COUNTY DEPARTMENT AGENDA REQUEST

Department:	County Commissioners	Presenter(s):	Attorney Scott Bennett
Meeting Date:	Thursday, May 13, 2010	Type of Request:	Old Business

Wording for the Agenda:

Continued discussion of proposed amendments to the County's Occupational License Ordinance.

Background/History/Details:

A comprehensive review of the County's Occupational (Business) License Ordinance has been underway for some time.

During the April 7, 2010 Workshop Meeting, County Attorney Bennett reviewed the County's existing Occupational Tax Ordinance with the Board and informed them he would return at a later date with a draft ordinance for further discussion and possible adoption.

What action are you seeking from the Board of Commissioners?

Staff will present a draft ordinance to the Board for review and discussion. If the draft ordinance is acceptable, staff will ask the Board to adopt the ordinance.

If this item requires funding, please describe:

Not Applicable.

Has this issue come before the Commissioners in the past?	Yes	If so, when?	Wednesday, April 7, 2010
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	No

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	
Approved by Purchasing	Not Applicable	Approved by County Clerk	Yes
Administrator's Approval	Yes		

Staff Notes:

Fayette County GEORGIA

Where Quality Is A Lifestyle

To: Mary S. Holland

From: Ted L. Burgess
Pam Gravitt

Date: November 5, 2009

Subject: Proposed Regulatory Fees

Georgia codified law allows a local government to charge certain businesses and professions a regulatory fee if the local government customarily performs investigation or inspection "as protection of the public health, safety, or welfare or in the course of enforcing a state or local building, health, or safety code" (O.C.G.A. 48-13-9). The code prohibits the local government from using the regulatory fee as a means of generating revenue. The fee must "approximate the reasonable cost of the actual regulatory activity performed by the local government."

The Georgia code authorizes the use of one of four methods (not counting methods for construction projects) to charge the regulatory fee:

1. A flat fee for each business or professional practitioner: *Using this method, the charge for all businesses would be the same, even though the businesses would be of different types. For example, Coweta County charges $75.00 for any of the regulated businesses which are required to have a permit.*
2. A flat fee for each type of permit or inspection: *This provides current or future flexibility in the rate structure. For example, it would allow fees to reflect current county policy or needs, or it would allow different rates for charitable organizations.*
3. An hourly rate determined by hourly salary and fringe benefits multiplied by the estimated hours needed for investigation or inspection, or
4. An hourly rate as calculated by #3, plus other expenses reasonably related to the regulatory activity.

We are recommending the second option, with the rates calculated based on estimated salary, benefits, and operational costs.

Based on the current draft of the revised county ordinances, the businesses that would be regulated include:

- Massage therapy
- Tattooing
- Personal care homes
- Coin operated machines
- Carnivals
- Canvassers and solicitors
- Religious or charitable solicitors

Any of the above businesses will be required to obtain a business license, which will be proof that the regulatory work has been done, and the fee has been paid.

The draft ordinance provides for the Marshal's Office to prepare any required application forms and provide them to applicants. An applicant must obtain fire inspections, health code inspections, building code inspections, or any other required inspections, depending on the type of business, before the business license will be issued.

The Marshal's Office currently envisions a form that an applicant can pick up and obtain sign-off from any county department head whose department must conduct an inspection. The applicant would pay separate fees to the respective departments which perform each required inspection. Under this scenario, the new regulatory fee would only cover estimated costs of the Marshal's Office, including fees that the Sheriff's Department plans to charge for fingerprint processing (that amount has not yet been determined).

Based on the current draft ordinances, procedures envisioned by the Marshal's Office, and other information available, an annual regulatory fee of $100 is proposed for all licenses except religious or charitable solicitors. This allows for an average of two hours work invested by the Marshal's Office staff, as well as an anticipated $15 - $20 for operating costs and materials, including printed forms and licenses, photographs, identification cards where required, and other incidental costs. The attached spread sheet displays the requirements that are contemplated to date. The proposed fees for most types of businesses are the same because the required work is basically the same.

For a comparison with other local governments, we found the following:

- City of Tyrone charges $130.00 for an entity with up to 7 full-time employees, and $15.00 per employee above 7.
- Peachtree City charges $18.50 per employee, plus a $20.00 administrative fee. The minimum fee is $105.00.
- Fayetteville charges a fee based on revenues. The fee is $.30 per thousand dollars of revenue up to $250,000. The rate per thousand

- increases gradually thereafter. Total revenues of $321,500 would bring the fee to $100.00.
- Coweta County charges a flat fee of $75.00.
- City of Dahlonega charges a flat fee of $50.00.
- City of Forsythe charges a range of fees, for example $5.00 for each washing machine at a launderette, $75.00 per week for a carnival, $475 .00 for a pawnshop, and $725.00 for a fortuneteller.

Georgia Code 48-13-21 provides that a local government can include interest on delinquent regulatory fees in the ordinance, at a rate not to exceed 1.5% per month. At this time, the draft ordinance does not include any penalty.

Fayette County
Cost Basis for Regulatory Fees - DRAFT

Type of Permit	Inspecting Department	Service	Frequency	# of Man-Hours	County Costs: Salary & Benefits	County Costs: Operating Costs	Total
Massage Therapy	Marshal's Office	Fingerprints	New Applicant				
	Marshal's Office	Background investigation	Annual				
	Marshal's Office	Process & issue license	Annual	2	83.32	17.00	100.32
Tattooing	Marshal's Office	Fingerprints	New Applicant				
	Marshal's Office	Background investigation	Annual				
	Marshal's Office	Process & issue license	Annual	2	83.32	17.00	100.32
Personal Care Homes	Marshal's Office	Fingerprints	New Applicant				
	Marshal's Office	Background investigation	Annual				
	Marshal's Office	Process & issue license	Annual	2	83.32	17.00	100.32
	Fire Marshal	Fire code compliance	Annual		Paid separately		
	Permits & Inspections	Building codes	Annual ??		Paid separately		
	Environmental Health	Adequate water & sewer	Annual		Paid separately		
Coin Operated Machines	Marshal's Office	Fingerprints	New Applicant				
(to be added to draft ordinance)	Marshal's Office	Background investigation	Annual				
	Marshal's Office	Process & issue license	Annual	2	83.32	17.00	100.32
Carnivals	Marshal's Office	Fingerprints	30 days??				
	Marshal's Office	Background investigation	30 days??				
	Marshal's Office	Process & issue license	30 days??	2	83.32	17.00	100.32
Canvassors and Solicitors	Marshal's Office	Fingerprints	90 days				
	Marshal's Office	Photograph	90 days				
	Marshal's Office	Background investigation	90 days				
	Marshal's Office	Issue ID card(s)	90 days				
	Marshal's Office	Process & issue license	90 days	2	83.32	17.00	100.32
Religious or charitable solicitors	Marshal's Office	Issue non-photo ID(s)	90 days				
(Fingerprints photo not required)	Marshal's Office	Process & issue license	90 days		-	5.00	5.00