

**Georgia Land Bank Act: SB 284**  
**Section-by-Section Summary**  
**June 20, 2011**

<b>SB 284 Section by Section Summary</b>	
<b>Section 1</b>	Amendment to Current Georgia Land Bank Statute (O.C.G.A. § 48-4-60 <i>et seq.</i> )
<b>§ 48-4-61</b>	This section provides that no land banks created after the effective date of SB 284 shall be created under the current Georgia land bank statute. Land banks created prior to passage of SB 284 shall continue in operation unaffected unless the land bank board votes to adopt powers contained in SB 284.
<b>Section 2</b>	Creation of New Article in Georgia Code Updating Current Land Bank Statute
<b>§ 48-4-100</b>	This section provides that the short title of SB 284 is the “Georgia Land Bank Act.”
<b>§ 48-4-101</b>	This section provides legislative purpose and intent language. Vacant, abandoned, and tax delinquent properties impose significant costs on Georgia’s communities by lowering property values, increasing fire and police protection costs, decreasing tax revenues, and undermining community cohesion. Land banks are one of the tools communities can use to return these properties to productive use.
<b>§ 48-4-102</b>	This section contains various definitions of terms used throughout SB 284. For example, “intergovernmental contract” refers to the agreements between local governments that create land banks. “Land bank member” refers to the local governments ( <i>e.g.</i> , county, city or consolidated government) that join a land bank.
<b>§ 48-4-103</b>	This section governs which local governments are allowed to create a land bank including any group of local governments or a single consolidated government. Counties may not create a land bank without at least one participating city within the geographical boundaries of the county, and cities may not create a land bank without the county in which the city is located. Additional local governments may join an existing land bank. The local law, ordinance or resolution that creates a land bank must specify various items including the initial land bank board members. Land banks may not own property inside cities within the land bank’s geographical boundaries that are not land bank members unless such city consents.
<b>§ 48-4-104</b>	This section outlines the appointment of the land bank’s board of directors, their qualifications, and their duties. The initial board size must be an odd number between 5 and 11. If a pre-existing land bank board wants to adopt powers of SB 284, unanimous consent of existing board members is required. Board members may not receive compensation for their board service. A majority of the board must be present at a meeting for the board to take action, and then a majority of those present and voting is required for approval of board action. Super-majority approval is required for certain board action such as the adoption of bylaws, the incurring of debt and the disposition of property over 50k.
<b>§ 48-4-105</b>	This section provides that a land bank may employ its own staff and determine the qualifications and fix the compensation of those persons. A land bank may contract with local governments for staffing services.
<b>§ 48-4-106</b>	This section enumerates land bank powers including, for example, the power to sue and be sued, borrow money, issue revenue bonds, contract, invest money, and also to acquire, develop, demolish, rehabilitate, lease, sell or otherwise dispose of real property.
<b>§ 48-4-107</b>	This section expressly provides that land banks do not have the power of eminent domain.
<b>§ 48-4-108</b>	This section details the ability of a land bank to acquire property and provides that land bank income and property is tax exempt. Land banks may acquire property by gift, devise, transfer, foreclosure, or purchase from private parties, non-profit entities or local governments, as long as the property is in the geographical boundaries of the land bank. Land banks must maintain all land bank property in accordance with the laws of jurisdiction where the property is located, including all housing and building codes.
<b>§ 48-4-109</b>	This section details the ability of a land bank to dispose of property. Land banks must maintain a public inventory of all real property held by the land bank. Land banks may determine the consideration required for conveyance of land bank property, including non-monetary consideration such as a promise to use property for certain public purpose. Land banks may establish hierarchical rankings for the disposition of land bank property for uses such as public space, affordable housing, retail or commercial activities,

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	conservation areas or land trusts.
<b>§ 48-4-110</b>	This section covers the financing mechanisms for land bank operations. Land banks may be funded through grants or loans from governments or private sources, and from rent, sale or insurance coverage of land bank property. Subsection (c) provides that 50% of the taxes collected on property conveyed out of the land bank are remitted to the land bank to fund operations for five years after conveyance. School district taxes only go to the land bank if an intergovernmental contract exists to that effect between the land bank and the school district and the remittance is used for educational purposes. Proceeds of the sale of land bank property go to fund land bank operations and recover land bank expenses, and may also be remitted to the tax commissioner.
<b>§ 48-4-111</b>	This section describes the ability of land banks to issue bonds and contains standard bonding language under Georgia law.
<b>§ 48-4-112</b>	This section provides that land banks are governed by Georgia open meetings and open records laws. Land bank board members and employees may not have any interests in land bank property, or in contracts for materials or services provided or used by the land bank. Land banks may be dissolved by resolution approved by 2/3 of the board members upon 60-calendar days notice to the governing authorities of the land bank members.
<b>§ 48-4-113</b>	This section details the ties between land banks and the tax foreclosure system. Land banks may extinguish tax liens and claims on property that is encumbered by such liens when the land bank acquires the property. School taxes may be waived if the land bank notifies the school district of its intent to extinguish and the school district fails to object to the extinguishment in writing. Land banks may acquire tax executions from the tax commissioner for any consideration agreed to by the land bank and the tax commissioner. Where the tax commissioner or the land bank is the holder of tax executions giving rise to a non-judicial tax sale, the land bank may tender a bid in an amount equal to the total of all tax liens that were the basis of the execution and any accrued interests and costs, and thus obtain the property regardless of any third party bids. When the land bank purchases at a non-judicial tax sale, the land bank may immediately foreclose the right of redemption. If an interested party responds to this notice to foreclose with an objection within 60 days, then that objection is only valid if the party also remits payment equaling the redemption price to the land bank. Land banks that are transferees of tax executions may file single or bulk petitions for judicial tax foreclosure of those properties. Land banks may tender credit bids at sales ordered pursuant to the judicial tax foreclosure process. When the land bank purchases at a judicial tax foreclosure the land bank shall own the property free and clear after the 60-day post sale redemption period is closed.
<b>§ 48-4-114</b>	This section provides an expedited quiet title procedure for land banks. Bulk quiet title proceedings are permitted.
<b>Section 3</b>	This section provides for an effective date of July 1, 2011.
<b>Section 4</b>	This section contains standard language such that any laws in conflict with SB 284 are repealed upon its passage.