

The Senate Committee on Economic Development and Tourism offered the following substitute to SB 171:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 62 of Title 36 of the Official Code of Georgia Annotated, relating to
2 development authorities, so as to limit the length of a director's hold-over period following
3 expiration of term of office; to provide for vacancy in office at the end of such hold-over
4 period; to amend Code Section 36-62A-21 of the Official Code of Georgia Annotated,
5 relating to required training on development and redevelopment programs, so as to require
6 directors to do yearly continuing education; to provide for suspension of voting eligibility
7 of directors for failing to undertake such training; to amend Part 3 of Article 8 of Chapter 14
8 of Title 44 of the Official Code of Georgia Annotated, relating to mechanics and materialmen
9 liens, so as to provide that such liens may attach to the usufruct interest of properties owned
10 by or titled in a development authority or downtown development authority; to provide for
11 the levy and sale of such liens; to provide for the transfer of such liens in the event that the
12 holder of the usufruct acquires or assumes an estate in the property; to provide for related
13 matters; to repeal conflicting laws; and for other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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SECTION 1.

16 Chapter 62 of Title 36 of the Official Code of Georgia Annotated, relating to development
17 authorities, is amended by revising subsection (a) of Code Section 36-62-4, relating to
18 development authorities created, appointment and terms of directors, quorum, and adoption
19 and filing of resolution of need, as follows:

20 "(a) There is created in and for each county and municipal corporation in the state a public
21 body corporate and politic to be known as the 'development authority' of such county or
22 municipal corporation, which shall consist of a board of not less than seven and not more
23 than nine directors to be appointed by resolution of the governing body of the county or
24 municipal corporation. At the expiration of the current terms of office of the first four
25 members of the board of directors, the governing body of the county or municipal
26 corporation shall elect successors to such members to serve for initial terms of two years
27 and shall elect successors to the remaining members of the board for initial terms of four
28 years. Thereafter, the terms of all directors shall be for four years. The terms of any
29 directors added to the original seven directors shall be four years. If, at the end of any term
30 of office of any director, a successor thereto has not been elected, the director whose term
31 of office has expired shall continue to hold office until his or her successor is so elected;
32 provided, however, that such hold-over period shall not exceed six months. In the event
33 that such six-month hold-over period expires without a successor being elected, the
34 remaining directors shall elect such successor."

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SECTION 2.

36 Code Section 36-62A-21 of the Official Code of Georgia Annotated, relating to required
37 training on development and redevelopment programs, is amended as follows:

38 "36-62A-21.

39 (a) Except for a director who is also a member of the governing body of a municipal
40 corporation or county, each director or member of the governing board or body of a

41 development authority shall attend and complete at least eight hours of training on
 42 development and redevelopment programs within the first 12 months of the director's or
 43 member's appointment to the development authority. ~~Directors and members in office on~~
 44 ~~January 1, 2000, shall be exempt from this requirement unless reappointed for an additional~~
 45 ~~term.~~

46 (b) After July 1, 2024, directors or members required to complete the training provided for
 47 in subsection (a) of this Code section shall also attend and complete at least two hours of
 48 continuing training on development and redevelopment programs each year such director
 49 or member is a director or member of such authority. Such training can occur either in
 50 person or online.

51 (c) Any director who fails to undertake the continuing training required by subsection (b)
 52 of this Code section for two consecutive years shall have his or her voting rights on any
 53 authority suspended until the director completes the required continuing training."

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SECTION 3.

55 Part 3 of Article 8 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated,
 56 relating to mechanics and materialmen liens, is amended by revising Code
 57 Section 44-14-361, relating to creation of liens, property to which lien attaches, and items
 58 to be included in lien, as follows:

59 "44-14-361.

60 (a) The following persons shall each have a special lien on the real estate, factories,
 61 railroads, or other property for which they furnish labor, services, or materials:

62 (1) All mechanics of every sort who have taken no personal security for work done and
 63 material furnished in building, repairing, or improving any real estate of their employers;

64 (2) All contractors, all subcontractors and all materialmen furnishing material to
 65 subcontractors, and all laborers furnishing labor to subcontractors, materialmen, and
 66 persons furnishing material for the improvement of real estate;

- 67 (3) All registered architects furnishing plans, drawings, designs, or other architectural
68 services on or with respect to any real estate;
- 69 (4) All registered foresters performing or furnishing services on or with respect to any
70 real estate;
- 71 (5) All registered land surveyors and registered professional engineers performing or
72 furnishing services on or with respect to any real estate;
- 73 (6) All contractors, all subcontractors and materialmen furnishing material to
74 subcontractors, and all laborers furnishing labor for subcontractors for building factories,
75 furnishing material for factories, or furnishing machinery for factories;
- 76 (7) All machinists and manufacturers of machinery, including corporations engaged in
77 such business, who may furnish or put up any mill or other machinery in any county or
78 who may repair the same;
- 79 (8) All contractors to build railroads;
- 80 (9) All suppliers furnishing rental tools, appliances, machinery, or equipment for the
81 improvement of real estate; and
- 82 (10) All registered interior designers furnishing plans, drawings, designs, or other
83 interior design services on or with respect to any real estate.
- 84 (b) Each special lien specified in subsection (a) of this Code section may attach to the real
85 estate of the owner for which the labor, services, or materials are furnished if they are
86 furnished at the instance of the owner, contractor, or some other person acting for the
87 owner or contractor and shall include the value of work done and materials furnished in any
88 easement or public right of way adjoining said real estate if the work done or materials
89 furnished in the easement or public right of way is for the benefit of said real estate and is
90 within the scope of the owner's contract for improvements to said real estate.
- 91 (b.1) Notwithstanding any provisions of subsection (b) of this Code section or any
92 provision of Georgia law limiting or prohibiting the attachment of liens to public property
93 to the contrary, in the event that the real estate for which the labor, services, or materials

94 are furnished is owned by or titled to a development authority or downtown development
95 authority, regardless of whether such authority was created by constitutional, general, or
96 local law, each special lien specified in subsection (a) of this Code section may attach to
97 a usufruct in such property if such labor, services, or materials are furnished at the instance
98 of the holder of the usufruct to such property, contractor, or some other person acting for
99 the holder of such usufruct or contractor. A lien attaching to a usufruct interest pursuant
100 to this subsection shall be subject to levy and sale notwithstanding any provision of
101 statutory or common law to the contrary. In the event that the holder of such usufruct
102 acquires or assumes a leasehold estate in the property, any lien attaching to the usufruct
103 pursuant to this subsection shall attach to such estate as it originally attached to the
104 property pursuant to subsection (b) of this Code section.

105 (c) Each special lien specified in subsection (a) of this Code section shall include the
106 amount due and owing the lien claimant under the terms of its express or implied contract,
107 subcontract, or purchase order subject to subsection (e) of Code Section 44-14-361.1.

108 (d) Each special lien specified in subsection (a) of this Code section shall include interest
109 on the principal amount due in accordance with Code Section 7-4-2 or 7-4-16."

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SECTION 4.

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