

The House Committee on Ways and Means offers the following substitute to HB 153:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 13 of Title 48 of the Official Code of Georgia Annotated,
2 relating to general provisions regarding specific, business, and occupation taxes, so as to
3 require that the proceeds of local government regulatory fees be used to pay for regulatory
4 activity and not general operations; to remove provisions authorizing calculation of
5 regulatory fees for new construction, renovation, and other construction projects; to provide
6 for related matters; to provide for an effective date; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Article 1 of Chapter 13 of Title 48 of the Official Code of Georgia Annotated, relating to
11 general provisions regarding specific, business, and occupation taxes, is amended in Code
12 Section 48-13-9, relating to limitation on authority of local government to impose regulatory
13 fee, examples of those which may be subject to fees, individuals and entities not subject to
14 fees, and general laws not repealed, by revising subsections (a) and (e) as follows:

15 "(a) A local government is authorized to require a business or practitioner of a profession
16 or occupation to pay a regulatory fee only if the local government customarily performs
17 investigation or inspection of such businesses or practitioners of such profession or
18 occupation as protection of the public health, safety, or welfare or in the course of
19 enforcing a state or local building, health, or safety code, but no local government is
20 authorized to use regulatory fees as a means of raising revenue for general purposes;
21 provided that the amount of a regulatory fee shall approximate the reasonable cost of the
22 actual regulatory activity performed by the local government and the proceeds of such
23 regulatory fee shall be used to fund such regulatory activity and not the general operations
24 of the local government."

25 "(e) For each business, profession, or occupation, local governments are authorized to
 26 determine the amount of a regulatory fee imposed in accordance with this article only by
 27 one of the following methods:

28 (1) A flat fee for each business or practitioner of a profession or occupation doing
 29 business in the jurisdiction as authorized by Code Section 48-13-8;

30 (2) A flat fee for each type of permit or inspection requested;

31 (3) An hourly rate determined by the hourly wage or salary, including employee benefits,
 32 of the person or persons assigned to investigate or inspect multiplied by the number of
 33 hours estimated for the investigation or inspection to be performed; or

34 (4) An hourly rate as determined by paragraph (3) of this subsection with the addition
 35 of other expenses reasonably related to such regulatory activity, such as administrative
 36 and travel expenses, multiplied by the number of hours estimated for the investigation or
 37 inspection to be performed;

38 ~~(5) For construction projects that are classified as new construction, the number of~~
 39 ~~square feet of construction or the number of square feet of construction to be served by~~
 40 ~~the system to be installed, in conjunction with and limited by the building valuation data,~~
 41 ~~as established from time to time by the International Code Council or by similar data, and~~
 42 ~~in conjunction with and limited by the hourly rate described in paragraph (3) or (4) of this~~
 43 ~~subsection; or~~

44 ~~(6) For construction projects that are classified as renovation and all other construction~~
 45 ~~projects other than those classified as new construction, the cost of the project in~~
 46 ~~conjunction with and limited by the building valuation data that conforms with the~~
 47 ~~principles and methods established from time to time by the International Code Council~~
 48 ~~or by similar data, and in conjunction with and limited by the hourly rate described in~~
 49 ~~paragraph (3) or (4) of this subsection."~~

50 **SECTION 2.**

51 This Act shall become effective on January 1, 2021.

52 **SECTION 3.**

53 All laws and parts of laws in conflict with this Act are repealed.