



2018 Housing Legislation

Session Wrap Up Report

April 2018

The 2018 Georgia General Assembly session concluded its 40 day session on March 29, 2018. The Governor has 40 days to sign or veto legislation – until May 6, 2018. If he takes no action, the bill becomes law without his signature. Track the bills the Governor signs and vetoes [here](#).

Big picture outcomes from the session include 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.

[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.

[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.

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