



Home Builders Association of Georgia

2016 HBAG Legislative Review

Austin Hackney, Government Affairs Director

The 2016 Legislative Session adjourned “sine die” late in the night on March 24, ending the two-year legislative biennium and kicking off the 2016 election season. The Georgia General Assembly met for 40 days and approved a comprehensive budget for the state – the only actions they’re constitutionally required to take. The Office of Legislative Counsel says over 11,000 bills and resolutions were prepared by their office for consideration.

Some of the biggest issues to come up were “religious liberty” and “campus carry”. The religious liberty bills changed as they passed from one chamber to another and were debated and amended in each. According to supporters of the legislation – the goal was to protect the “religious liberty” of Georgia citizens from government intervention. Opponents claimed a consequence of the bill – unintended or not – would be legalized discrimination. Big business weighed in from all across the country threatening an economic boycott of the state unless Governor Deal vetoed the bill – **HB 757** – which he did on Monday March 28. The other big issue still to be addressed by Governor Deal is **HB 859** – which would allow anyone age 21 and up with a concealed carry permit to legally carry a gun on all of Georgia’s public college campuses. The governor has already expressed a concern with this bill, as has every president of public colleges in Georgia. Governor Deal has until May 3 to veto any bill that passed the legislature this year, or the bill becomes a law without his signature. Any bill he signs (or chooses not to) becomes effective on the date of his signature or on July 1, 2016.

GAC took an official position on 65 bills and resolutions this year. These bills were added to our Tracking Sheet and actively worked on by the Government Affairs Director and the rest of the lobbying team. These bills were determined to have an effect – positive or negative – on the residential construction industry and covered issues ranging from property taxes to professional licensing and from workers comp insurance to new uses for development impact fees.

The following legislation was entered but ultimately **DID NOT PASS**. These specific bills are not eligible to become law this year, but the issue may be revisited in future legislative sessions.

- **HB 471: Ron Stephens (R-Savannah) – OPPOSE** – This bill would have allowed construction equipment rental companies to add a new line item charge on invoices for a “property tax recovery fee” of 1.5% to cover the cost of the property tax on their inventory.
- **HB 785/HR 1051: Mike Dudgeon (R-Johns Creek) and SB 272/SR 724: William Ligon Jr. (R-Brunswick) – OPPOSE** – These bills and their accompanying constitutional amendment resolutions would have created a new way for local governments to incorporate: townships. These townships would not provide any municipal services, but would give local citizens the ability to enact zoning and land use regulations without input from the county. GAC viewed this as an attempt to add another layer of government bureaucracy which would stifle development.

- **HB 894/HR 1017:** Mike Dudgeon (*R–Johns Creek*) and **SB 344/SR 624:** Michael Williams (*R–Cumming*) – **OPPOSE** – These bills and their accompanying constitutional amendment resolutions would have created a new use for development impact fees and a new structure for their calculation. Supporters of the legislation pointed to a need for new school buildings in high growth schools systems to be built and paid for by the new residents who caused the need. GAC’s opposition to these new regulatory costs to housing became a marquee issue for the Home Builders under the Gold Dome this year. The bills as written would have created a blank check for local school boards to tax developers and home builders. They would have also created a new structure for calculating these impact fees without representation from the development community. HBAG members who participated in the February 16 Legislative Rally were able to describe to their elected officials how this legislation would have negatively impacted their small business and the bills were ultimately held in committee and did not receive a vote.
- **HB 921:** Penny Houston (*R–Nashville*) – **SUPPORT** – This bill would have created state tax credit incentives to promote the revitalization of vacant rural Georgia downtowns by encouraging investment, job creation, and economic growth in long-established business districts.
- **HB 966:** Johnnie Caldwell Jr. (*R–Thomaston*) – **OPPOSE** – This bill would have changed the state law dictating the measuring point used to determine the 25 foot stream buffer on state waters. HBAG joined voices from the agriculture and forestry industries to oppose this bill. GAC has created an internal study committee, chaired by Tim Thornton of the Middle Georgia HBA, to look at developing a simple and effective definition for stream buffers to be offered in next year’s legislative session.
- **HB 996:** Dominic LaRicca (*R–Douglas*) – **OPPOSE** – This bill would have allowed secondary metals recyclers to make cash payments of up to \$20 per transaction to individuals bringing in metal to sell. The legislation reverses the strong push made by HBAG and many other members of a broad coalition of business and law enforcement to put an end to metals theft in Georgia.
- **HR 1527:** Don Parsons (*R–Marietta*) – **SUPPORT** – This resolution urged Congress to pass the Regulation Freedom Amendment to the U.S. Constitution. In order to reign in the burdensome regulatory environment created by unelected bureaucrats in Washington D.C., this constitutional amendment would require that any federal regulation which is opposed by more than 25% of the members of Congress would require a majority vote of approval by Congress to adopt that regulation.
- **SB 422:** JaNice VanNess (*R–Conyers*) – **OPPOSE** – This bill would have created a new tool for local governments to use to clean up blighted areas. The bill changes the definition of a ‘vacant structure’ to include residential buildings which have been unoccupied for 30 days. The bill also lists seven property maintenance requirements for these vacant structures which, if violated could result in the immediate demolition of the building – with the property owner receiving a bill for “the abatement of the public nuisance”.

The following bills on our Tracking Sheet **PASSED** both chambers and are awaiting the Governor’s signature to become a law.

- **HB 51:** Tommy Benton (*R–Jefferson*) – **OPPOSE** – This bill requires that HOA dues paid by a property tax lien holder would now be added to the total cost required to for the original property owner to redeem the lien.
- **HB 364:** David Knight (*R–Griffin*) – **SUPPORT** – This bill gives a new avenue for property owners to take when their property is illegally taxed by a local government. The bill allows for property owners to appeal directly

to the Commissioner of the Department of Revenue, who can then send their case to the Georgia Tax Tribunal. The bill also provides sanctions against the local governments who knowingly put ineligible properties on their tax digests.

- **HB 402:** Eddie Lumsden (*R–Armuchee*) – **SUPPORT** – This bill promotes workforce development in our state by incentivizing employers to use the work based learning opportunities sponsored by their local high schools to get more young people interested and invested in their industries. The bill allows for discounts on workers comp insurance for participating employers.
- **HB 773:** Penny Houston (*R–Nashville*) – **SUPPORT** – This bill provides more funding to the Georgia Dream Homeownership Program. Since 1976, the Georgia Housing and Finance Authority (GHFA) has provided low cost mortgage financing to over 44,000 low and moderate-income, first-time homebuyers through this program.
- **HB 821:** Al Williams (*D–Midway*) – **MONITOR** – This bill requires all state professional licensing boards – including the Residential Contractors Licensing Board – to adopt rules and regulations implementing a process by which military spouses and transitioning service members may qualify for temporary licenses, licenses by endorsement, or expedited licenses.
- **HB 952:** Chad Nimmer (*R–Blackshear*) – **SUPPORT** – This bill provides “executive oversight” to all state professional licensing boards which will sign off on all board actions and provide immunity from anti-trust lawsuits to members of the boards. The Governor – or his designee – will serve in this role. The bill is a direct result of a Supreme Court of North Carolina ruling and was brought forward by the Office of the Governor.
- **HB 1004:** Rick Jasperse (*R–Jasper*) – **SUPPORT** – This bill modernizes the regulations governing the filing of maps and plats by land surveyors using electronic means. The bill spells out specifically what is required to be included on a plat and provides uniformity across the industry.
- **HB 1025:** Tom Taylor (*R–Dunwoody*) – **OPPOSE** – This bill allows local magistrate courts to return to the practice of “tacking and mailing” property maintenance violations citations when personal service of the citation on a property owner is unsuccessful. This bill was opposed by GAC but gained traction in the Senate during the last week of session. HBAG worked with representatives of Dekalb County Government to amend the bill to require that the local government make at least one attempt at personal service before resorting to the ‘tack and mail’ method and use certified mail when mailing a copy of the citation. These amendments will ensure that due process is protected for these property owners.
- **HR 1198:** Lynn Smith (*R–Newnan*) – **MONITOR** – This resolution encourages the Environmental Protection Division of the Georgia Department of Natural Resources to study its current regulations relating to aquifer storage and recovery. HBAG supported this resolution as part of our participation in the business-centric Georgia Water Alliance.
- **HR 1343:** Tom McCall (*R–Elberton*) and **SR 1018:** John Wilkinson (*R–Toccoa*) – **SUPPORT** – These companion resolutions encourage the U.S. EPA to withdraw the proposed Waters of the US Clean Water Plan rule which changes the definition of “waters of the U.S.” to include everything from drainage ditches to standing puddles. HBAG President Neal Davis wrote a letter to the authors of these resolutions along with the five co-signers of each to thank them for their recognition of the work done by industry stakeholders to educate the public on the regulatory over-reach of this new definition.

- **SB 191:** Lindsey Tippins (*R–Marietta*) – **SUPPORT** – This bill prohibits local governments from imposing fines for violating ordinances which establish requirements for ‘white-lining’ or marking for utility facilities. HBAG participates in the Georgia Underground Utility Coordinating Council which produces state-wide standards known as the Call-Before-You-Dig rules. This bill prohibits local governments from going over-and-above those standards.
- **SB 258:** Fran Millar (*R–Dunwoody*) – **SUPPORT** – This bill became a “Christmas Tree” by the last week of session, which is a legislative term used to describe a bill which has had language from several other bills hung on it like ornaments on a tree. The final version of **SB 258** kept the original language, which was supported by GAC. This language prohibits a property tax appeals board from raising the amount of a property tax assessment during the appeals process. Language from **HB 990** was attached to this bill, which clarifies that the three year assessment lock resulting from a property tax appeal applies when a final decision to reduce the value is made by the Board of Equalization, hearing officer, arbitrator, Superior Court or by written agreement between the tax assessor and the property owner. The final version of **SB 258** also included language from **HB 919**, which allows individuals and corporations to get a state tax credit for donating money to rural health care organizations.

One bill on the Tracking Sheet – **HB 828** by Virgil Fludd (*D–Tyrone*) – did not pass in its original form, but was attached to **HB 936** – a bill that was carried by Brett Harrell (*R–Snellville*) for the Department of Economic Development and provides clarity to an existing tax credit program designed to entice job creation throughout the state. The language from **HB 828** creates an income tax credit of \$2,500 per hire for employers who hire qualified parolees and is supported by GAC.

The end of the 2016 Legislative Session marks the beginning of the 2016 Campaign Season for many members of the state legislature who are running for re-election. As you can see from the information above – it matters who we as citizens send to the state legislature to represent us. It has been a pleasure for me to represent the Home Builders Association of Georgia for another year and I’d like to thank each of you for the opportunity – especially HBAG President Neal Davis and GAC Chairman Lamar Smith. My work on your behalf is made immensely more efficient and effective by HBAG EVP Kelly Lass and my HBAG colleagues and by Sam Hill and the rest of her team at Troutman Sanders Strategies.

