The House Committee on Governmental Affairs offers the following substitute to HB 1015:

A BILL TO BE ENTITLED

AN ACT

1   To amend Code Section 36-31-12 of the Official Code of Georgia Annotated, relating to

2   special districts divided into noncontiguous areas, so as to provide for additional

3   requirements regarding certain excess funds; to provide an effective date; to repeal

4   conflicting laws; and for other purposes.

5   BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6   SECTION 1.

7   Code Section 36-31-12 of the Official Code of Georgia Annotated, relating to special

8   districts divided into noncontiguous areas, is amended by revising subsection (b) as follows:

9   "(b)(1) When a municipal corporation is created by local Act within a county which has

10   a special district for the provision of local government services consisting of the

11   unincorporated area of the county and following the creation of said municipal

12   corporation the special district is divided into two or more noncontiguous areas, any

13   special district taxes, fees, and assessments collected in such a noncontiguous area shall

14   be spent to provide services in that noncontiguous area. Effective January 1, 2006, for

15   the purposes of this Code section, a noncontiguous area located within ten miles of

16   another noncontiguous area may be treated as the same noncontiguous area.

17   (2) If, on the effective date of this paragraph:

18   (A) Excess proceeds remain following the expenditure required under paragraph (1)

19   of this subsection; and

20   (B) All of the area within the special district shall have become incorporated within

21   one or more municipalities,

22   then the excess proceeds shall be disbursed within 60 days to the governing authority of

23   each municipality which has incorporated any portion of the area of the special district.

24   The amount of proceeds to be disbursed to each municipality shall be determined on a pro

25   rata basis using as a denominator the total value of all tax parcels within the special

1   district and as a numerator the total value of all tax parcels which were incorporated

2   within each municipality.

3   (3) If, on the effective date of this paragraph:

4   (A) Excess proceeds remain from the collection of any special district taxes, fees, and

5   assessments; and

6   (B) A new municipality shall have been created from within such special district such

7   that the special district shall have been diminished in size but not all of the special

8   district shall have been incorporated within one or more municipalities,

9   then the excess proceeds shall be disbursed within 60 days to the governing authority of

10   each municipality which has incorporated any portion of the area of the special district.

11   The amount of proceeds to be disbursed to each municipality shall be determined on a pro

12   rata basis using as a denominator the total value of all tax parcels within the special

13   district and as a numerator the total value of all tax parcels which were incorporated

14   within each municipality."

SECTION 2.

16   This Act shall become effective upon its approval by the Governor or upon its becoming law

17   without such approval.

SECTION 3.

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