The House Committee on Rules offers the following substitute to HB 1253:

A BILL TO BE ENTITLED AN ACT

To amend Chapter 1 of Title 36 of the Official Code of Georgia Annotated, relating to general provisions applicable to counties only, so as to provide for a new category of district; to provide for legislative intent; to provide for definitions; to provide for new authority for the Department of Community Affairs; to provide for a board and chairperson of such districts; to provide for application procedures; to provide for authority to seek state and federal funds; to provide for pilot programs; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

Chapter 1 of Title 36 of the Official Code of Georgia Annotated, relating to general provisions applicable to counties only, is amended by adding a new Code section to read as follows:

13 <u>"36-1-28.</u>

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(a) The General Assembly finds that there are numerous rural counties in this state that do not have financial resources sufficient to provide all of the services needed by their residents. In order to promote the health, prosperity, and general welfare of the residents

- in such counties, a new category of district titled 'special rural district' shall be created.

 Such districts shall be eligible to seek out the state and federal funds described in

 Chapter 10 of Title 44 and such other funds as may become available.
 - (b) As used in this Code section, the term:

- (1) 'Local governing body' means the elected governing body or governing authority of a county of this state.
- (2) 'Special rural district' means three or more rural counties with contiguous borders with at least one of the other rural counties within such district in which each county within such district has had declining revenue for the three previous consecutive years; had a declining population for the three previous consecutive years; and has entered into an agreement with all other counties in such special rural district to consolidate all services within such district and to use a joint administrator for the administration or support of the administration of all such services.
- (c) The local governing body of one or more rural counties may elect to apply to the Department of Community Affairs or its successor for the designation of special rural district.
 - (d)(1) An approved special rural district shall be governed by a board comprised of the chairperson of each county's governing authority or the sole commissioner for a county with a sole commissioner form of government.
 - (2) Each special rural district board shall have a chairperson, and the role of chair shall rotate every two years among the members of the special rural district board. Each county that is part of a special rural district shall have its representative on the board serve as the board's chairperson for a term before another county's representative on the board may serve a subsequent term as chairperson of the special rural district.
- (e) On or before December 31 of each year, the Department of Community Affairs shall publish a list of all counties in this state which qualify as rural counties in accordance with this Code section.

| 44 | (f) The Department of Community Affairs shall be authorized to: |
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| 45 | (1) Review all applications submitted pursuant to subsection (c) of this Code section; |
| 46 | (2) Determine all information that shall be required to be included in such applications |
| 47 | in accordance with this Code section; and |
| 48 | (3) Reject or approve such applications. |
| 49 | (g) As of July 1, 2026, failure of the Department of Community Affairs to reject or |
| 50 | approve an application within 45 days after the filing of such application shall constitute |
| 51 | approval. |
| 52 | (h) In the event that the Department of Community Affairs rejects an application, it shall |
| 53 | state its reasons for doing so and shall transmit a record of such action and the reasons |
| 54 | therefore, in writing, to the applicant. |
| 55 | (i) As of July 1, 2025, the Department of Community Affairs shall undertake a pilot |
| 56 | program through which up to three special rural districts may be created in the state. As |
| 57 | of July 1, 2026, there shall be no limit upon the number of special rural districts which may |
| 58 | be approved by said department." |
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| 59 | SECTION 2. |
| 60 | All laws and parts of laws in conflict with this Act are repealed. |