

The House Committee on Insurance offers the following substitute to HB 606:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-1-25 of the Official Code of Georgia Annotated, relating to the
2 "Georgia Agribusiness and Rural Jobs Act," so as to provide for a new period for
3 applications and additional capital investments; to change an application fee; to change
4 reporting requirements; to change a definition; to provide for related matters; to provide for
5 an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 33-1-25 of the Official Code of Georgia Annotated, relating to the "Georgia
9 Agribusiness and Rural Jobs Act," is amended by revising paragraph (b)(11), paragraph
10 (e)(1), paragraph (e)(6), and subsection (k) as follows:

11 "(11) 'Rural area' means:

12 (A) Until June 30, 2020, any county of this state that has a population of less than
13 50,000 according to the latest decennial census of the United States; and

14 (B) On and after July 1, 2020, any county of this state that has a population of less than
15 75,000 according to the latest decennial census of the United States."

16 "(e)(1) A rural fund that seeks to have an equity investment certified as a capital
17 investment and eligible for credits under this Code section shall apply to the department.
18 ~~The~~ For the first round of funding provided by subparagraph (A) of paragraph (6) of this
19 subsection, the department shall begin accepting applications within 90 days of July 1,
20 2017, and shall cease accepting applications at the earlier of the last moment of June 30,
21 2020, or after all available funds have been certified. For the second round of funding,
22 if provided by subparagraph (B) of paragraph (6) of this subsection, the department shall
23 begin accepting applications on August 1, 2020, and shall cease accepting applications
24 after all available funds have been certified. The rural fund shall include the following:

25 (A) The amount of capital investment requested;

- 26 (B) A copy of the applicant's or an affiliate of the applicant's license as a rural business
 27 investment company under 7 U.S.C. Section 2009cc or as a small business investment
 28 company under 15 U.S.C. Section 681 and a certificate executed by an executive officer
 29 of the applicant attesting that such license remains in effect and has not been revoked;
 30 (C) Evidence that, as of the date the application is submitted, the applicant or affiliates
 31 of the applicant have invested at least \$100 million in nonpublic companies located in
 32 rural areas within the United States;
 33 (D) An estimate of the number of jobs that will be created or retained in this state as
 34 a result of the applicant's qualified investments;
 35 (E) A business plan that includes a revenue impact assessment projecting state and
 36 local tax revenue to be generated by the applicant's proposed qualified investments
 37 prepared by a nationally recognized, third-party, independent economic forecasting firm
 38 using a dynamic economic forecasting model that analyzes the applicant's business plan
 39 over the ten years following the date the application is submitted to the department; and
 40 (F) A nonrefundable application fee of ~~\$5,000.00~~ \$10,000.00 payable to the
 41 department."

42 "(6)(A) Until June 30, 2020, the ~~The~~ department shall certify a first round of \$100
 43 million in capital investments pursuant to this Code section.

44 (B) If, prior to July 1, 2020, all \$100 million of the capital investments allowed
 45 pursuant to subparagraph (A) of this paragraph were certified, then beginning on
 46 August 1, 2020, the department shall certify a second round of \$100 million in capital
 47 investments in accordance with this Code section."

48 "(k)(1) Rural funds shall submit a report to the department within ~~the first~~ 15 business
 49 days after ~~the second anniversary of the initial credit allowance date~~ May 1, 2020, and
 50 again within 15 business days after each capital investment that provides documentation
 51 as to the investment of 100 percent of the purchase price of such capital investment in
 52 qualified investments. Such report shall include:

- 53 (A) The location of each eligible business receiving a qualified investment;
 54 (B) Bank statements of such rural fund evidencing each qualified investment;
 55 (C) A copy of the written opinion of the department set forth in subsection (j) of this
 56 Code section or evidence that such business was an eligible business at the time of such
 57 qualified investment, as applicable;
 58 (D) The number of employment positions created and retained as a result of qualified
 59 investments;
 60 (E) The average annual salary of positions described in subparagraph (D) of this
 61 paragraph; and
 62 (F) Such other information required by the department.

63 (2) Thereafter, rural funds shall submit an annual report to the department within 45
64 days of the beginning of the calendar year during the compliance period. The report shall
65 include but is not limited to the following:

66 (A) The number of employment positions created and retained as a result of qualified
67 investments; ~~and~~

68 (B) The average annual salary of positions described in subparagraph (A) of this
69 paragraph; and

70 (C) The rural fund's total eligible capital investments as a percentage of its total capital
71 investment."

72 **SECTION 2.**

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

75 **SECTION 3.**

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