defendant in fi fa, record owner of the property at the time of sale, any person having any right, title or ownership interest or any mortgage holder or security deed holder whose interest was recorded. No enforcement of first lien commences before one year from date of the tax sale. (Scot Turner, R-Holly Springs)

Status: House Committee favorably reported by substitute. No floor vote. Returned to House Ways & Means Committee.

[HB 346](#) - Limiting sales tax on manufactured single-family structures to tax charged only on construction materials used to produce it and other tangible items used in construction and installation. State sales and use tax on retail purchase or sale shall be at applicable state and local option tax rate on 60% of manufacturer's invoice amount, but state and local sales and use taxes shall not apply to the retail sale of a pre-owned manufactured single family structure. (Dominic LaRiccia, R-Douglas)

Status: House Ways & Means Committee.

[HB 521](#) - Increase homestead exemption in Fulton County from \$30,000 to \$60,000 after a two year phase-in period beginning January 1, 2017 (\$45,000) and Jan. 1, 2018 (\$60,000), subject to public referendum on Presidential Primary ballot. (Brad Raffensberger, R- Johns Creek)

Status: Passed House. Senate State and Local Government Committee.

[HB 522](#) - Increase homestead exemption for persons over 70 (who have lived in their home more than ten years) in Fulton County from 0 to \$30,000 after a two year phase-in period beginning January 1, 2017 (\$15,000) and Jan. 1, 2018 (\$30,000), subject to public referendum on Presidential Primary ballot. (Brad Raffensberger, R- Johns Creek)

Status: Passed House. Senate State and Local Government Committee.

[HB 547](#) - Limits the property taxes and liens for years prior to decedent's death against the homestead (instead of real property) set apart and against any equity of redemption applicable to the homestead (instead of real property) set apart to be divested as if the entire title were included in the year's support. Paid or unpaid property taxes accrued in the year of the decedent's death or year of filing the petition for year's support to be divested if the homestead (real property) is set apart for year's support. (Barry Fleming, R-Harlem)

Status: House passed by Committee Substitute. No floor vote on Senate Committee Substitute. Returned to Senate Judiciary Committee.

[HB 548](#) - Alternative Homestead Option Sales and Use Tax Act - would provide for 159 special tax districts coterminous with counties and allow for local referendum to convert property taxes to sales tax, even to the point of elimination of property taxes. (John Carson, R- Marietta)

Status: House Ways & Means Committee. *(While the bill received no action in 2015, the author is also the author of [HB 445](#), the House Republican leadership sanctioned tax reform legislation promised for action in 2016.)*

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[SB 97](#) - Requires due diligence in notifying taxpayers that taxes have not been paid and that an execution shall be issued. (John Albers, R-Roswell)
Status: Senate Finance Committee.

Community Planning

[SR 93](#) -Commending cities that engage in coordinated comprehensive planning for future growth and development - the inaugural communities of the Georgia PlanFirst program and celebrating the 25th anniversary of the Georgia Planning Act.

Status: Adopted by Senate.

[HB 318](#) - Changes existing law so that each municipality and county will have the option to choose to be a member of a regional commission as opposed to automatically being a member, and altering payment of dues for those who choose to become members to reflect only residents of the unincorporated areas of the county or for the residents of the municipality. (David Stover, R- Newnan)

Status: House Government Affairs Committee

Title and Deeds

[HB 99](#) -Title with joint tenancy with right of survivorship between married couple automatically converted to tenants in common upon finalizing divorce or annulment of marriage, unless addressed in final decree. (Eddie Lumsden, R-Armuchee)

Status: Passed and signed into law. Effective July 1, 2015.

[HB 267](#) - Alters requirement for witnessing execution of a deed from two witnesses to one witness and notary. (Trey Kelley, R-Cedartown) (Amended onto [HB 322](#), above.)

Status: Favorably reported by Committee, No House vote by Day 30.

Development Authorities

[SB 85](#) - Modifies the definition of “projects” for tax exemption by development authorities by greatly expanding discretion in the authority -- used in connection with development of trade, commerce, industry and employment opportunities for any public purpose. (Brandon Beach, R-Alpharetta)

Status: Passed Senate. House Government Affairs Committee.

[SB 59](#) - Creates Partnership for Public Facilities and Infrastructure Act and a Partnership Guidelines Committee, and the manner for project initiation, approval process, evaluation criteria, agreements, default and remedies, financing and grants, service contracts, dedication of certain property interests, etc. (Hunter Hill, R- Atlanta)

Status: Passed and signed into law. Effective May 5, 2015.

[HB 442](#) - Prohibits elected members of county or municipal governing authorities, local boards of education, or members of development authorities from participating in discussions regarding or voting upon whether to purchase real property in which such member has a substantial interest (direct or indirect interest of more than 25%) or any business in which the member serves in a fiduciary capacity has an interest in the property. (Dan Gasaway, R - Homer)

Status: House Government Affairs Committee.

Dedicated Revenue Streams

[HR 502](#) - Constitutional amendment to allow General Assembly to enact (and temporarily suspend) dedicated revenue streams from specified fees or assessments under certain circumstances without necessity of a public referendum. (Andrew Welch, R-McDonough)

Status: House Ways & Means Committee.

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Homelessness

HB 107- Students from foster homes or homeless situations shall receive in-state tuition at post secondary schools. (Sandra Scott, D-Rex)

Status: House Higher Education Committee.

HB 180 - Relaxes residency requirements for admission to the Georgia State War Veterans Home to allow for anyone who has been a resident of Georgia for at least two years (previously five years) prior to application or is a current resident and has been a resident for at least five of the past 15 years. (Rusty Kidd, I-Milledgeville)

Status: Passed and signed into law. Effective July 1, 2015.

SB 155 - Creates Georgia Lottery games to benefit veterans, including proceeds to benefit veterans' homelessness, PTSD, health insurance costs, disability benefits, long term care, employment and employment training for veterans. (Ed Harbison, D-Columbus)

Status: Senate Higher Education Committee.

Rental Property

HB 611 - Require landlord to disclose evidence of mold to a tenant as part of a written report of a move-in inspection and where evidence of mold is visible the tenant may terminate the tenancy and not take possession or remain in possession, at their option. If the tenant remains, the landlord must conduct mold remediation and re-inspect within 5 business days, and may require the tenant to temporarily vacate for up to 30 days in comparable accommodations at no cost to tenant, to permit remediation to occur. Landlord to pay cost of remediation unless caused by tenant. (Reps. Gardner, Oliver and Thomas, D - Atlanta)

Status: House Health and Human Services Committee.

HR 810 - House Study Committee on Short-Term Rental Providers to study the increase of short-term rental providers in the state and address issues of taxation, public safety and necessary regulation. (Jon Burns, R- Newington - *NB: He is the new House Majority Leader*)

Status: House passed.

Transportation

HB 170 - Transportation tax legislation that raises additional \$900 billion per year. Combined with **HB 106**, the Conference Committee Reports on these Bills created an unexpected source of part of the transportation funding revenue from a new hotel motel fee of \$5 per night. While the Bills expressly excluded imposition of the fee for "extended stay rentals", the Dept of Revenue issued emergency regulations providing that guests would have to pay the fee for each of the first 30 days of their stay regardless of whether their total stay exceeded 30 days, raising concerns about this financial burden for low income homeless and nearly homeless people. (Jay Roberts, R-Ocilla)

Status: Passed and signed into law. Effective July 1, 2015.

SB 4 - Urban redevelopment for counties and municipalities - provides for surface transportation projects in urban redevelopment areas. (Steve Gooch, R-Dahlonega - Current ED of Development Authority of Lumpkin County)

Status: Passed and signed into law. Effective May 12, 2015.

Housing Georgia is an initiative of
Georgia Advancing Communities Together



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