

FIVE AMENDMENTS: TWO REFERENDUM QUESTIONS AWAIT VOTERS

Sen. Jack Hill, chairman of the Senate Appropriations committee, recently sent a message to his constituents that, "Georgia voters will have 5 Constitutional Amendments and 2 State-wide Referendum Questions on the ballot to consider on Election Day, November 6, 2018. All 5 amendments have implementing legislation, so voters can see exactly what the effects of the amendments will be if passed." Sen. Hill laid "... out the intent of the amendments and how implementation would take place" ("What it does" below). Rep. England, at GSRA's request, explained what each amendment means to make it easier for you to decide how to vote ("What it means" below). GSRA is presenting both legislators' insights for your guidance. Again Sen. Hill, "To read the legislation for yourself, you can always go to <http://www.legis.ga.gov/Legislation/en-US/Search.aspx> and look up the legislation by bill number."

AMENDMENT NUMBER ONE

What it does: Georgia Outdoor Stewardship Act and Trust Fund-HR 238

House Bill 332 provided the enabling Legislation for this amendment. This legislation, if this amendment passes, would be effective July 1, 2019. This act would authorize the allocation of up to 80% of the sales tax revenue from the category that includes sporting goods to the Georgia Outdoor Stewardship Trust Fund to fund the purchase and protection of conservation lands for the State. This Georgia Outdoor Stewardship Trust Fund is created by HB 332 and is the successor to the former Georgia Land Conservation Trust Fund and the Georgia Land Conservation Revolving Loan Fund.

The state treasurer will credit to the trust fund 40% of the funds from the sales and use taxes collected under the 2007 North American Industry Classification Code 451110, which is limited to sporting goods stores.

The legislation spells out the purpose of the funds is to provide "stewardship for state parks, state lands and wildlife management areas; support local parks and trails and protect critical conservation land"

There is a provision in the legislation that calls for a reducing of the amount to be appropriated to be reduced by 20% if state revenues from sales and use taxes fall at least 1% below the total received the previous year. If the level of collections falls again another 1% in the following year, revenues for the trust fund would be reduced to 50% of the credit.

There is also a provision to assist counties where state-owned property exceeds 20,000 acres or exceeds 10% of taxable real property and 10% of the assessed tax digest. These counties would be eligible to receive grants to replace the cost of services to those lands or to share in any funds appropriated. There is a ten year life to the enabling legislation.

What it means: Provide us the means through a dedicated source to set aside land and protect it for our children and grandchildren to use for recreation and hunting in the future.

AMENDMENT NUMBER TWO

What it does: House Resolution Number 993 provides for the creation of a State-wide business court with statewide jurisdiction as an effort to streamline and improve handling of business cases. This amendment would be effective upon ratification of the November 6, 2018 ballot.

This would allow superior courts to remove a case to the state-wide business court and pretrial proceedings may take place in any county. Business court judges would be appointed by the Governor and confirmed by the Senate and House Judiciary committees.

What it means: Our Superior Courts are just not equipped now to handle the volume of business cases they are seeing. This will help take that load off them so they can then move the other cases they have quicker.

AMENDMENT NUMBER THREE

What it does: HR 51 provided the basis for what would change the rules for assessing the value of forest land for property tax purposes. It allows assessment of this special class of property by the DOR rather than by local tax assessors. HB 85 is the underlying legislation and applies to land tracts of at least 200 acres that can be classified as forest land conservation use property. Under this amendment, the property can be value based on its current use, annual productivity and real property sales data. Local counties are provided assistance grants to offset the revenue lost from this program based on the land's fair market value in 2008. The resolution revises the provision on calculating revenue reduction for local governments to use fair market value of the property in 2016, updated every three years. The local assistance grants may be increased by general law between 2019 and 2023.

What it means: Clarifies the property valuation process across the state. We have counties valuing timber land vastly different, even the same tract that is split by a county line may have very different values. The current system is being gamed by some counties to show a larger difference in their tax digest to qualify for a larger reimbursement from the state thus causing counties doing it the correct way to suffer.

AMENDMENT NUMBER FOUR

What it does: SR 146 was the companion resolution to SB 127 known as Marsy's Law. This resolution proposes an amendment that entitles a victim to certain rights when the victim has suffered or been harmed as a result of an actual or attempted criminal act. Requires that the General Assembly to provide by general law how a victim may assert these rights. When a victim is a minor, incapacitated or deceased, the victim's rights may be asserted by a family member. Counsel may be allowed to enforce these rights. This amendment would take effect upon ratification November 6, 2018.

What it means: This is Marsy's Law you have been seeing advertised on TV and gives more rights to victims and requires them to be notified any time the person causing the crime that they were a victim is up for any type of sentence modification or release.

AMENDMENT NUMBER FIVE

What it does: This amendment applies to counties that have more than one school district and would allow the system with the most students to call for a sales tax referendum to fund school construction without getting approval from the smaller system. SR 95, passed in 2017, authorized this action and would take effect upon passage of this amendment.

What it means: We have an issue of smaller school systems holding larger ones hostage in ESPLOST negotiations for larger than their fair share of the proceeds. Currently the Constitution says that all the systems have to agree to place on a ballot so we now have systems needing ESPLOST proceeds because of growth not being able to vote because they cannot agree on the split. This only applies if an agreement cannot be reached.

REFERENDUM QUESTIONS

Sen. Hill also offered his insights into the referenda on the ballot.

REFERENDUM QUESTION ONE

House Bill 820, Homestead Ad Valorem Exemption, is the legislation that proposes the question to be decided by the voters November 6, 2018. This amendment would impose a property tax cap on the city of Atlanta.

The bill provides a new homestead exemption from ad valorem taxes for municipal purposes for property within the City of Atlanta. The homestead will be exempt from ad valorem taxes for municipal purposes equal to the amount which the current year assess value exceeds the adjusted base year value of the homestead. Adjusted base year value is the previous adjusted base year value adjusted annually by 2.6% plus any change in homestead value, provided no such change is duplicated for the same addition or improvement. The exemption granted will be in addition to any other homestead exemption for ad valorem taxes for municipal purposes except that it will be in lieu of any other base year assessed value or adjusted based value homestead exemption provided by local act.

REFERENDUM QUESTION TWO

This question would expand a property tax exemption on homes for the mentally disabled. This question was posed by HB 196 from the 2017 Session and provides a tax exemption for certain nonprofit-owned homes for the mentally disabled. The proposal clarifies that the existing exemption from Ad Valorem taxation for nonprofit homes for the mentally disabled applies even when financing for construction or renovation of the homes is provided by a business corporation or other entity. If approved by the votes, the exemption would take effect on January 1, 2019 and applies to all tax years beginning on or after that date.