By: Representative Efstration of the 104<sup>th</sup>

# A BILL TO BE ENTITLED AN ACT

To amend Article 4 of Chapter 3 of Title 8 of the Official Code of Georgia Annotated, 1 2 relating to fair housing, so as to change certain provisions pertaining to unlawful practices in selling or renting dwellings and the procedures, remedies, and judicial review related 3 thereto; to correct certain cross-references; to clarify that complaints of discriminatory 4 5 housing practices may be filed with the federal government as well as the administrator of the Commission on Equal Opportunity; to specify how such dual complaints shall be 6 handled; to provide for administrative proceedings to be conducted by administrative law 7 judges; to change certain provisions relating to state actions; to change provisions relating 8 9 to appeals, fines, damages, attorney's fees, and court costs; to provide for conforming 10 amendments; to provide for related matters; to repeal conflicting laws; and for other 11 purposes.

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# BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13	SECTION 1.
14	Article 4 of Chapter 3 of Title 8 of the Official Code of Georgia Annotated, relating to fair
15	housing, is amended by revising subsection (b) of Code Section 8-3-202, relating to unlawful
16	practices in selling or renting dwellings and exceptions, as follows:
17	''(b)(1) Nothing in this Code section, other than paragraph (3) of subsection (a) of this
18	Code section, shall apply to:
19	(A) Any single-family dwelling sold or rented by an owner, if:
20	(i) Such private individual owner does not own more than three such single-family
21	dwellings at any one time;
22	(ii) Such bona fide private individual owner does not own any interest in, nor is there
23	owned or reserved on his or her behalf, under any express or voluntary agreement,
24	title to or any right to all or a portion of the proceeds from the sale or rental of more
25	than three such single-family dwellings at any one time;
26	(iii) Such dwelling is sold or rented:

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(I) Without the use in any manner of the sales or rental facilities or the sales or
rental services of any real estate broker, agent, or salesman, or of such facilities or
services of any person in the business of selling or renting dwellings, or of any
employee or agent of any such broker, agent, salesman, or person; and

(II) Without the publication, posting, or mailing, after notice, of any advertisement
or written notice in violation of <u>paragraph (3) of</u> subsection (c) (a) of this Code
section; but nothing in this paragraph shall prohibit the use of attorneys, escrow
agents, abstractors, title companies, and other such professional assistance as
necessary to perfect or transfer the title; or

(B) Rooms or units in dwellings containing living quarters occupied or intended to be
 occupied by no more than four families living independently of each other, if the owner
 actually maintains and occupies one of such living quarters as his <u>or her</u> residence.

39 (2) In the case of the sale of any such single-family dwelling by a private individual
40 owner not residing in such dwelling at the time of such sale or who was not the most
41 recent resident of such dwelling prior to such sale, the exemption granted by this
42 subsection shall apply only with respect to one such sale within any 24 month period."

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### **SECTION 2.**

Said article is further amended by revising paragraph (1) of subsection (b) of Code
Section 8-3-205, relating to permissible limitations in sale, rental, or occupancy of dwellings
by religious organizations or private clubs and housing for older persons, as follows:

- 47 ''(b)(1) As used in this subsection, the term 'housing for older persons' means housing:
- 48 (A) Provided under any state or federal program that the administrator secretary of
- 49 <u>housing and urban development</u> determines is specifically designed and operated to
   50 assist elderly persons as defined in the state or federal program;
- ussist enderly persons as defined in the state of rederal program,
- 51 (B) Intended for, and solely occupied by, persons 62 years of age or older; or

(C) Intended and operated for occupancy by at least one person 55 years of age or older
per unit. In determining whether housing qualifies as housing for older persons under
this subsection, the administrator shall develop regulations which require at least the
following factors:

- (i) The existence of significant facilities and services specifically designed to meet
  the physical or social needs of older persons, or, if the provision of such facilities and
  services is not practicable, that such housing is necessary to provide important
  housing opportunities for older persons;
- 60 (ii) That at least 80 percent of the units are occupied by at least one person 55 years
  61 of age or older per unit; and

(iii) The publication of and adherence to policies and procedures which demonstrate
an intent by the owner or manager to provide housing for persons 55 years of age or
older."

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### **SECTION 3.**

Said article is further amended by revising subsection (e) of Code Section 8-3-206, relating
to powers and duties of administrator and housing and urban development programs of other
agencies, as follows:

69 "(e) <u>To avoid any duplicate investigation, civil action, or administrative enforcement by</u> 70 the administrator, in In any case where the federal United States Department of Housing 71 and Urban Development has initiated an investigation or any action or proceedings against 72 any person relative to any acts or omissions by such person which may be in violation of 73 this article, the administrator shall have no authority to initiate or pursue against such 74 person any investigation, civil action, or administrative enforcement covered by the 75 provisions of this article with regard to the same acts or omissions or facts or circumstances 76 to which the federal investigation or proceedings are applicable. Nothing in this subsection 77 is intended to prevent the dual filing of complaints of discriminatory housing practices with 78 the United States Department of Housing and Urban Development and the administrator."

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### **SECTION 4.**

80 Said article is further amended by revising Code Section 8-3-213, relating to state action for

81 enforcement, fines, damages, civil action by local agency, and administrative proceeding, as

82 follows:

83 "8-3-213.

84 (a)(1) When a charge is filed issued to initiate an administrative complaint under Code 85 Section 8-3-208 8-3-211, a complainant, a respondent, or an aggrieved person on whose behalf the complaint was filed may elect to have the claims asserted in that charge 86 87 decided in a civil action brought by the Attorney General on behalf of the aggrieved 88 person as provided under paragraph (2) of this subsection in lieu of a hearing under 89 subparagraph (e)(1)(A) or (e)(1)(B) subsection (e) of this Code section. The election 90 must be made not later than 20 days after the receipt by the electing person of service 91 under Code Section 8-3-211 or, in the case of the administrator, not later than 20 days 92 after such service. The person making such election shall give notice of doing so to the 93 administrator and to all other complainants and respondents to whom the charge relates. 94 (2) If the administrator has been unable to obtain voluntary compliance or as a result of 95 an investigation under Code Section 8-3-209 finds that there is reasonable cause to 96 believe that a discriminatory housing practice has occurred, at the recommendation of the

administrator, the Attorney General, after reviewing the administrator's findings and
determining that such findings are well grounded in fact and warranted by law, shall
bring an action in the name of the state on behalf of the aggrieved person to enforce the
provisions of this article.

(3) If an election is made under paragraph (1) or (2) of this subsection, the administrator
shall authorize and, not later than 30 days after the election is made, the Attorney
General, after reviewing the administrator's charge and determining that such charge is
well grounded in fact and warranted by law, shall commence a civil action in the name
of the state on behalf of the aggrieved person seeking relief under this Code section in a

- 106 superior court.
- 107 (b) Whenever an action filed in court pursuant to paragraph (2) of subsection (a) of this

Code section or Code Section 8-3-217 or 8-3-218 comes to trial, the administrator shall
immediately terminate all efforts to obtain voluntary compliance.

(c)(1) The court may impose the following fines if the respondent has been adjudged tohave committed a discriminatory housing practice:

(A) Up to \$10,000.00, if the respondent has not previously been found guilty ofcommitting a discriminatory housing practice;

- (B) Up to \$25,000.00, if the respondent has been found guilty of committing one prior
  discriminatory housing practice within the preceding five years; or
- (C) Up to \$50,000.00, if the respondent has been found guilty of committing two or
   more discriminatory housing practices within the preceding seven years.

(2) The court may award in its discretion may award the prevailing party reasonable attorney's fees and court costs; provided, however, that a respondent may be awarded reasonable attorney's fees and costs to the administrator or aggrieved person in any action in which the administrator or aggrieved person prevails or to the respondent in any action in which the administrator or aggrieved person prevails or to the respondent in any action in which court costs only if the respondent prevails only on all alleged violations of this article and upon a showing that the action is frivolous, unreasonable, or without foundation.

(3) In addition to the remedies set forth in paragraphs (1) and (2) of this subsection, the
court may award actual damages and punitive damages to the aggrieved person. Punitive
damages awarded under this subsection may be awarded only when the evidence shows
that the respondent's actions showed willful misconduct, malice, fraud, wantonness,
oppression, or that entire want of care which would raise the presumption of conscious
indifference to consequences or to the rights of the aggrieved party.

(d) Any local agency certified as substantially equivalent by the secretary of housing and
urban development pursuant to Section 810 of the federal Fair Housing Amendments Act
of 1988 may institute a civil action in any appropriate court, including superior court, if it

is unable to obtain voluntary compliance with the local fair housing law. The agency need
not have petitioned for an administrative hearing or exhausted its administrative remedies
prior to bringing a civil action. The court may impose fines as provided in the local fair
housing law.

(e)(1) If the administrator is unable to obtain voluntary compliance with this article and
has reasonable cause to believe that a discriminatory housing practice has occurred:

(A) The administrator may institute an administrative proceeding under Chapter 13 of
 Title 50; or

142 (B) The person aggrieved may request administrative relief under Chapter 13 of Title

143 50 within 20 days after receipt of service of a charge filed under Code Section 8-3-211. 144 When an administrative hearing is to be instituted under subparagraph (A) or (B) of this 145 paragraph Where an election is not made under paragraph (1) of subsection (a) of this Code section, the administrator shall refer the case to the board of commissioners to 146 147 conduct a hearing in accordance with this article. The board of commissioners shall designate a panel of three of its members, one of which must be an attorney licensed to 148 149 practice law in the state, and that tribunal shall have all the power and authority granted to agencies in conducting hearings and rendering final orders complaint to an 150 151 administrative law judge of the Office of State Administrative Hearings. An 152 administrative hearing shall be conducted as provided for under Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.' Act,' including, but not limited to, subpoena 153 154 power.

155 (2) Not more than seven working days after the case has been referred to the board of 156 commissioners administrative law judge, the administrator shall serve on the respondent and the person aggrieved or the aggrieved person's attorney by registered or certified mail 157 158 or statutory overnight delivery a written notice together with a copy of the complaint 159 requiring the respondent to answer the charges contained therein at a hearing before the 160 board of commissioners administrative law judge at a time and place specified in the notice. Such notice must contain all general and specific charges against the respondent. 161 (3) The respondent shall serve an answer with the board of commissioners administrative 162 law judge by registered or certified mail or statutory overnight delivery not more than 20 163 working days after receipt of the notice of hearing, which 20 working days may be 164 extended by the board of commissioners administrative law judge in the board of 165 commissioners' administrative law judge's discretion for an additional time not to exceed 166 ten working days. The respondent's answer must show by a certificate of service that the 167 respondent has served a copy of the answer on the <u>administrator and</u> complainant or the 168 169 complainant's attorney at the last known address of the complainant or the complainant's 170 attorney where the complainant is represented by an attorney. Upon leave of the board

171 of commissioners administrative law judge, the complainant may amend the charges contained in the notice of hearing. The respondent may amend an answer at any time 172 173 prior to the hearing or, upon leave of the board of commissioners administrative law 174 judge, may amend thereafter. No final order shall be issued unless the respondent has had the opportunity of a hearing on the charges contained in the notice of hearing or 175 176 amendment on which the final order is based. If the respondent fails to answer the 177 complaint, the board of commissioners administrative law judge may enter the respondent's default. Unless the default is set aside for good cause shown, the hearing 178 179 may proceed under the available evidence.

(4) At any time after a notice of hearing is served upon a respondent, discovery shall be
 authorized in the same manner and fashion as discovery is permitted under Code Sections
 9-11-26 through 9-11-37. Any order contemplated in Code Sections 9-11-26 through
 9-11-37 may be issued by the board of commissioners. Judicial enforcement of any such
 order may be obtained by the complainant or respondent in the same manner as is
 provided for the enforcement of final orders in Code Section 45-19-40.

- (5)(4) A respondent who has filed an answer or whose default in answering has been set
   aside for good cause shown may appear at the hearing, may examine and cross-examine
   witnesses and the complainant, and may offer evidence. The complainant and, at the
   discretion of the board of commissioners administrative law judge, any other person may
   intervene, examine and cross-examine witnesses, and present evidence.
- 191 (6)(5) Efforts at conference, conciliation, and persuasion shall not be received in
   192 evidence.

(7)(6) Testimony taken at the hearing shall be under oath and shall be stenographically
 or otherwise recorded by a certified court reporter. After the hearing, the board of

195 commissioners administrative law judge at the board of commissioners' administrative

196 <u>law judge's</u> discretion may take further evidence or hear arguments upon notice to all
197 parties with an opportunity to be present.

198 (8)(7) Except as otherwise specifically provided for in this article, all proceedings of the

199 board of commissioners <u>administrative law judge</u> shall be conducted as provided for with

- 200 respect to contested cases in Chapter 13 of Title 50."
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# **SECTION 5.**

Said article is further amended by revising Code Section 8-3-214, relating to orders of board
of commissioners, as follows:

204 "8-3-214.

(a) If the board of commissioners <u>administrative law judge</u> determines that the respondent
 has not engaged in a discriminatory housing practice, the board of commissioners

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administrative law judge shall state the board of commissioners' administrative law judge's
 findings of fact and conclusions of law and shall issue a final order within 30 days after the
 hearing unless, for good cause shown, such time is extended by the board of commissioners
 administrative law judge, dismissing the complaint.

(b) If the <del>board of commissioners</del> administrative law judge determines that the respondent 211 has engaged in a discriminatory housing practice, the board of commissioners 212 administrative law judge shall state the board of commissioners' administrative law judge's 213 214 findings of fact and conclusions of law and shall issue a final an order within 30 days after 215 the hearing unless, for good cause shown, such time is extended by the board of 216 commissioners administrative law judge, granting such relief as may be appropriate, which may include actual compensatory damages suffered by the aggrieved person and injunctive 217 or other equitable relief and. The prevailing party may, in the discretion of the 218 administrative law judge, be awarded reasonable attorney's fees and costs. A prevailing; 219 220 provided, however, that a respondent may only be awarded reasonable attorney's fees and 221 costs only against a party if the respondent prevails on all alleged violations of this article 222 and upon a showing that the proceeding is frivolous, unreasonable, or without foundation. 223 Attorney's fees may be awarded against a complainant or an aggrieved party if such party 224 joined in the proceeding on its own as an intervening party.

225 (c) No order of the board of commissioners administrative law judge or final order of the 226 administrator shall affect any contract, sale, encumbrance, or lease consummated before 227 the issuance of such order and involving a bona fide purchaser, encumbrancer, or tenant 228 without actual notice of the charge filed under this article. In the case of an order with 229 respect to a discriminatory housing practice that occurred in the course of a business 230 subject to licensing or regulation by a governmental agency, the administrator shall, not 231 later than 30 days after the date of the issuance of such order the order becomes final, or, 232 if such order is judicially reviewed, 30 days after such order is in substance affirmed upon 233 review, send copies of the findings of fact, conclusions of law, and the order to that governmental agency and recommend to that governmental agency appropriate disciplinary 234 235 action. In the case of an order against a respondent against whom another order was issued within the preceding five years under this Code section, the administrator shall send a copy 236 of each such order to the Attorney General. 237

(d) If the board of commissioners <u>administrative law judge</u> finds that the respondent has
not engaged or is not about to engage in a discriminatory housing practice, as the case may
be, the board of commissioners <u>administrative law judge</u> shall enter an order dismissing the
charge. The administrator shall make public disclosure of each such dismissal <u>when it</u>
<u>becomes final</u>.

- 243 (e) The administrator may review and reject or modify any finding, conclusion, or order
- 244 issued by the administrative law judge. In the absence of an appeal by any of the parties
- 245 to the administrator or any action taken by the administrator within 30 days after the
- 246 finding, conclusion, or order is so issued, such finding, conclusion, or order shall become
- 247 the final order of the Commission on Equal Opportunity."
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## **SECTION 6.**

Said article is further amended by revising Code Section 8-3-215, relating to appeal fromorder of board of commissioners and attorney's fees and costs, as follows:

251 "8-3-215.

(a) Any party to a hearing before the board of commissioners administrative law judge 252 253 may appeal any adverse final order of the board of commissioners administrative law judge 254 by filing a petition for review in the superior court in the county in which the alleged unlawful practice occurred or in the superior court of the residence of the respondent 255 256 <u>Superior Court of Fulton County</u> within 30 days of the issuance of the final order. The board of commissioners administrative law judge shall not be a named party. The 257 administrator must be served with a copy of the petition for review. Within 30 days after 258 259 the petition is served on the administrator, the administrator shall forward to the court a 260 certified copy of the record of the hearing before the board of commissioners 261 administrative law judge, including the transcript of the hearing before the board of 262 commissioners administrative law judge and all evidence, administrative pleadings, and 263 orders, or the entire record if no hearing has been held. For good cause shown, the court 264 may require or permit subsequent corrections or additions to the record. All appeals for judicial review shall be in accordance with Chapter 13 of Title 50, the 'Georgia 265 266 Administrative Procedure Act'; provided, however, that if any provisions of Chapter 13 of 267 Title 50 conflict with any provision of this article, this article controls.

(b) The court shall not substitute its judgment for that of the board of commissioners
administrative law judge as to the weight of the evidence on questions of fact. The court
may affirm a final order of the board of commissioners administrative law judge or remand
the case for further proceedings. The court may reverse or modify the final order if
substantial rights of the appellant have been prejudiced because the administrative findings,
inferences, conclusions, or decisions are:

- (1) In violation of constitutional or statutory provisions;
- 275 (2) In excess of the statutory authority of the agency;
- 276 (3) Made upon unlawful procedures;
- 277 (4) Affected by other error of law;

- (5) <u>Clearly erroneous in view of the reliable, probative, and Not supported by</u> substantial
  evidence, which shall mean that the record does not contain such relevant evidence as a
  reasonable mind might accept as adequate to support said findings, inferences,
  conclusions, or decisions on the whole record; or
- (6) Arbitrary, capricious, or characterized by abuse of discretion or clearly unwarrantedexercise of discretion.
- 284 (c) <u>Upon If, upon judicial review of any order of the board of commissioners administrator</u> or in a proceeding in which a complainant seeks enforcement of a conciliation agreement, 285 286 the court rules in favor of the complainant, then the court may in its discretion render an 287 award of may award the prevailing party reasonable attorney's fees and costs of litigation in the superior court to the complainant. A prevailing; provided, however, that a 288 289 respondent may be awarded court costs and reasonable attorney's fees only and court costs 290 only if the respondent prevails on all alleged violations in the order or of the conciliation 291 agreement and upon a showing that the action is frivolous, unreasonable, or without foundation." 292
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### **SECTION 7.**

- Said article is further amended by revising Code Section 8-3-216, relating to filing order of
  administrator or board of commissioners in superior court and judgment thereon, as follows:
  "8-3-216.
- 297 Any person affected by a final order of the administrator or the board of commissioners 298 may file in the superior court of the county of the residence of the respondent a certified 299 copy of a final order of the administrator or of the board of commissioners unappealed 300 from or of a final order of the board of commissioners administrator affirmed upon appeal, 301 whereupon said court shall render judgment in accordance therewith and notify the parties. 302 Such judgment shall have the same effect and all proceedings in relation thereto shall 303 thereafter be the same as though the judgment had been rendered in an action duly heard and determined by the court." 304
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### **SECTION 8.**

- Said article is further amended by revising subsections (a) and (b) of Code Section 8-3-217,
  relating to civil actions by aggrieved persons, as follows:
- 308 "(a)(1) An aggrieved person may commence a civil action in an appropriate superior 309 court not later than two years after the occurrence or the termination of an alleged 310 discriminatory housing practice or the breach of a conciliation agreement entered into 311 under this article, whichever occurs last, to obtain appropriate relief with respect to such 312 discriminatory housing practice or breach of a conciliation agreement.

313 (2) The computation of such two-year period shall not include any time during which an
administrative proceeding under this article was pending with respect to a complaint or
charge under this article based upon such discriminatory housing practice. This
paragraph does not apply to actions arising from a breach of a conciliation agreement.

(3) An aggrieved person may commence a civil action under this subsection whether or not a complaint has been filed under Code Section 8-3-208 and without regard to the status of any such complaint, but if the administrator has obtained a conciliation agreement with the consent of an aggrieved person, no action may be filed under this subsection by such aggrieved person with respect to the alleged discriminatory housing practice which forms the basis for such complaint except for the purpose of enforcing the terms of such conciliation agreement.

(4) An aggrieved person may not commence a civil action under this subsection with
respect to an alleged discriminatory housing practice which forms the basis of a charge
issued by the administrator if the board of commissioners an administrative law judge has
commenced a hearing on the record under this article with respect to such charge.

- 328 (b)(1) The court may grant as relief, as it deems appropriate, any permanent or temporary 329 injunction, temporary restraining order, or other order and may award to the plaintiff 330 reasonable attorney's fees, court costs, actual damages, and punitive damages not to 331 exceed penalties permitted by the federal Fair Housing Amendments Act of 1988, 42 332 U.S.C. Section 3601, et seq., as amended. Punitive damages may be awarded under this 333 article only when the evidence shows that the respondent's actions showed willful 334 misconduct, malice, fraud, wantonness, oppression, or that entire want of care which 335 would raise the presumption of conscious indifference to consequences or to the rights 336 of the aggrieved party.
- 337 (2) Where it is proved that the aggrieved party took an active part in the initiation,
  338 continuation, or procurement of civil proceedings against a respondent, the aggrieved
  339 party may be liable for abusive litigation as provided for in Article 5 of Chapter 7 of
  340 Title 51."
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#### **SECTION 9.**

- Said article is further amended by revising subsection (d) of and by adding a new subsection
  to Code Section 8-3-218, relating to civil actions by Attorney General, as follows:
- 344 "(d)(1) In a civil action brought under subsection (a) or (b) of this Code section, the345 court:
- (A) May award such preventive relief, including a permanent or temporary injunction,
  restraining order, or other order against the persons responsible for a violation of this
  article as is necessary to assure the full enjoyment of the rights granted by this article;

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349	(B) May award such other relief as the court deems appropriate, including actual
350	damages to persons aggrieved; and
351	(C) May, to vindicate the public interest, assess a civil penalty against the respondent:
352	(i) In an amount not exceeding \$50,000.00 for a first violation; or
353	(ii) In an amount not exceeding \$100,000.00 for any subsequent violation.
354	(2) In a civil action brought under subsection (a) or (b) of this Code section, the court in
355	its discretion may allow the prevailing party reasonable attorney's fees and court costs;
356	provided, however, that a respondent may be awarded reasonable attorney's fees and
357	court costs <del>only</del> if the respondent prevails on all alleged violations of this article and upon
358	a showing that the action is frivolous, unreasonable, or without foundation."
359	"(f) Nothing in this article shall be interpreted to limit or alter the Attorney General's
360	authority to determine whether to file or otherwise maintain a civil action."
361	SECTION 10.

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