

The Senate Committee on Regulated Industries and Utilities offered the following substitute to SB 162:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 36 of the Official Code of Georgia Annotated, relating to local government,
2 so as to provide for disaster mitigation improvements and broadband services infrastructure
3 in projects of downtown development authorities and development authorities; to provide for
4 a limitation on acceleration of payment provisions in certain financing documents; to
5 authorize the Department of Community Affairs to promulgate best practices guidance for
6 local communities; to provide for definitions; to provide for related matters; to repeal
7 conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

10 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended
11 in Code Section 36-42-3, relating to definitions relative to downtown development
12 authorities, by revising subparagraph (B) of paragraph (6) and by adding new paragraphs to
13 read as follows:

14 "(1.1) 'Broadband services infrastructure' means infrastructure, facilities, and equipment
15 supplying wired or wireless service that consists of the capability to transmit data at a rate
16 of not less than 25 megabits per second in the downstream direction and at least 3
17 megabits per second in the upstream direction to end users and in combination with such
18 service provides:

19 (A) Access to the internet; or

20 (B) Computer processing, information storage, or protocol conversion.

21 Such term shall include any application or information content to be provided over such
22 a service."

23 "(2.1) 'Disaster mitigation improvements' means improvements designed to reduce
24 damage to real property or improvements thereto caused by a natural disaster, or an
25 improvement that reduces repetitive loss recognized by the National Flood Insurance
26 Program, the Community Rating System, or the Federal Emergency Management Agency

27 or is recommended by the Insurance Institute for Business and Home Safety FORTIFIED
 28 program. As used in this paragraph, the term 'natural disaster' has the meaning provided
 29 for in subsection (a) of Code Section 50-1-9."

30 "(B)(i) The provision of financing to property owners for the purpose of installing or
 31 modifying improvements to their property in order to reduce the energy or water
 32 consumption on such property, or to install an improvement to such property that
 33 produces energy from renewable resources, to install one or more disaster mitigation
 34 improvements, or to install broadband services infrastructure from any public right
 35 of way to any residential structure located on property abutting such right of way.

36 (ii) A provision of any agreement entered into between a mortgagee or other
 37 lienholder and a property owner on or after July 1, 2019, which allows for
 38 acceleration of payment of the mortgage, note, or lien or other unilateral modification
 39 solely as a result of entering into a financing agreement as provided for in this chapter
 40 shall not be enforceable. This subparagraph shall not limit the authority of the holder
 41 or loan servicer to increase the required monthly escrow by an amount necessary to
 42 annually pay the assessment."

43 **SECTION 2.**

44 Said title is further amended in Code Section 36-42-5, relating to activation of authority by
 45 resolution, filing of resolution with Secretary of State and Department of Community Affairs,
 46 and comments by Department of Community Affairs, by adding a new subsection to read as
 47 follows:

48 "(c) The Department of Community Affairs shall promulgate best practices guidance for
 49 local communities to utilize the provisions of this chapter. Such guidance shall include
 50 consumer protections and definitions of eligible projects. These best practices shall be
 51 completed by the Department of Community Affairs no later than December 31, 2019."

52 **SECTION 3.**

53 Said title is further amended in Code Section 36-62-2, relating to definitions relative to
 54 development authorities, by revising subparagraph (K.1) of paragraph (6) and by adding new
 55 paragraphs to read as follows:

56 "(1.1) 'Broadband services infrastructure' means infrastructure, facilities, and equipment
 57 supplying wired or wireless service that consists of the capability to transmit data at a rate
 58 of not less than 25 megabits per second in the downstream direction and at least 3
 59 megabits per second in the upstream direction to end users and in combination with such
 60 service provides:

61 (A) Access to the internet; or

62 (B) Computer processing, information storage, or protocol conversion.

63 Such term shall include any application or information content to be provided over such
64 a service."

65 "(3.1) 'Disaster mitigation improvements' means improvements designed to reduce
66 damage to real property or improvements thereto caused by a natural disaster, or an
67 improvement that reduces repetitive loss recognized by the National Flood Insurance
68 Program, the Community Rating System, or the Federal Emergency Management Agency
69 or is recommended by the Insurance Institute for Business and Home Safety FORTIFIED
70 program. As used in this paragraph, the term 'natural disaster' has the meaning provided
71 for in subsection (a) of Code Section 50-1-9."

72 "(K.1)(i) The provision of financing to property owners for the purpose of installing
73 or modifying improvements to their property in order to reduce the energy or water
74 consumption on such property, or to install an improvement to such property that
75 produces energy from renewable resources, to install one or more disaster mitigation
76 improvements, or to install broadband services infrastructure from any public right
77 of way to any residential structure located on property abutting such right of way.

78 (ii) A provision of any agreement entered into between a mortgagee or other
79 lienholder and a property owner on or after July 1, 2019, which allows for
80 acceleration of payment of the mortgage, note, or lien or other unilateral modification
81 solely as a result of entering into a financing agreement as provided for in this chapter
82 shall not be enforceable. This subparagraph shall not limit the authority of the holder
83 or loan servicer to increase the required monthly escrow by an amount necessary to
84 annually pay the assessment;"

85 **SECTION 4.**

86 Said title is further amended by adding a new Code section to read as follows:

87 "36-62-15.

88 The Department of Community Affairs shall promulgate best practices guidance for local
89 communities to utilize the provisions of this chapter. Such guidance shall include
90 consumer protections and definitions of eligible projects. These best practices shall be
91 completed by the Department of Community Affairs no later than December 31, 2019."

92 **SECTION 5.**

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