

House Bill 160 (AS PASSED HOUSE AND SENATE)

By: Representatives Boddie of the 62nd, Dreyer of the 59th, Schofield of the 60th, and Mainor of the 56th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 4 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
2 relating to water and sewer projects and costs tax (MOST), so as to redefine the term
3 "municipality"; to provide for audits of such tax by the state auditor under certain conditions;
4 to provide for related matters; to provide for an effective date; to repeal conflicting laws; and
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 4 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to
9 water and sewer projects and costs tax (MOST), is amended in Code Section 48-8-200,
10 relating to definitions regarding water and sewer projects and costs tax (MOST), by revising
11 paragraph (3) as follows:

12 "(3) 'Municipality' means:

13 (A) A a municipality in which the average waste-water flow of such municipality is not
14 less than 85 million gallons per day; or

15 (B) A municipality that operates a waste-water system that interconnects with the
16 waste-water system of a municipality that has an average waste-water flow that is not
17 less than 85 million gallons per day."

18 **SECTION 2.**

19 Said article is further amended by revising subsection (b) of Code Section 48-8-212, relating
20 to utilization of tax proceeds by municipality, record keeping, use for general obligation debt,
21 as follows:

22 "(b)(1) The governing authority of the municipality shall maintain a record of each and
23 every water and sewer project and cost for which the proceeds of the tax are used. In each
24 annual audit a schedule shall be included which shows for each ongoing such project the
25 original estimated cost, the current estimated cost if it is not the original estimated cost,
26 amounts expended in prior years, and amounts expended in the current year. The auditor
27 shall verify and test expenditures sufficient to provide assurances that the schedule is
28 fairly presented in relation to the financial statements. The auditor's report on the
29 financial statements shall include an opinion, or disclaimer of opinion, as to whether the
30 schedule is presented fairly in all material respects in relation to the financial statements
31 taken as a whole.

32 (2) The Governor, the Speaker of the House of Representatives, or the Lieutenant
33 Governor may order, up to once each year, an independent and comprehensive audit of
34 the tax imposed by this article to be conducted by the state auditor in a timely manner.
35 The taxing jurisdiction under audit shall fully cooperate with the state auditor and provide
36 all requested documents, records, or other relevant information. The results of such audit,
37 regardless of who ordered the audit, shall be distributed to the Governor, the Speaker of
38 the House of Representatives, the Lieutenant Governor, and the municipality imposing
39 the tax. This paragraph shall not be applicable to any municipality that conducts an
40 independent audit, at least annually, that includes the tax imposed by this article, provided

41 that any such independent audits are made available by such municipality to the state
42 auditor for inspection upon his or her request."

43 **SECTION 3.**

44 This Act shall become effective upon its approval by the Governor or upon its becoming law
45 without such approval.

46 **SECTION 4.**

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