House Bill 903 (AS PASSED HOUSE AND SENATE)
By: Representatives Burkhalter of the 50th and Stephens of the 164th

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to county and municipal tax levies on hotels and motels and other public accommodations, so as to revise provisions relating to a levy at the rate of 7 percent by certain counties and municipalities; to provide that, where such tax was levied for the purpose of funding a multipurpose domed stadium facility and is subject to a stated expiration date, the expiration date may be extended under certain circumstances; to provide for extension for purposes of funding a successor facility upon certification of certain conditions by a state authority; to provide for expenditure through a contract with the state authority; to provide for a new extended expiration date; to provide for the protection of bondholders; to authorize certain counties and municipalities to levy such taxes at the rate of 7 percent; to provide for procedures, conditions, and limitations; to provide for other related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to county and municipal tax levies on hotels and motels and other public accommodations, is amended by revising paragraph (5) of subsection (a) as follows:

"(5)(A)(i) Notwithstanding any other provision of this subsection, a county (within the territorial limits of the special district located within the county) or municipality is authorized to levy a tax under this Code section at a rate of 7 percent. A county or municipality levying a tax pursuant to this paragraph shall expend an amount equal to at least 51.4 percent of the total taxes collected prior to July 1, 1990, at the rate of 7 percent and an amount equal to at least 32.14 percent of the total taxes collected on or after July 1, 1990, at the rate of 7 percent for the purpose of: (A) (I) promoting tourism, conventions, and trade shows; (II) supporting a facility owned or operated by a state authority for convention and trade show purposes or any other purpose."
similar or related purposes; (C) (III) supporting a facility owned or operated by a local authority or local government for convention and trade show purposes or any other similar or related purposes, if a written agreement to provide such support was in effect on January 1, 1987, and if such facility is substantially completed and in operation prior to July 1, 1987; (D) (IV) supporting a facility owned or operated by a local government or local authority for convention and trade show purposes or any other similar or related purposes if construction of such facility is funded or was funded in whole or in part by a grant of state funds; or (E) (V) for some combination of such purposes. Amounts so expended shall be expended only through a contract or contracts with the state, a department of state government, a state authority, or a private sector nonprofit organization or through a contract or contracts with some combination of such entities, except that amounts expended for those purposes specified in subparagraphs subdivisions (C) (III) and (D) (IV) of this paragraph may be so expended in any otherwise lawful manner.

(ii) In addition to the amounts required to be expended above under division (i) of this subparagraph, a county or municipality levying a tax pursuant to this paragraph (5) shall further expend (in each fiscal year during which the tax is collected under this paragraph (5)) an amount equal to 14.3 percent of the total taxes collected prior to July 1, 1990, at the rate of 7 percent and an amount equal to 39.3 percent of the total taxes collected on or after July 1, 1990, at the rate of 7 percent toward funding a multipurpose domed stadium facility. Amounts so expended shall be expended only through a contract originally with the state, a department or agency of the state, or a state authority or through a contract or contracts with some combination of the above. Any tax levied pursuant to this paragraph shall terminate not later than December 31, 2020, unless extended as provided in subparagraph (B) of this paragraph, provided that during any period during which there remains outstanding any obligation which is incurred prior to January 1, 1991, issued to fund a multipurpose domed stadium as contemplated by this paragraph (5), and secured in whole or in part by a pledge of a tax authorized under this Code section, or any such obligation which is incurred to refund such an obligation incurred before January 1, 1991, the powers of the counties and municipalities to impose and distribute the tax imposed by this paragraph (5) shall not be diminished or impaired by the state and no county or municipality levying the tax imposed by this paragraph shall cease to levy the tax in any manner that will impair the interest and rights of the holders of any such obligation. This proviso shall be for the benefit of the holder of any such obligation and, upon the issuance of any such obligation by an authority of the state, shall constitute a contract with the holder of such obligations.
(B) Notwithstanding the termination date stated in division (ii) of subparagraph (A) of
this paragraph (5), notwithstanding paragraph (6) of this subsection (a), and
notwithstanding subsection (b) of this Code section, a tax levied under this paragraph
may be extended by resolution of the levying county or municipality and continue to
be collected through December 31, 2050, if a state authority certifies: (i) that the same
portion of the proceeds will be used to fund a successor facility to the multipurpose
domed facility as is currently required to fund the multipurpose domed facility under
division (ii) of subparagraph (A) of this paragraph; (ii) that such successor facility will
be located on property owned by the state authority; and (iii) that the state authority has
entered into a contract with a national football league team for use of the successor
facility by the national football league team through the end of the new extended period
of the tax collection. During the extended period of collection provided for in this
subparagraph, the county or municipality levying the tax shall continue to comply with
the expenditure requirements of division (i) of subparagraph (A) of this paragraph.
During the extended period of collection, the county or municipality shall further
expend (in each fiscal year during which the tax is collected during the extended period
of collection) an amount equal to 39.3 percent of the total taxes collected at the rate of
7 percent toward funding the successor facility certified by the state authority.
Amounts so expended shall be expended only through a contract with the certifying
state authority. Any tax levied pursuant to this paragraph shall terminate not later than
December 31, 2050, provided that during any period during which there remains
outstanding any obligation which is incurred to fund the successor facility certified by
the state authority, and secured in whole or in part by a pledge of a tax authorized under
this Code section, or any such obligation which is incurred to refund such an obligation,
the powers of the counties and municipalities to impose and distribute the tax imposed
by this paragraph (5) shall not be diminished or impaired by the state and no county or
municipality levying the tax imposed by this paragraph shall cease to levy the tax in any
manner that will impair the interest and rights of the holders of any such obligation.
This proviso shall be for the benefit of the holder of any such obligation and, upon the
issuance of any such obligation by an authority of the state, shall constitute a contract
with the holder of such obligations."

SECTION 2.

Said Code section is further amended by revising paragraph (7) of subsection (a) as follows:

"(7) As used in this subsection, the term:

(A) 'Fund' and 'funding' mean the cost and expense of all things deemed
necessary by a state authority for the construction and operation of a multipurpose
domed stadium and a successor facility to such multipurpose domed stadium including but not limited to the study, operation, marketing, acquisition, construction, finance, development, extension, enlargement, or improvement of land, waters, property, streets, highways, buildings, structures, equipment, or facilities, and the repayment of any obligation incurred by an authority in connection therewith. (B) 'Obligation' means bonds, notes, or any instrument creating an obligation to pay or reserve moneys incurred prior to January 1, 1991, and having an initial term of not more than 30 years. (C) 'Multipurpose domed stadium facility' means a multipurpose domed stadium facility and any associated parking areas or improvements originally owned or operated incident to the ownership or operation of a facility used for convention and trade show purposes by the state, a department or agency of the state, a state authority, or a combination thereof.”

SECTION 3.

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

"(b.1) As an alternative to the provisions of subsection (b) of this Code section, any county (within the territorial limits of the special district located within the county) and any municipality which is levying a tax under this Code section at the rate of 6 percent under paragraph (3.4) or (4) of subsection (a) of this Code section shall be authorized to levy a tax under this Code section at the rate of 7 percent in the manner provided in this subsection. Both the county and municipality shall adopt a resolution which shall specify that an amount equal to the total amount of taxes collected under such levy at a rate of 6 percent shall continue to be expended as it was expended pursuant to either paragraph (3.4) or (4) of subsection (a) of this Code section, as applicable, and such resolution shall specify the manner of expenditure of funds for an amount equal to the total amount of taxes collected under such levy that exceeds the amount that would be collected at the rate of 6 percent for any tourism, convention, or trade show purposes, tourism product development purposes, or any combination thereof. Each resolution shall be required to be ratified by a local Act of the General Assembly. Only when both such local Acts have become law, the governing authority of the county and municipality shall be authorized to levy an excise tax pursuant to this subsection at the rate of 7 percent of the charge for the furnishing for value to the public of any room or rooms, lodgings, or accommodations furnished by any person or legal entity licensed by, or required to pay business or occupation taxes to, the municipality for operating a hotel, motel, inn, lodge, tourist camp, tourist cabin, campground, or any other place in which rooms, lodgings, or accommodations are regularly or periodically furnished for value."
SECTION 4.
This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 5.
All laws and parts of laws in conflict with this Act are repealed.