

Senate Bill 56

By: Senators Rahman of the 5th, Jordan of the 6th, Parent of the 42nd, Jones II of the 22nd, Orrock of the 36th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 3 of Chapter 5 of Title 28 of the Official Code of Georgia Annotated,
2 relating to fiscal bills generally, so as to require an economic analysis prior to the
3 introduction or amendment of legislation containing tax incentives or modifying or extending
4 existing tax incentives; to provide for definitions; to provide for related matters; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 3 of Chapter 5 of Title 28 of the Official Code of Georgia Annotated, relating to fiscal
9 bills generally, is amended by revising Code Section 28-5-41, which is designated as
10 reserved, as follows:

11 "28-5-41.

12 (a) As used in this Code section, the term:

13 (1) 'Economic analysis' means a report issued by the state auditor in accordance with this
14 Code section.

15 (2) 'Fiscal amendment' means any modification of a bill, whether by amendment,
16 substitute, or otherwise, which would cause such bill to become a tax bill.

17 (3) 'LC number' means that number preceded by the letters 'LC' assigned to a bill by the
18 Office of Legislative Counsel when that office prepares a bill for a member of the
19 General Assembly.

20 (4) 'Tax bill' means any bill that provides for a tax incentive or modifies or extends an
21 existing tax incentive.

22 (5) 'Tax incentive' means, whether direct or indirect, an exemption, exclusion, or
23 deduction from the base of a tax, a credit against a tax, a deferral of a tax, a rebate of
24 taxes paid, a tax abatement, or a preferential tax rate.

25 (b) A tax bill shall not be adopted by the House of Representatives or the Senate unless an
26 economic analysis of the bill has been completed in accordance with this Code section.

27 (c) An economic analysis shall include, but not be limited to, a good faith estimate as a
28 result of the bill becoming law upon its effective date, on an annual basis for ten years
29 thereafter, of the following, on both a direct and indirect basis:

30 (1) Net change in state revenue;

31 (2) Net change in state expenditures, which shall include, but not be limited to, costs of
32 administering the bill;

33 (3) Net change in economic activity; and

34 (4) Net change in public benefit.

35 (d)(1) A tax bill shall only be introduced in or accepted for introduction:

36 (A) By the House of Representatives;

37 (B) If it bears an LC number in the upper right portion of each page of the bill; and

38 (C) Has attached thereto an original fiscal statement with a corresponding LC number.

39 (2) The Clerk of the House of Representatives shall cause the summary of each
40 economic analysis to be printed in sufficient quantity to attach a copy thereof to all
41 printed copies of the bill.

42 (3) The original economic analysis shall be attached by the Clerk of the House of
43 Representatives to the original version of the bill as introduced or to its substitute if the
44 bill was amended.

45 (e)(1) To obtain an economic analysis, a member of the General Assembly shall present
46 an exact copy of a proposed bill that bears an LC number in the upper right portion of
47 each page of the bill and a transmittal letter that requests the state auditor to issue an
48 economic analysis for such bill.

49 (2)(A) Within ten days of his or her receipt of a proposed bill, the state auditor shall
50 determine whether the proposed bill is a tax bill and issue a certification reflecting that
51 determination to the member of the General Assembly who submitted such bill to the
52 state auditor.

53 (B) Within 30 days of his or her receipt of a proposed bill, if the proposed bill is a tax
54 bill, the state auditor shall issue an economic analysis to the member of the General
55 Assembly who submitted such bill to the state auditor.

56 (f) A tax bill may be modified by amendment or substitute prior to the final legislative day
57 for each regular or special session of the General Assembly, provided that the amended or
58 substituted bill is submitted to the state auditor for a revised economic analysis and such
59 analysis is attached to the amendment or substitute before being adopted by either chamber
60 of the General Assembly or reported out of a committee.

61 (g)(1) Any member of the General Assembly may submit a copy of a bill that has been
62 introduced, or an amendment or substitute to a bill that has been adopted, without a
63 corresponding, revised economic analysis, to the state auditor at any time for a
64 certification of whether or not the bill is a tax bill, or the amendment or substitute is a
65 fiscal amendment.

66 (2) The state auditor shall issue such certification within 72 hours following his or her
67 receipt of the submission.

68 (3) If the state auditor certifies an amendment or substitute as a fiscal amendment and
69 such fiscal amendment is or has been adopted, without a corresponding, revised economic
70 analysis attached, the bill's progress in the legislative process will end, and the bill shall
71 not be considered further by either the House of Representatives or the Senate, and, if
72 passed by the General Assembly, the bill shall not become law and shall stand repealed
73 in its entirety upon its enactment, provided that such amendment or substitute may be
74 withdrawn by the legislative body that made the amendment or substitute and thereafter
75 the bill may continue in the legislative process as any other bill, unless it is subsequently
76 amended, and, in that event, this subsection shall still apply to the subsequent
77 amendment."

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SECTION 2.

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