

The House Committee on Budget & Fiscal Affairs Oversight offers the following substitute to HB 1040:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 49 of the Official Code of Georgia Annotated, relating to
2 economic rehabilitation services, so as to require community action agencies to submit audit
3 reports and IRS forms to the Department of Audits and Accounts before any contracts with
4 the Department of Human Services are made or offered; to require the board of directors of
5 a community action agency to execute contracts between the community action agency and
6 the Department of Human Services; to provide for related matters; to repeal conflicting laws;
7 and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 8 of Title 49 of the Official Code of Georgia Annotated, relating to economic
11 rehabilitation services, is amended by revising subsection (a) of Code Section 49-8-5,
12 relating to distribution of funds, local boards of directors, audits, and bonding of agency
13 employees, as follows:

14 "(a) Moneys appropriated for the purposes of this chapter shall be allocated by contract
15 with community action agencies. Such allocations shall be approved by the director only
16 upon the submission of a proposal prepared by the agency and approved by the board of

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17 directors of the community action agency involved. Each new or renewed contract a
18 community action agency enters into with the Department of Human Services on or after
19 October 1, 2022, irrespective of the total number of parties to such contract, shall be
20 executed by the board of directors of such community action agency or its designee;
21 provided, however, that no such contract shall be offered or made unless a current IRS
22 Form 990 and reports of the audits required in subsection (f) of this Code section have been
23 submitted to the Department of Audits and Accounts by the community action agency."

24 **SECTION 2.**

25 All laws and parts of laws in conflict with this Act are repealed.