

The House Committee on Governmental Affairs offers the following substitute to HB 140:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated,
2 relating to local government budgets and audits, so as to cap the amount of funds derived
3 from court fines or forfeiture action that municipalities may use as part of their yearly
4 budgets; to provide that any funds collected in excess of such cap shall escheat to the state;
5 to supersede any conflicting home rule powers of municipalities; to provide for applicability;
6 to provide a short title; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 This Act shall be known and may be cited as the "End Local Taxation by Citation Act."

11 **SECTION 2.**

12 Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated, relating to
13 local government budgets and audits, is amended by revising Code Section 36-81-10, relating
14 to effect of article on right to make expenditures and raise revenue, and effect on home rule
15 powers, as follows:

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16 "36-81-10.
17 Except as provided for in Code Section 36-81-12, this This article shall not be construed
18 so as to prohibit local governments from making authorized expenditures for any lawful
19 purpose or from raising revenues in any manner otherwise authorized by law. It is the
20 specific intent of the General Assembly in adopting this article that, except as provided for
21 in Code Section 36-81-12, local units of government shall continue to have and to exercise
22 their home rule powers as provided by law."

23 **SECTION 3.**

24 Said article is further amended by adding a new Code section to read as follows:

25 "36-81-12.

26 (a) The funds appropriated in a municipality's budget ordinance derived from funds
27 collected by such municipality as criminal or civil fines or as a result of a criminal or civil
28 forfeiture action shall not exceed the following percentages by the following applicable
29 dates:

30 (1) No more than 30 percent of the funds appropriated for any budget ordinance adopted
31 by a municipality for any fiscal year beginning on or after January 1, 2027;

32 (2) No more than 25 percent of the funds appropriated for any budget ordinance adopted
33 by a municipality for any fiscal year beginning on or after January 1, 2028;

34 (3) No more than 20 percent of the funds appropriated for any budget ordinance adopted
35 by a municipality for any fiscal year beginning on or after January 1, 2029;

36 (4) No more than 15 percent of the funds appropriated for any budget ordinance adopted
37 by a municipality for any fiscal year beginning on or after January 1, 2030;

38 (b) Any funds received by a municipality as criminal or civil fines or as a result of a
39 criminal or civil forfeiture action in excess of the amount provided for in subsection (a) of
40 this Code section shall escheat to the state at the conclusion of the municipality's fiscal
41 year. Within 30 days of the end of a municipality's fiscal year, such escheated funds shall

42 be transmitted to the Office of the State Treasurer for deposit in the general fund of this
43 state."

44 **SECTION 4.**

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