

## House Bill 990 (AS PASSED HOUSE AND SENATE)

By: Representatives Jones of the 46<sup>th</sup>, Riley of the 50<sup>th</sup>, Martin of the 47<sup>th</sup>, Willard of the 49<sup>th</sup>, Dudgeon of the 24<sup>th</sup>, and others

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Chapter 31 of Title 36 of the Official Code of Georgia Annotated, relating to  
2 incorporation of municipal corporations, so as to change certain provisions relating to  
3 municipal control over parks and fire stations; to change certain provisions relating to special  
4 districts divided into noncontiguous areas, information required in audits, informational  
5 summary, and effect of creation of municipal corporation and distribution of excess proceeds  
6 from special district taxes, fees, and assessments; to provide for applicability; to provide an  
7 effective date; to repeal conflicting laws; and for other purposes.

8                   **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9                   **SECTION 1.**

10 Chapter 31 of Title 36 of the Official Code of Georgia Annotated, relating to incorporation  
11 of municipal corporations, is amended by revising Code Section 36-31-11.1, relating to  
12 municipal control over parks and fire stations, as follows:

13         "36-31-11.1.

14         (a) As used in this Code section, the term:

15         (1) 'County' means a county in which a tax is being levied and collected for purposes of  
16         a metropolitan area system of public transportation ~~and in which a public safety and~~  
17         ~~judicial facilities authority has been activated by the county pursuant to Chapter 75 of this~~  
18         ~~title.~~

19         (2) 'Fire station' means any property or facility that is located wholly within the territory  
20         of a qualified municipality, ~~including buildings and fixtures located on such property~~  
21         owned by the county or subject to a lease-purchase or installment sale arrangement by the  
22         county, and used by the county as of the date immediately prior to the date the local Act  
23         incorporating a qualified municipality became law to provide fire protection services  
24         authorized by Article IX, Section II, Paragraph III(a)(1) of the Constitution. Such term  
25         shall include any buildings, fixtures, or other improvements on such property or in such  
26         facilities.

(3) 'Park' means any property or facility that is located wholly within the territory of a municipality, including but not limited to athletic fields, athletic courts, recreation centers, playgrounds, swimming pools, arts centers, historical properties, and adjacent greenspace, ~~and the fixtures located on such property or in such facility~~ owned by the county, or subject to a lease-purchase or installment sale arrangement by the county and used by the county as of the date immediately prior to the date the local Act incorporating a qualified municipality became law to provide any services authorized by Article IX, Section II, Paragraph III(a)(5) of the Constitution or to provide any services authorized by Article IX, Section II, Paragraph III(a)(10) of the Constitution. Such term shall include any buildings, fixtures, or other improvements on such property or in such facilities.

(4) 'Qualified municipality' means any new municipality located in a county and created by local Act which becomes law on or after January 1, 2008.

(b) A qualified municipality that succeeds to the control of local government services pursuant to Article IX, Section II, Paragraph III(a) of the Constitution may take control of and hold title to parks and fire stations as a trustee or agent for the public.

(c)(1) A qualified municipality located within a county which has a special district for the provision of fire services shall continue to be part of such special fire district where the local Act creating such qualified municipality so provides or where the governing authority of the qualified municipality elects by formal resolution to continue to be part of the special fire district and delivers a copy of such resolution to the governing authority of the county within 30 days after the date the resolution is adopted.

(2) If a qualified municipality initially elected to remain in a fire services special district, such municipality shall be removed from such fire services special district by adopting a resolution stating its intent to be removed from the district and the date of removal, provided the governing authority of the qualified municipality delivers a copy of such resolution to the governing authority of the county. The fire services shall be discontinued by the county on the first day of the next fiscal year of the county that begins at least 180 days after the specified notice is received by the county.

(d) A qualified municipality located within a county that charges fees on a periodic basis for the provision of water or sewer services, or both, may elect to continue receiving such services for the same fees charged residents in the unincorporated area of the county. Such election may be set forth in the local Act creating such qualified municipality or be made by resolution of the governing authority of the qualified municipality provided the governing authority of the qualified municipality delivers a copy of such resolution to the governing authority of the county within 30 days after the date the resolution is adopted.

63       (e) The county shall not convey, otherwise encumber, move any fixtures or buildings,  
64       or enter into or renew any contractual obligations with respect to any park or fire station  
65       located in the qualified municipality. The governing authority of the county shall assign  
66       to the governing authority of the qualified municipality all of its right, title, and interest  
67       in any executory contract in effect on any park or fire station that the qualified  
68       municipality elects to purchase as provided in this Code section. Such assignment shall  
69       be effective on the date the municipality assumes ownership of any such park or fire  
70       station or as otherwise may be agreed between the governing authority of the  
71       municipality and the governing authority of the county.

72       (f) A municipality may elect to purchase parks within the territory of the municipality  
73       from the county in which the municipality is located. Notwithstanding any other law to  
74       the contrary, whenever a municipality elects to purchase any such parks, the governing  
75       authority of the municipality shall provide written notice to the governing authority of the  
76       county specifying the parks to be purchased and the date or dates the municipality will  
77       assume ownership of such parks; the purchase price for such parks shall be \$100.00 per  
78       acre. Such notice shall be provided for each such park no less than 30 days prior to the  
79       date the municipality intends to assume ownership.

80       (g) Upon the payment of the purchase price, all of the county's right, title, and interest in  
81       the parks that the municipality elects to purchase shall be transferred to the governing  
82       authority of the municipality. Such transfer shall be effective on the date the municipality  
83       intends to assume ownership of such parks and as stated in the notice given pursuant to  
84       subsection (f) of this Code section. The governing authority of the county shall transfer,  
85       execute, and deliver to the governing authority of the municipality such instruments as may  
86       be necessary to record the transfer of such right, title, and interest. Notwithstanding any  
87       provision in any property deed or law to the contrary, a municipality may purchase a park  
88       from the county without permission of the state and may use such park for all purposes for  
89       which the county was authorized under such deed or law.

90       (h) In the event a park is transferred by a county to a municipality under this Code section,  
91       the municipality shall be prohibited from imposing or collecting user fees from residents  
92       of the county in excess of the amount of such fees imposed or collected from residents of  
93       the municipality.

94       (i) Where residents of a municipality are required pursuant to Code Section 36-31-11 to  
95       continue to pay taxes for the purpose of retiring any special district debt created by the  
96       issuance of bonds by the county on behalf of the special district for the purpose of  
97       improving parks and the municipality elects to purchase any such park pursuant to this  
98       Code section, the county shall transfer to the municipality as an agent of the special district  
99       the portion of the bond proceeds that the county planned to spend on such park at the time

100 of the referendum on the bonds, based upon any statements of intention or representations  
101 concerning use of the bond proceeds by the governing authority of the county. Such  
102 amount shall be determined based on county resolutions and any attachments thereto, staff  
103 recommendations, or similar documents presented at the time of passage of a resolution,  
104 county records, and any public statements or representations made by county managers,  
105 representatives, officials, or their agents as to the amount that would be spent on such park  
106 in order to solicit voter support for the referendum; provided, however, that the amount to  
107 be transferred by the county to the municipality shall be reduced by any amount spent by  
108 the county to improve such park prior to the date of the municipality's notice of its election  
109 to purchase the park as provided in subsection (f) of this Code section. The transfer shall  
110 be due within 30 days after the municipality assumes ownership of any such park. The  
111 municipality shall be required to expend any such funds for and on behalf of the special  
112 district in a manner consistent with the purpose and intent of the issuance of the bonds.

113 (j) A qualified municipality may elect to purchase one or more fire stations from the  
114 county in which it is located. Notwithstanding any other law to the contrary, whenever a  
115 qualified municipality elects to purchase a fire station from the county, the governing  
116 authority of the qualified municipality shall provide written notice to the governing  
117 authority of the county specifying the fire station to be purchased and the date or dates the  
118 qualified municipality will assume ownership of such fire station. Such notice shall be  
119 provided with respect to each such property no less than 30 days prior to the date the  
120 qualified municipality intends to assume ownership of the fire station.

121 (k)(1) Except as otherwise provided in paragraph (2) of this subsection, if a qualified  
122 municipality elects to purchase a fire station that serves only territory wholly within the  
123 qualified municipality, the purchase price shall be \$5,000.00 for each such fire station.

124 (2) If the county uses a fire station to serve an area located outside the qualified  
125 municipality, the purchase price for each such fire station shall be \$5,000.00 plus an  
126 additional amount determined as provided in this paragraph. Such additional amount  
127 shall be the product of the fair market value of such fire station multiplied by the  
128 percentage of the total service area of such fire station which is located outside of the  
129 corporate limits of the qualified municipality. If the portion served outside the qualified  
130 municipality exceeds 20 percent of the total service area, then from the date the qualified  
131 municipality assumes ownership of such fire station, the qualified municipality shall be  
132 obligated to offer to lease the fire station back to the county for a period not to exceed  
133 two years for an amount of \$10.00 for the lease period.

134 (l) If a county and municipality fail to reach an agreement on the amount to be paid or  
135 any related matter under this Code section, either the county or the municipality may  
136 petition the superior court to seek resolution of the items in dispute. Such petition shall

be assigned to a judge, pursuant to Code Section 15-1-9.1 or 15-6-13, who is not a judge in the circuit in which the county is located. The judge selected may also be a senior judge pursuant to Code Section 15-1-9.2 who resides in another circuit. The visiting or senior judge shall conduct an evidentiary hearing or hearings as such judge deems necessary and render a decision with regard to the disputed items."

## SECTION 2.

143 Said chapter is further amended by revising subsection (b) of Code Section 36-31-12, relating  
144 to special districts divided into noncontiguous areas, information required in audits,  
145 informational summary, and effect of creation of municipal corporation and distribution of  
146 excess proceeds from special district taxes, fees, and assessments, as follows:

147       "(b)(1) When a municipal corporation is created by local Act within a county which has  
148       a special district for the provision of local government services consisting of the  
149       unincorporated area of the county and following the creation of said municipal  
150       corporation the special district is divided into two or more noncontiguous areas, any  
151       special district taxes, fees, and assessments collected in such a noncontiguous area shall  
152       be spent to provide services in that noncontiguous area. Effective January 1, 2006, for  
153       the purposes of this Code section, a noncontiguous area located within ten miles of  
154       another noncontiguous area may be treated as the same noncontiguous area.

155 (2) If, on or after May 14, 2008:

156       (A) Excess proceeds derived from the collection of any special district taxes, fees, and  
157       assessments or from any earnings thereon remain following the expenditure required  
158       under paragraph (1) of this subsection; and

159 (B) All of the area within the special district shall have become incorporated within  
160 one or more municipalities,

161 then the excess proceeds shall be disbursed within 60 days to the governing authority of  
162 each municipality which has incorporated any portion of the area of the special district;  
163 and the county shall continue to make such disbursements for so long as such excess  
164 proceeds continue to be received. The amount of proceeds to be disbursed to each  
165 municipality shall be determined on a pro rata basis using as a denominator the total  
166 value of all tax parcels within the special district and as a numerator the total value of all  
167 tax parcels which were incorporated within each municipality.

168 (3) If, on or after May 14, 2008:

169 (A) Excess proceeds remain from the collection of any special district taxes, fees, and  
170 assessments or from any earnings thereon; and

171       (B) A new municipality shall have been created from within such special district such  
172       that the special district shall have been diminished in size but not all of the special  
173       district shall have been incorporated within one or more municipalities,  
174       then the excess proceeds shall be disbursed within 60 days to the governing authority of  
175       each municipality which has incorporated any portion of the area of the special district;  
176       and the county shall continue to make such disbursements for so long as such excess  
177       proceeds continue to be received. The amount of proceeds to be disbursed to each  
178       municipality shall be determined on a pro rata basis using as a denominator the total  
179       value of all tax parcels within the special district and as a numerator the total value of all  
180       tax parcels which were incorporated within each municipality."

### SECTION 3.

182 This Act shall not be applied to impair any obligation of contract entered into prior to the  
183 date this Act becomes effective.

## SECTION 4.

185 This Act shall become effective upon its approval by the Governor or upon its becoming law  
186 without such approval.

## **SECTION 5.**

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