

The House Committee on Judiciary, Non-civil offers the following substitute to HB 1304:

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 revise provisions relating to conduct of members of development authorities,  
3 downtown development authorities, and other local authorities as it relates to conflicts of  
4 interest; to provide for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended  
8 by revising subparagraph (e)(1)(B) of Code Section 36-62-5, relating to directors, officers,  
9 compensation, adoption of bylaws, delegation of powers and duties, conflicts of interest, and  
10 audits relative to development authorities, as follows:

11 (B) The provisions of paragraph (9) of Code Section 45-10-3 and subparagraph (A)  
12 of this paragraph shall be deemed to have been complied with and the authority may  
13 purchase from, sell to, borrow from, loan to, contract with, or otherwise deal with any  
14 director or any organization or person with which any director of the authority is in any  
15 way interested or involved, provided (1) that any interest or involvement by such  
16 director is disclosed in advance to the directors of the authority and is recorded in the  
17 minutes of the authority, (2) that any interest or involvement by such director with a  
18 value in excess of \$200.00 per calendar quarter is published by the authority one time  
19 in the legal organ in which notices of sheriffs' sales are published in each county  
20 affected by such interest, at least 30 days in advance of consummating such transaction,  
21 ~~(2)~~ (3) that no director having a substantial interest or involvement may be present at  
22 that portion of an authority meeting during which discussion of any matter is conducted  
23 involving any such organization or person, and ~~(3)~~ (4) that no director having a  
24 substantial interest or involvement may participate in any decision of the authority  
25 relating to any matter involving such organization or person. As used in this  
26 subsection, a 'substantial interest or involvement' ~~shall mean~~ means any interest or

27 involvement which reasonably may be expected to result in a direct financial benefit  
 28 to such director as determined by the authority, which determination shall be final and  
 29 not subject to review."

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### SECTION 2.

31 Said title is further amended by revising paragraph (2) of subsection (a) of Code Section  
 32 36-62A-1, relating to ethics and conflicts of interest regarding members of local authorities,  
 33 as follows:

34 "(2) The provisions of paragraph (9) of Code Section 45-10-3 and of paragraph (1) of this  
 35 subsection shall be deemed to have been complied with and any such authority may  
 36 purchase from, sell to, borrow from, loan to, contract with, or otherwise deal with any  
 37 director or member or any organization or person with which any director or member of  
 38 said authority is in any way interested or involved, provided (1) that any interest or  
 39 involvement by such director or member is disclosed in advance to the directors or  
 40 members of the authority and is recorded in the minutes of the authority, (2) that any  
 41 interest or involvement by such director with a value in excess of \$200.00 per calendar  
 42 quarter is published by the authority one time in the legal organ in which notices of  
 43 sheriffs' sales are published in each county affected by such interest, at least 30 days in  
 44 advance of consummating such transaction, ~~(2)~~ (3) that no director having a substantial  
 45 interest or involvement may be present at that portion of an authority meeting during  
 46 which discussion of any matter is conducted involving any such organization or person,  
 47 and ~~(3)~~ (4) that no director having a substantial interest or involvement may participate  
 48 in any decision of the authority relating to any matter involving such organization or  
 49 person. As used in this subsection, a 'substantial interest or involvement' ~~shall mean~~  
 50 means any interest or involvement which reasonably may be expected to result in a direct  
 51 financial benefit to such director or member as determined by the authority, which  
 52 determination shall be final and not subject to review."

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### SECTION 3.

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