



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 10, 2025

Honorable Chuck Hufstetler
Chairman, Senate Finance Committee
121-C State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill 304 (LC 50 1186)

Dear Chairman Hufstetler:

This bill would direct the commissioner of the Department of Revenue (DOR) to disburse payments to the owners of real or personal property which was damaged or destroyed by Hurricane Helene. Eligible owners must reside in counties designated by FEMA as eligible for public assistance or individual and public assistance as of November 4, 2024. Property of a public utility is not eligible for payment. Payment amounts are to be set equal to the 2024 taxes levied on the damaged properties. Property owners shall provide completed documentation of the commissioner's choosing to receive payment.

Payment Costs

We are unable to provide an estimate of the state's total cost of payments due to tax digest limitations and an indeterminate proportion of taxpayers that might file a claim. Using 2023 tax digests, we estimate total taxes levied on real and personal property in eligible counties to be approximately \$3.5 billion.¹ Taxes levied in a county range from \$2.3 million to \$700.5 million, with many of the highest taxes levied in some of the hardest hit areas (e.g., Richmond and Columbia counties). We attempted to quantify the proportion of damaged property and likely filers for payments through several sources. The results of this effort are presented below.

- We reached out to tax assessor offices in all 93 counties for estimates of the proportion of damaged property. Most were unable to provide an estimate. For those counties that did, we found higher damage counties were in the range of 60% to 75%. These counties were typically closer to the storm path. Those counties reporting lower percentages or no damage were more along the edges of the storm path. Several respondents noted it was likely every owner in their county would file a claim under this bill.
- The Georgia Emergency Management and Homeland Security Agency (GEMA) reported 401,866 registrations for individual assistance and 232,957 housing assistance referrals resulting from Hurricane Helene.

¹ Tax digests for 2024 were mostly available but could not be compiled in time. The 2023 total excludes value added for utilities, motor vehicles, and timber. Motor vehicles are covered under a different code section for title ad valorem taxation, and they do not fit under real or personal property. Timber is only taxed at harvest, and there is separate proposed legislation to address damaged timber.

- The Office of Insurance and Safety Fire Commissioner (OCI) reported that there were approximately 171,000 insured home claims resulting from Hurricane Helene as of late January 2025. OCI noted that there are many properties that are uninsured. Finally, the number of claims does not include commercial properties.
- The Federal Emergency Management Agency (FEMA) provided counts of applicant households reporting damage in 61 Georgia counties. These counts were compared to total household counts from the U.S. Census Bureau.² Property owners reporting damage ranged from 1% to 83% of total households. Thirty-six eligible counties had a share of 30% or more of owner-occupied households with property damage.

While these data sources do not permit an estimate of payment costs, they do indicate that hundreds of thousands of property owners would likely be eligible for payments and payments would total hundreds of millions of dollars.

Administrative Costs

DOR would incur short-term costs of at least \$874,000 associated with administration of the program.

- DOR would hire ten contractors to serve as compliance specialists for six months at a cost of approximately \$550,000. The contractors are needed to assist taxpayers and to coordinate with tax assessors and commissioners.
- DOR would hire IT contractors to modify the Property Tax System and Georgia County Portal. The agency estimated costs of approximately \$324,000 for the IT changes.
- DOR would incur costs of approximately \$0.70 for printing and mailing of any payments that require a check. We are unable to estimate the number of payments or the portion that would require a paper check.

Respectfully,



Greg S. Griffin
State Auditor



Richard Dunn, Director
Office of Planning and Budget

GSG/RD/rg

² American Community Survey, 5-Year estimates for 2019-2023