

The House Committee on Ways and Means offers the following substitute to HB 788:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad
2 valorem taxation of property, so as to provide for an ad valorem tax exemption for private
3 interests in property of the Board of Regents of the University System of Georgia that is
4 operated by a private party; to provide that such arrangements shall not constitute special
5 franchises; to provide for a state-wide referendum; to provide for an effective date; to provide
6 for automatic repeal under certain circumstances; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad valorem
11 taxation of property, is amended by adding a new subparagraph in paragraph (1) of
12 subsection (a) of Code Section 48-5-41, relating to property exempt from ad valorem
13 taxation, as follows:

14 "(F) All interests in property of the Board of Regents of the University System of
15 Georgia held by a private party that is contractually obligated to operate such property
16 to serve a public college or university shall be considered to be public property within
17 the meaning of this paragraph."

18 **SECTION 2.**

19 Said chapter is further amended by revising Code Section 48-5-421.1, relating to
20 public-private transportation projects not being designated as special franchises, as follows:

21 "48-5-421.1.

22 Any property which is exempt from ad valorem taxation pursuant to ~~subparagraph~~
23 subparagraphs (a)(1)(E) or (a)(1)(F) of Code Section 48-5-41 shall not constitute a special
24 franchise for purposes of this article and shall not be subject to the provisions of this
25 article."

26 **SECTION 3.**

27 The Secretary of State shall call and conduct a referendum for the approval or disapproval
 28 of Section 1 of this Act on the date of and in conjunction with the November, 2014, general
 29 election. The Secretary of State shall issue the call and conduct that special election as
 30 provided by general law. The Secretary of State shall cause the date and purpose of the
 31 referendum to be published in the official organ of each county in the state once at least 60
 32 days prior to the date of the referendum and once a week for two weeks immediately
 33 preceding the date of the referendum. The ballot shall have written thereon the following:

34 "() YES In order to facilitate public private partnerships to improve operational
 35 efficiencies within the University System of Georgia, shall the Act be
 36 () NO approved that extends the exemption from property taxation to all interests
 37 in property of the University System of Georgia which are held by a private
 38 party and operated to serve a public college or university?"

39 All persons desiring to vote for approval of this Act shall vote "Yes" and those persons
 40 desiring to vote for disapproval of this Act shall vote "No". If more than one-half of the
 41 votes cast on such question are for approval of this Act, then Section 1 of this Act shall
 42 become effective on January 1, 2015, and shall apply to all tax years beginning on or after
 43 that date; otherwise Section 1 of this Act shall not become effective and shall be
 44 automatically repealed on January 1, 2015.

45 **SECTION 4.**

46 This Act shall become effective upon its approval by the Governor or upon its becoming law
 47 without such approval; provided, however, that if Section 1 of this Act does not become
 48 effective and is automatically repealed pursuant to Section 3 of this Act, Section 2 of this Act
 49 shall also not become effective and shall be automatically repealed on January 1, 2015.

50 **SECTION 5.**

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