

Senate Bill 375: Governing the Creation of New Cities in Georgia

Two-Year Legislative Process Set in Statute

Legislation to create a new city can be introduced in either the first or second year of a legislator's term.

The legislation to create a new city can only be voted on in the year after it is introduced.

Financial Viability, Fiscal Impact and Service Delivery Study Set in Statute

Between the legislative sessions, a financial viability, fiscal impact and service delivery study must be prepared by a public academic research institution, based on the boundaries proposed.

This study must include the:

- Economic viability of the proposed city and the amount of taxes and fees necessary to sustain the services proposed to be provided by the city for its first and subsequent years;
- Financial impact of the new city on the remaining unincorporated area of the county and the amount of taxes and fees necessary to sustain the appropriate levels of services provided by the county to the unincorporated area after the incorporation, including the impact of the new city's franchise fees on the utility bills of unincorporated residents;
- Financial impact of the new city on the county in providing countywide services; and
- Estimated financial impact of any pension obligations directly attributable to the provision of local government services which may be left unfunded as a result of incorporation.

Require a Proposed Service Delivery Strategy

Between the legislative sessions, a proposed service delivery strategy summary must be prepared by the proponents of the new city, in cooperation with the county governing authority, that:

- Identifies all local government services proposed to be provided or primarily funded by the new city and any changes in services to be provided by the county after incorporation;
- Describes the source of the proposed funding for each service identified; and
- Identifies the mechanisms to be utilized to facilitate the implementation of the services and funding responsibilities.

No Unincorporated Islands

The new city cannot create unincorporated islands either within the boundaries of the new city or between the new city and an existing city.

Verification that Procedures are followed

The Chairs of the House and Senate committees considering new city legislation must include a certificate that the legislation satisfies the requirements of the law with any "do pass" recommendation.

Referendum Process Set in Statute

Acts of the General Assembly proposing the incorporation of a new city must include a requirement for referendum approval of the city. The initial expense of this election is borne by the county within which the election is held. If the incorporation is successful, the new city must reimburse the county for the cost of this election within two years following the election.

Pension Obligations Kept

If the fiscal impact and service delivery study determines that there may be a financial impact on the county resulting from pension obligations left unfunded as a result of the creation of a new city, the county may establish a special district whereby that district is responsible for paying off its share of the debt and obligation over a 30-year period at an interest rate of 7.75 percent annually.