

House Bill 461 (COMMITTEE SUBSTITUTE)

By: Representatives Thomas of the 21<sup>st</sup>, Momtahan of the 17<sup>th</sup>, Washburn of the 144<sup>th</sup>, Smith of the 138<sup>th</sup>, and Crowe of the 118<sup>th</sup>

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 and revise certain provisions authorizing  
5 calculation of regulatory fees for renovation and other construction projects; to provide for  
6 a definition; to provide for related matters; to provide for an effective date; to repeal  
7 conflicting laws; and for other 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14 fees, and general laws not repealed, by revising subsections (a) and (e) as follows: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

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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, and further provided that the local government shall not be  
25 required to establish separate accounts for such proceeds."

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

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

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

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

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

39 (5) For construction projects that are classified as new construction or for extensive  
40 renovation projects, the number of square feet of construction or the number of square  
41 feet of construction to be served by the system to be installed, in conjunction with ~~and~~  
42 ~~limited by the building valuation data, as established from time to time by the~~  
43 International Code Council or by similar data, and in conjunction with and limited by the

44 hourly rate described in paragraph (3) or (4) of this subsection. As used in this paragraph,  
45 the term 'extensive renovation project' means a project valued at \$75,000.00 or more to  
46 renovate an existing structure.; or  
47 ~~(6) For construction projects that are classified as renovation and all other construction~~  
48 ~~projects other than those classified as new construction, the cost of the project in~~  
49 ~~conjunction with and limited by the building valuation data that conforms with the~~  
50 ~~principles and methods established from time to time by the International Code Council~~  
51 ~~or by similar data, and in conjunction with and limited by the hourly rate described in~~  
52 ~~paragraph (3) or (4) of this subsection."~~

53 **SECTION 2.**

54 This Act shall become effective on July 1, 2024.

55 **SECTION 3.**

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