



2018 Housing Legislation Final Session Wrap Up Report

May 10, 2018

The 2018 Georgia General Assembly concluded its 40 day session on March 29, 2018. The Governor had 40 days to sign or veto legislation that concluded on May 8, 2018. [Here](#) is a link to the 21 veto messages issued by Governor Deal. Among these is Veto Number 2 of [HB 410](#) that outlined the information a home owners, property owners or condominium association would be required to provide to a homeowner and caps the fees for such service at a base fee of \$100. As this is the end of the two year legislative term, all legislation that failed to pass would have to be reintroduced in 2019.

In addition, all members of the House and Senate must stand for re-election. There were 20 members who retired from their seats this year (3 in the Senate and 17 in the House), and many hotly contested legislative races are in play with the Primary on May 22, and advance voting already begun. Georgia will elect a new Governor, Lt. Governor, Secretary of State and Insurance Commissioner this year, along with contests for the rest of the statewide offices, judicial races at all levels, and many local races. It is critically important to engage in these races in order to have a voice in who is elected, and to use your voice to insure that affordable housing is a priority for all candidates. Educate the candidates on the issues you care about; find out their positions; and let others know where the candidates stand so they can make an informed judgment when casting their ballots. Insure that every eligible Georgian votes by helping people to register to vote, and helping to get out the vote (GOTV) for each election. Support the candidates who share your priorities by volunteering, putting a yard sign in your yard, speaking up about your support, or contributing to their campaign. There is much that a 501c3 charitable organization can do that is permissible by way of voter registration, GOTV, and voter education, (but candidate endorsements, contributions of money or in-kind support, and partisan activity of any kind is tricky prohibited for 501c3 charitable organizations). **These elections will determine where Georgia spends taxpayer dollars, what kind of affordable housing is built and where, and whether communities are held accountable to invest in quality affordable housing that supports families and builds stronger communities. If we all do our part we can see the changes we seek!**

Big picture outcomes from the session included several important changes that affect housing in the areas of taxation and transportation. A number of efforts to advance affordable housing moved forward but failed to pass in the end. However, efforts that would have hampered affordable housing opportunities were also defeated. The General Assembly adopted major changes to the state **tax laws** ([HB 918](#)) in the wake of federal tax reform, reflected in the [FY 2019 Budget](#) (HB 684). The Budget received a late boost from Governor Deal in allocating an additional \$167 Million for **K-12 education** to close the shortfall in education funding that has persisted for more than 16 years. The Legislature also passed an important expansion for **transit funding** for the metro Atlanta region ([HB 930](#)). Numerous bills passed addressing local property tax issues.

[FY 2019 Budget](#) (HB 684)

Department of Community Affairs:

- Funding for State Housing Funding for the Homeless flat at \$3 Million.
- \$100,000 added to Statewide Independent Living Council (SILC) for home access modifications.
- Funding for Atlanta Regional Commission reduced by \$150,000 (with all other regional commissions remaining at current levels.)

[HR 158 Dedication of Revenue](#) (Jay Powell, R-17)

HR 158 would allow the General Assembly to dedicate revenue to a specific purpose, rather than going in to the general revenue fund, without a Constitutional Amendment. Adoption of this measure can help pave the way for Georgia eventually to establish a State Housing Trust Fund with a dedicated revenue stream such as those adopted by other states that have effectively addressed affordable housing. Such allocations would require a 2/3 vote of the House and Senate, but would not require a statewide referendum.

Status: Did Not Pass.

[HB 851 Repeal of State Low-Income Housing Credits](#) (Dale Rutledge, R-109)

HB 851 proposed to end the state's Low Income Housing Tax Credit as of Dec. 31, 2023. This is Georgia's major source of investment in affordable housing. Federal Low Income Housing Tax Credits finance over 90% of all affordable rental housing in the US. Georgia leverages the

federal tax credits through our state low income tax credit program to produce affordable housing for Georgia residents. Last year, this program accounted for over 90% of Georgia's **direct** investment in affordable housing.

Status: Did Not Pass.

As introduced, [SB 432](#) (John Albers, R-56) also proposed to end the state's low income housing tax credit program as of Dec. 31, 2019 (along with dozens of other tax credit programs). As amended in the Senate Finance Committee, SB 432 provided for an economic analysis to be performed by the state auditor and reported to the General Assembly estimating each tax credit's annual impact to the state over 10 years on state revenue, state expenditures, economic activity, and public benefit, and sets out a schedule for review of each tax expenditure. The LIHTC was scheduled to be reviewed under the bill on or before Dec. 1, 2018.

Status: Did Not Pass.

[HB 642](#) **Beltline Taxing District** (Chad Nimmer, R-178)

As introduced, **HB 642** provided for the creation of a special improvement district along the Beltline where commercial owners of real property and multi-family rental owners could vote to impose a special property tax to fund supplemental services, including the provision of affordable housing, infrastructure, sanitation, etc.

There is a severe shortage of homes affordable to middle and low income Atlanta families around the Beltline, and rapidly rising property values in Beltline communities is causing the displacement of long-time residents and businesses. In its original form, HB 642 would have provided funds to produce new affordable housing, preserve those affordable units that still exist around the Atlanta Beltline, and complement the recently passed Atlanta ordinance providing for inclusionary zoning along the Beltline (and Westside overlay). The Bill was amended in the House to change the permissible purposes for the tax, deleting the original purposes for the funds, including affordable housing, and including only the design, acquisition and improvement of the multi-use trail, and then further amended in the Senate.

Status: Did Not Pass.

[HB 456](#) Land Contracts (Debra Bazemore, D- 63)

HB 456 would provide critically needed protection for consumers who believe they are purchasing real estate through Land Installment Contracts. These arrangements lure many uninformed low-income people into the false promise of home ownership. These land contracts make a “buyer” responsible for up to 30 years for payments, repairs, property taxes and homeowner’s insurance without providing them with a deed of ownership until completing payment of the full purchase price. Typically any default can result in the buyer losing all money paid and being evicted as a tenant. The bill provides for disclosure to consumers that the contract is not conveying title, providing 14 days to cancel the contract, and requiring notice and 60 day opportunity to cure any default.

Status: Did Not Pass.

[HB 719](#) Housing Authorities Housing Homeless Veterans (Sandra Scott, D-76)

HB 719 would require Housing Authorities to develop and implement policies granting housing preferences to homeless veterans. *See also*, SB [HB 794](#) and [SB 144](#) that would require the Georgia Lottery to offer one or more games to benefit homeless military veterans, with dedication of revenue by [SR 191](#).

Status: Did Not Pass.

[SR 484](#) Senate Study Committee on Creating Lottery Game to Benefit Veterans (Ed Harbison, D-15)

SR 484 creates a Senate Study Committee to study creation of a lottery game to benefit veterans that could address homelessness, as well as post-traumatic stress, health insurance costs, disabilities, long-term care, employment training and similar needs.

Status: Passed. As of this writing, no Study Committee members have been appointed.

[HB 954](#) Healthy Homes - Ban Landlord Retaliation Against Tenant (Scott Hilton, R-95)

HB 954 would protect tenants who complain to Code Enforcement of unhealthy and unsafe housing conditions such as lead, mold, radon, rats, etc. from retaliatory evictions, rent increases or utility disconnection. Passage of this bill would allow Georgia to join 41 other states that ban

retaliation against tenants for seeking housing code enforcement, including all of our southern neighbors: Florida, Tennessee, Alabama, NC, SC, Mississippi, Virginia, etc.

Status: Did Not Pass.

[HR 1431](#) House Healthy Housing Study Committee (Sharon Cooper, R-43)

Status: Did Not Pass. (House Judiciary Chair and House Health and Human Services Chair indicated a willingness to hold hearings nonetheless.)

[HB 834](#) Lease Termination by Victims of Domestic Violence (Mandi Ballinger, R- 23)

Creates a right in the victim of domestic violence to terminate a residential lease effective 30 days after providing the landlord with written notice of termination when a family violence protective order has been issued. The bill applies to all leases entered into after July 1, 2018, and would not be waivable by contract. See also [HB 281](#), Scott Holcomb (D-81)

Status: Passed. Signed into Law.

[HR 1425](#) Commending Frank Alexander, Esq. (David Dreyer, D-59)

Recognizing Professor Frank Alexander for his lifetime of work as co-founder of the Center for Community Progress and the Director of the Project on Affordable Housing and Community Development at Emory University School of Law where he has taught for 37 years.

Additional Policy Issues (No Current Legislation):

- Georgia should enforce OCGA §8-3-171 which directs the Department of Community Affairs to produce a **State Housing Goal Report to the Georgia General Assembly** every two years identifying the state's housing needs and housing accomplishments and outlining plans for achieving the state housing goal. *NOTE: Based on Housing Georgia presentation to the Working Families Legislative Caucus on March 8, 2018, the Caucus voted unanimously to write to DCA Commissioner Nunn citing statute and requesting presentation of the housing goal report. Awaiting a response.*
- **Adopt recommendations from the October 2017 federal audit of the Georgia Department of Community Affairs' HomeSafe Program ([Mismanagement of the Hardest Hit Fund in Georgia](#))** directing how the state could better distribute the

remaining \$68 million in program funding as intended - to help prevent residential foreclosures.

- **Empower cities and counties to establish Local Housing Trust Funds with more options for dedicated revenue streams** to fund their specific affordable housing needs.
- **Increase resources to the State Housing Trust Fund for the Homeless** to establish added permanent housing options so that homelessness is temporary and rare. Recommended by the Senate Study Committee on Homelessness and the Reentry Housing Work Group Recommendations to the Criminal Justice Reform Council.

For More Information, Please Contact:

William McFarland, Program Manager wmcfarland@georgiaact.org (404) 586-0740

Elizabeth J. Appley, Policy Advocate eja@appleylaw.com (404) 523-3800

Housing Georgia is an initiative of Georgia Advancing Communities Together (Georgia ACT)

250 Georgia Avenue, Suite 350, Atlanta Georgia 30312

(404) 586-7040 info@housinggeorgia.org www.housinggeorgia.org