

House Bill 12

By: Representatives Cannon of the 172nd, Erwin of the 32nd, Leverett of the 123rd, Corbett of the 174th, Kelley of the 16th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 20-2-165 of the Official Code of Georgia Annotated, relating to
2 equalization grants, annual calculations, and allocation, so as to revise the definition of the
3 term "qualified local school system" by reducing the minimum required millage rate or
4 effective millage rate from 14 mills to 10 mills; to provide for a 25 percent reduction of
5 equalization grant awards for local school systems whose millage rate or effective millage
6 rate does not meet the minimum requirement; to require annual reporting by the Department
7 of Education; to repeal a definition; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 20-2-165 of the Official Code of Georgia Annotated, relating to equalization
11 grants, annual calculations, and allocation, is amended by repealing paragraph (5.1) of
12 subsection (a), revising paragraph (9) of subsection (a), and adding two new subsections to
13 read as follows:

14 "(9) 'Qualified local school system' is defined as any local school system:

15 (A) Having an assessed valuation per weighted full-time equivalent count for the year
16 of the digest which is below the guaranteed valuation;

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17 (B) Having an effective millage rate greater than the millage rate applied to calculate
18 the local five mill share pursuant to subsection (a) of Code Section 20-2-164; and
19 (C) ~~Beginning July 1, 2015, having a millage rate or an equivalent millage of at least~~
20 ~~12 mills; beginning July 1, 2016, having a millage rate or an equivalent millage of at~~
21 ~~least 12 1/2 mills; beginning July 1, 2017, having a millage rate or an equivalent~~
22 ~~millage of at least 13 mills; beginning July 1, 2018, having a millage rate or an~~
23 ~~equivalent millage of at least 13 1/2 mills; beginning July 1, 2019, and thereafter,~~
24 ~~having a millage rate or an equivalent millage of at least 14 mills~~ July 1, 2025, and
25 thereafter, having a millage rate or an effective millage rate of at least 10 mills."

26 "(d.1) If, after a local school system's equalization grant has been calculated for the
27 ensuing fiscal year as provided for in subsection (b) of this Code section, such local school
28 system decreases the actual or effective millage rate levied against its digest for
29 maintenance and operation to an amount below the minimum amount required in
30 subparagraph (a)(9)(C) of this Code section, a midterm adjustment in such local school
31 system's equalization grant shall be made such that the total equalization grant amount
32 awarded to such local school system is reduced to an amount equal to 75 percent of the
33 initial equalization grant amount."

34 "(f) Each year, the Department of Education shall prepare a report of each local school
35 system that received an equalization grant the previous fiscal year. Such report shall
36 include for each local school system the initial equalization grant amount, the midterm
37 adjustment to the equalization grant, and the total amount of equalization grants received
38 in the previous ten years. Such report shall also identify each local school system that
39 received an equalization grant during the previous fiscal year while having a millage rate
40 or an effective millage rate of less than 10 mills for the period of time upon which the
41 calculation of such equalization grant was based. Each year, no later than September 1, the
42 Department of Education shall provide such report to the chairpersons of the House
43 Committee on Appropriations, the Senate Appropriations Committee, the House

44 Committee on Education, the Senate Education and Youth Committee, the director of the
45 Office of Planning and Budget, the director of the Senate Budget and Evaluation Office,
46 and the director of the House Budget and Research Office."

47 **SECTION 2.**

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