



# 2026 ABC of Georgia Weekly Legislative Report

Days 10 – 14 | February 6, 2026

By ABC of Georgia Lobbying Firm, Fiveash-Stanley

## House Adopts Amended FY26 Budget

On February 5, the House adopted the first of two budgets it will pass this session. Budget bills are the only constitutionally mandated work of the General Assembly, making their timely passage critical to keeping the session on schedule. Throughout the budget, the House added funds for cybersecurity, technology, and other modernization efforts. The AFY26 budget now moves to the Senate, while the House will begin work on the FY27 budget, which sets state spending effective July 1, 2026.

## Data Centers, Tax Incentives, and Economic Development

### New Property Tax Class ([SR 668](#))

Sen. Greg Dolezal, R-Alpharetta

#### Assigned to the Senate Finance Cmte on Feb-3

This measure proposes an amendment to the Constitution to create a new property tax class for manufacturing facilities and data centers. Local governments would then be able to assess those properties at different rates or valuations. This could impact Georgia’s competitiveness since property taxes are a large factor in project site selection.

### Prohibit Cost Sharing ([HB 1063](#))

Rep. Brad Thomas, R-Holly Springs

#### Favorably reported from the House Resource Management Cmte on Feb-6

HB 1063 requires electric utilities to structure contracts with large data centers so residential and retail ratepayers do not pay for data center–related costs. This codifies existing regulations at the Public Service Commission. This is similar to [SB 34](#), which is pending in the Senate Regulated Industries and Utilities Committee.

Other active data center bills include:

- Accelerate the sunset of the data center sales tax exemption ([HB 559](#) and [SB 408](#))
- Establish the Data Center Impact Assessment Commission ([HB 1059](#))
- Prohibit local governments from entering into NDAs regarding electricity or water usage ([SB 421](#))
- Prohibit the construction of new data centers statewide through March 1, 2027 ([HB 1012](#))
- Repeal the data center sales tax exemption ([SB 410](#))

## Construction, Code Enforcement, and Land Use

### Code Violations ([SB 166](#))

Sen. Nikki Merritt, D-Grayson

#### Favorably reported from the Senate Urban Affairs Cmte on Feb-5

SB 166 allows counties and municipalities to impose significantly higher fines for repeat violations of certain local codes related to zoning, building codes, blight, and property conditions.

## **Posted Signage Regarding Truss Structure ([HB 1086](#))**

**Rep. Johnny Chastain, R-Blue Ridge**

### **Favorably reported from a House Regulated Industries Subcmte on Feb-6**

HB 1086 requires signage to be posted upon certain buildings using light-frame truss-type construction. Commercial, industrial, and multi-family residential buildings with three or more units must comply with rules promulgated by the Safety Fire Commissioner.

## **Local Permitting ([SB 447](#))**

**Sen. Clint Dixon, R-Buford**

### **Assigned to the Senate State and Local Governmental Operations Cmte on Feb-3**

SB 447 establishes general provisions for counties and municipalities regarding the acceptance, denial, or nonacceptance of certain permits. Local governments must issue or deny a permit within 45 days; if the local government fails to act within 45 days, the permit is deemed approved and fees must be returned to the applicant. The local government must provide rejected permit applicants with a written list of reasons for denial at the time of denial. In the case of a denied applicant who resubmits the application, the local government has just 14 days to issue or deny the permit.

These construction, code enforcement, and land use measures are also active:

- Create Community Development Districts ([HB 317](#) / [HR 192](#))
- Ratify amendments to GA's comprehensive state-wide water management plan ([HR 1008](#) and [SR 584](#))
- Standardize state law regarding municipal annexations and deannexations ([HB 521](#))
- Clarify the use of private plan reviewers ([SB 437](#))

## **Property Taxation and Valuation**

### **Mandatory State-wide Base Year Homestead Exemption ([SB 382](#)) Adopted by the Senate on Feb-3**

**Sen. Chuck Hufstetler, R-Rome**

SB 382 makes Georgia's base-year homestead exemption mandatory statewide, eliminating the current ability of cities, counties, and school systems to opt out. As a result, a greater share of future property tax growth may shift to commercial property, multifamily housing, rental homes, second homes, and new homebuyers.

### **Property Tax Reform ([HB 1116](#) / [HR 1114](#))**

**Rep. Shaw Blackmon, R-Bonaire**

#### **Assigned to the House Ways and Means Cmte on Feb-2**

The Georgia HOME Act eliminates property taxes on homesteaded property statewide by 2032. The bill caps local property tax revenue growth at 3% for non-homesteaded property, which continues to pay property taxes. To make up for the \$5 billion in lost revenue for schools and local governments, the proposal allows those entities to repurpose existing sales taxes or charge assessments that are not tied to property value.

These measures are also active in the property taxation space:

- Allow local governments to levy a sales tax to provide property tax relief ([HR 1104](#))
- Allow property owners to receive compensation for loss of value due to the local government's failure to enforce certain policies dealing with immigration, public camping, loitering, and panhandling ([HB 295](#))
- Exempt certain senior citizens from the school tax portion of property tax bills ([HB 1105](#))
- Provide a state-wide homestead exemption for certain public service employees ([HB 1145](#))
- Provide a state-wide homestead exemption for senior citizens ([HB 1101](#))

## Procurement and Banking

### QBS for Procurement ([HB 377](#))

Rep. Rob Leverett, R-Elberton

#### Pending in the Senate Government Oversight Cmte

HB 377 requires local governments to procure engineering, architecture, and landscape architecture services using the Qualifications Based Selections (QBS) process rather than the low-bid method where the cost exceeds specific thresholds. It allows the local government to determine selection criteria and provides for direct negotiations with a sole offeror. This language was originally contained in [SB 51](#).

## Courts and Legal Reform

### Magistrate Court Fees and Costs ([HB 999](#))

Rep. Rob Leverett, R-Elberton

#### Adopted by the House on Feb-3

This legislation clarifies fees and costs associated with Magistrate Court proceedings. It also corrects a drafting error from a previous bill related to the nonpartisan election of magistrates.

### Increase Magistrate Court Jurisdiction ([SB 405](#))

Sen. Ed Setzler, R-Acworth

#### Heard in the Senate Judiciary Cmte on Feb-2

SB 405 increases the max value of civil claims that can be tried in magistrate court from \$15,000 to \$50,000.

### Business Litigation Reform ([HB 1185](#))

Rep. Chuck Efstoration, R-Mulberry

#### Assigned to the House Judiciary Cmte on Feb-5

This business-friendly litigation reform is designed to make Georgia more attractive for incorporation and headquarters operations.

## Taxation and General Business

### Tax Credit for Individuals ([HB 1000](#))

Rep. Matthew Gambill, R-Cartersville

#### Pending in the House Ways and Means Cmte

HB 1000 provides a one-time tax credit for individual taxpayers who filed income tax returns for the 2024 and 2025 taxable years. This is a key component of Governor Kemp's final legislative package.

- Single taxpayers are entitled to a \$250 tax credit,
- Heads of household are entitled to a \$375 tax credit, and
- Married couples filing a joint return are entitled to a \$500 tax credit.

### Reduce the Income Tax Rate ([HB 1001](#))

Rep. Will Wade, R-Dawsonville

#### Pending in the House Ways and Means Cmte

HB 1001 accelerates a reduction in the state income tax rate to 4.99% effective for tax year beginning January 1, 2026. This is one of Governor Kemp's legislative priorities.

### Municipal Election Schedule ([SB 422](#))

Sen. Tim Bearden, R-Carrollton

#### Pending in the Senate Ethics Cmte

SB 422 requires most municipal elections to occur in even-numbered years. It provides a one-year extension to the terms of office of most municipal officers for the transition of municipalities into even-numbered year election cycles.