

HB 813

New Cities – Revise State Law on Their Creation

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Summary

HB 813 – Summary - 2024

Defines a “**cityhood initiative committee**” (lines 20-22)

- The committee shall be created as a non-profit corporation prior to a cityhood bill being introduced (lines 82-84)
- It shall appoint officers and create bylaws, and keep official minutes (lines 85-87)
- The committee to Georgia’s open meetings and opens records laws (lines 88-90)
- It shall constitute a “**campaign committee**”. All those contributing to or advancing or funding a city ballot initiative to campaign disclosure requirements (lines 91-95)
- Subjects all expenditures for cityhood initiative as “**lobbying expenditures**” must be disclosed (lines 97-99)
- Subjects all those expending money as “**lobbyists**” for reporting purposes (lines 99-100).

Defines a “**limited-service municipality**” or “city-lite” (lines 23-32)

- Restricts the new city from providing more than a few limited services without a voter referendum.
- Adds requirements for the city to exercise its statutory home rule power under 36-35-3 or other provisions of Chapter 35.
- Otherwise limits its constitutional powers under Article IX, Section II, Paragraph I of the Georgia Constitution.
- **PROHIBITS** the creation of a limited-service municipality (lines 67-68)

Defines an “**unincorporated island**” (lines 33-41)

- Prohibits the new city from creating unincorporated islands (lines 65-66)

Requires sponsor to certify that all conditions of the law have been met (lines 49-50)

Requires sponsor’s district to touch on, wholly or partly, the proposed new city (lines 58-60) by certification and (lines 79-81)

Requires that a cityhood bill be introduced in one session, then approved in a session other than the one in which it was introduced (lines 75-78)

Petition (lines 101-114) – Prior to introduction of a cityhood bill, the cityhood initiative committee must collect and cause to be filed a petition with probate court. Petition must be signed by:

- 25% in counties with 5,000 or less population (lines 106-108)
- 20% in counties with between 5,000 and 50,000 population (109-111)
- 15% in counties with more than 50,000 population (112-114)
- Probate judge’s petition responsibilities (lines 115-125)

Fiscal Impact and Service Delivery study must be completed between the two legislative sessions, to be paid for by the cityhood initiative committee (126-163).

Fiscal Impact Study must address:

- Financial impact to the county due to revenues lost (lines 132-133)
- Financial impact to all other existing municipalities (lines 134-136)
- Financial impact on proposed SPLOST capital outlay projects (lines 137-140)
- Estimated financial impact on pension obligations which may be left unfunded (lines 141-144)

Proposed Service Delivery Strategy Summary:

- An identification of all local government services to be provided or funded by the new city and any changes to the services being provided by the county (lines 152-154)
- A description of the source of the proposed funding for each service to be provided,
- An identification of the “mechanisms”, as defined in 36-70-2 (5.3), to be utilized to facilitate the implementation of the services and funding responsibilities above:
 - “Mechanisms” includes, but is not limited to, intergovernmental agreements, ordinances, resolutions, and local Acts of the General Assembly in effect on July 1, 1997, or executed thereafter.

County Fiscal Impact/Service Delivery Study – the county is authorized, but not required, to conduct its own fiscal impact or service delivery study to submit to the General Assembly between the two legislative sessions (lines 160-163)

Referendum Now Required in Law

- New cities must be approved by at least 55% of qualified voters in proposed city, but a higher threshold is allowed (lines 165-168)
- Election superintendent to conduct election.
 - Initial expense borne by the county (lines 170-171)
 - If city is successful, then city must reimburse county within two years of approval (lines 171-174)

Unfunded Pension Obligations – if the fiscal impact study determines a fiscal impact on the county due to unfunded pension obligations, the county may establish a special service district to pay off these obligations. The city is not obligated to pay this. (lines 176-182)

All Cities Must Now Provide Three Genuine Services (lines 194-211)

- To qualify as a bona fide city service, the service must be provided at a level that exceeds the level of such service as would be provided by the county (lines 197-198)
- To qualify, the service must be provided and enforced in fact, and must be certified annually by the governing authority of the city Lines (199-201)
- In order for an intergovernmental contract with a county to count toward the minimum number of city services, the contract must:
 - Be for a service, or level of service, not otherwise provided by the county to county residents generally; and
 - Require that a valid and enforceable contract be in place for each city service that is claimed. Each such contract shall:
 - Include measurable consideration approximating the cost/value of the service provided by the contracting party to the municipality; and
 - Be in writing and be entered on the minutes of the city and of any other public entity if it is providing the service (lines 202-211).