

House Bill 1807

By: Representatives Cash of the 108th, Lunsford of the 109th and Sanders of the 107th

A BILL TO BE ENTITLED
AN ACT

1 To amend and restate an Act known as the "Henry County Development Authority Act,"
2 approved March 28, 1967 (Ga. L. 1967, p. 2291), as amended, so as to substantially revise
3 the laws relating to the Henry County Development Authority; to provide for a short title;
4 to provide for definitions; to provide for the jurisdiction of the authority; to provide for
5 membership of the authority and the appointment, terms, compensation, vacancies, powers,
6 and duties of the authority and its members; to provide for certain exemptions from taxation;
7 to provide for powers, authority, duties, funds, purposes, organization, and procedures
8 connected with the authority; to provide that the authority shall not be authorized to create
9 any debt against the State of Georgia or Henry County; to provide for the issuance of revenue
10 bonds and other obligations and the procedures connected therewith; to provide for expenses;
11 to provide for the reversion of property in the event of dissolution of the authority; to provide
12 for audits; to prescribe the purposes and effect of this Act; to provide for other matters
13 relative thereto; to provide for severability; to repeal conflicting laws; and for other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

15 **SECTION 1.**

16 An Act known as the "Henry County Development Authority Act," approved March 28, 1967
17 (Ga. L. 1967, p. 2291), as amended, is amended and restated by striking Sections 1 through
18 15 of said Act in their entirety and inserting in lieu thereof the following:

19 "SECTION 1.

20 Short title.

21 This Act shall be known and may be cited as the 'Henry County Development Authority
22 Modernization Act.'

SECTION 2.

Definitions.

As used in this Act, the term:

(1) 'Agriculture' means and includes any activity relating to the development, growing, processing, storage, sale, or distribution of agricultural products, including, but not limited to, plants, roots, fruit, nuts, meat, and seafood, whether or not domesticated, or any part thereof or product derived therefrom.

(2) 'Authority' means the Henry County Development Authority created by this Act and by an amendment to the Constitution of the State of Georgia of 1945 which is contained in Ga. L. 1966, p. 853, which was ratified by the people of Henry County at the general election conducted on November 8, 1966, and which has been continued in effect.

(3) 'Commerce' means and includes any activity involving the transfer of goods or services or the leasing of property for money or other consideration, whether conducted for profit or not for profit.

(4) 'Cost of project' includes: all costs of construction, purchase, or other form of acquisition; all costs of real or personal property required for the purpose of such project and of all facilities related thereto, including land and any rights or undivided interest therein, easements, franchises, water rights, fees, permits, approvals, licenses and certificates and the securing of such franchises, permits, approvals, licenses and certificates and the preparation of applications therefor; all machinery, equipment, initial fuel, and other supplies required for such project; financing charges; interest prior to and during construction and during such additional period as the authority may reasonably determine to be necessary for the placing of such project in operation; costs of engineering, architectural, and legal services; fees paid to fiscal agents for financial and other advice or supervision; cost of plans and specifications and all expenses necessary or incidental to the construction, purchase, or acquisition of the completed project or to determining the feasibility or practicability of the project; administrative expenses; and such other expenses as may be necessary or incidental to any project or any financing authorized in this Act. There may also be included, as part of such cost of project, the repayment of any loans made for the advance payment of any part of such cost, including the interest thereon at rates to be determined by the authority, which loans are authorized if made payable solely from the proceeds of such authority's bonds or notes or revenues to be received in connection with the leasing, sale, or financing of the project. The cost of any project may also include a fund or funds for the creation of a debt service reserve, a renewal and replacement reserve, and such other reserves as may be reasonably required by the authority with respect to the financing and operating of its projects and

1 as may be authorized by any bond resolution or trust agreement or indenture pursuant to
2 the provisions of which the issuance of any such bonds may be authorized. Any
3 obligation or expense incurred for any of the foregoing purposes shall be regarded as a
4 part of the cost of project being funded by the proceeds of revenue bonds or notes issued
5 under the provisions of this Act.

6 (5) 'Garbage' shall include putrescible wastes, including animal and vegetable matters,
7 animal offal and carcasses, and recognizable industrial by-products, but excluding sewage
8 and human wastes.

9 (6) 'Industrial park' means and includes land, improvements to land, utilities, and other
10 infrastructure resulting in the development of building sites for sale or lease for use by
11 private sector persons or entities for use in any activity contemplated by this Act and shall
12 include buildings thereon to be sold or leased to a private sector person or entity.

13 (7) 'Industry' shall not be limited to manufacturing or other heavy industry but shall mean
14 and include any activity conducted in the private sector, whether or not for profit, that
15 creates or preserves employment, including, but not limited to, the recreation industry,
16 the hospitality industry, the transportation industry, the health care industry, and
17 education.

18 (8) 'Natural resources' means and includes anything that is included within any dictionary
19 definition of a natural resource.

20 (9) 'Operate' and 'operation,' when used with respect to the authority or any property of
21 the authority, mean the use of such property by the authority in the conduct by the
22 authority of an active trade or business for profit, but shall not, without limitation,
23 include: (A) the development of any land; (B) the construction or equipping of any
24 property intended by the authority to be sold or leased as a project to a private sector
25 entity; (C) the leasing or sale of any property and activities relating thereto, including, but
26 not limited to, the advertising, maintenance, or management of any property held by the
27 authority for sale or lease to private sector entities; (D) activities conducted by the
28 authority as a lessor of any property under any lease thereof to any private sector entity;
29 and (E) activities, which in the judgment of the authority, are required or desirable to
30 provide for the advertising, maintenance, and management of any property pending the
31 resale or re-lease thereof to any private sector entity following the reacquisition of title
32 thereto or possession or control thereof by the authority as a result of a default by a
33 private sector lessee, installment purchaser, or borrower from the authority.

34 (10) 'Peak shave facility' shall have the meaning generally accepted and understood in
35 the natural gas distribution industry as that term is generally understood to describe a
36 storage facility for the purpose of avoiding undesirable consequences in the distribution
37 system during peak periods of consumption.

1 (11) 'Project' means and includes any one or more of the following: land and interests in
2 land, site preparation, landscaping, irrigation, buildings, structures, facilities for outdoor
3 storage, driveways, parking areas, loading facilities, fixtures, trade fixtures, furniture,
4 furnishings, and other personal property, including computer hardware and software, to
5 be used for, in connection with, or in support of any activity which the authority
6 determines is expected to promote, for the public good and general welfare, industry,
7 agriculture, commerce, natural resources, and vocational training, together with property
8 that is ancillary or subordinate to the foregoing. There may be included as part of any
9 such project all improvements and property that are necessary or desirable for the full
10 utilization of such project, including roads and streets, sidewalks, water supply, outdoor
11 lighting, belt-line railroad, railroad tracks and sidings, bridges, causeways, terminals for
12 ground and air transportation, other transportation facilities that are incidental to the
13 project, and the dredging and improving of harbors. The term 'project' includes, but is
14 not limited to, manufacturing and processing plants, farms, plant nurseries, greenhouses,
15 warehouses, storage and distribution facilities, air or water pollution control facilities,
16 sewage disposal facilities, solid waste disposal facilities, facilities for the furnishing of
17 electric energy or gas (including, but not limited to, peak shave facilities), facilities for
18 the furnishing of water (including potable water, industrial water, and water for
19 irrigation), facilities for the transportation industry (including, but not limited to, airports,
20 docks, wharves, and mass commuting facilities), commercial facilities for the provision
21 of lodging, facilities for providing meals to employees, tenants, students, or patients, a
22 commercial office building facility, an industrial park, commercial, residential, and
23 nonresidential rental real property, personal property held for commercial leasing, any
24 facility used in the tourism, recreation, or hospitality industry (including, but not
25 limited to, playgrounds, amusement parks, RV parks, hiking, camping, and picnicking
26 areas and facilities, swimming and wading pools, lakes, ponds, marinas, tennis courts,
27 handball courts, squash courts, racquetball courts, frontons, basketball courts, ice rinks,
28 racetracks for motor vehicles and animals, facilities for track and field events, rifle,
29 archery, skeet and trap ranges and facilities, athletic fields and courts, clubhouses,
30 gymnasiums, museums, libraries, concert halls, theaters, amphitheaters, auditoriums,
31 arenas, stadiums, grandstands, facilities for fairs, livestock shows, trade shows,
32 exhibitions and conventions, youth centers, senior citizen centers, recreation centers and
33 other recreational buildings, golf courses, driving ranges, stables, hunting preserves,
34 lodges and resorts, fishing lodges and resorts, boats, historic sites and attractions, and
35 facilities for the recreation and accommodation of tourists, including hotels, motels,
36 convention centers, conference centers and restaurants, and ancillary and related facilities
37 and areas serving the foregoing or to be used in connection therewith), facilities for the

1 health care industry (including, but not limited to, hospitals, clinics, nursing homes, adult
2 congregate living facilities, extended care facilities, diagnostic facilities, medical
3 laboratories, medical office buildings, and medical fixtures, furnishings, and equipment),
4 facilities relating to the provision of vocational training (including, but not limited to,
5 educational buildings, furniture, furnishings, and equipment), facilities for the realization
6 of income from natural resources, and any other facilities described in Sections 141
7 through 150 of the Internal Revenue Code of 1986, as amended, provided that in each
8 case, the authority finds and determines, that the facilities are expected to promote, for
9 the public good and general welfare, industry, agriculture, commerce, natural resources,
10 or vocational training. Such legislative findings shall be presumed to be correct and shall
11 not be set aside by any court unless clearly erroneous.

12 (12) 'Refuse' shall include all nonputrescible wastes.

13 (13) 'Sewage disposal facility' means any property used for the collection, storage,
14 treatment, utilization, processing, or final disposal of sewage.

15 (14) 'Solid waste' means garbage, refuse, or other discarded solid materials, including
16 solid waste materials resulting from industrial and agricultural operations and from
17 community activities, but does not include solids or dissolved materials in domestic
18 sewage or other significant pollutants in water resources, such as salt, dissolved or
19 suspended solids in industrial waste water effluents, and dissolved materials in irrigation
20 return flows.

21 (15) 'Solid waste disposal facility' means any property used for the collection, storage,
22 treatment, utilization, processing, recycling, or final disposal of solid waste.

23 (16) 'Vocational training' means and includes any training or education that is necessary
24 or useful in the performance of a job, trade, occupation, or profession.

25 (17) 'Water pollution control facility' and 'air pollution control facility' mean any
26 property used, in whole or in substantial part, to abate or control water or air pollution or
27 contamination by removing, altering, disposing, or storing pollutants, contaminants,
28 wastes, or heat.

29 SECTION 3.

30 Henry County Development Authority; created.

31 Pursuant to an amendment to Article V, Section IX, Paragraph I of the Constitution, there
32 has been created a body corporate and politic known as the 'Henry County Development
33 Authority,' which shall be deemed to be an instrumentality of the State of Georgia and a
34 public corporation, its scope and jurisdiction to be limited to the territory embraced by

1 Henry County. The authority shall have perpetual existence. Henry County may contract
2 with the authority as a public corporation as provided by the Constitution of Georgia.

3 SECTION 4.

4 Membership.

5 (a) The authority shall consist of five members appointed by the Board of Commissioners
6 of Henry County from nominations as provided in this subsection. Those five members
7 of the authority, each of whom was nominated by a member of the board of commissioners
8 elected from a different numbered commissioner district (districts 1, 2, 3, 4 and 5), who are
9 serving as such on March 1, 2002, in the post corresponding to the number of such district
10 (posts 1, 2, 3, 4, and 5), and any person selected to fill a vacancy in such office, shall serve
11 until their respective current terms of office expire and their respective successors have
12 been appointed and taken office. Upon the expiration of the term of a member of the
13 authority who is serving in the post corresponding to a particular numbered commissioner
14 district, the commissioner from such numbered commissioner district shall nominate a
15 person from such district to serve as a member of the authority in the post corresponding
16 to the number of such district. No person nominated to any post may serve in that post
17 unless such nomination is approved by a majority of the board of commissioners, such
18 approval constituting the appointment of such person. Successors to the current members
19 of the authority, and all future successors to such members, shall take office upon the first
20 meeting of the Board of Commissioners of Henry County in January immediately
21 following the expiration of the term of the predecessor in such post and shall serve for a
22 term of office which expires upon the same date as the term of office of the commissioner
23 who nominated such member to fill such post. Members of the authority in designated
24 posts shall serve for the term specified in this subsection and until their respective
25 successors are appointed and qualified. All members of the authority are eligible for
26 reappointment if otherwise qualified. All members of the authority shall be citizens of the
27 United States, shall be at least 21 years of age, shall have been a resident of this state for
28 two years, and shall have been a resident of Henry County for one year. No member of the
29 authority shall be a full-time employee of the authority during such member's term of
30 office as a member of the authority.

31 (b) If, for any reason, a vacancy shall occur in any member's post on the authority, the
32 commissioner from the commissioner district having the same number as such post shall
33 nominate a person to fill such vacancy. No person so nominated to any post may serve in
34 that post unless such nomination is approved by a majority of the Board of Commissioners

1 of Henry County, such approval constituting the appointment of such person. The member
2 so appointed shall serve for the unexpired term.

3 (c) Three members of the authority shall constitute a quorum for conducting business;
4 however, no action shall be taken by the authority unless approved by three members of
5 the authority.

6 (d) At the first meeting of the authority in January each year, the members of the authority
7 shall select a chairperson, a vice chairperson, a secretary, and a treasurer. All officers of
8 the authority shall be members of the authority.

9 (e)(1) The chairperson of the authority shall receive as compensation the sum of \$250.00
10 per month, the vice chairperson and secretary shall each receive \$225.00 per month, and
11 the remaining members shall receive \$200.00 per month.

12 (2) The members of the authority shall be reimbursed, upon approval by the authority,
13 for actual expenses incurred for travel, meals, and lodging by such member while on
14 official business of the authority outside of Henry County. In addition to the amount
15 provided in this paragraph, each member shall receive per diem compensation in an
16 amount set by the authority not to exceed \$100.00 per day.

17 (3) In order that the authority may, from time to time, take advantage of the special skills
18 and expertise of a member of the authority and provide appropriate compensation for
19 services provided to the authority by such member outside of such member's regular
20 duties, the authority is authorized, subject to the conditions in paragraph (4) of this
21 subsection, to compensate such members for such additional services. The additional
22 services shall include, but shall not be limited to, attendance at meetings other than
23 regular and called meetings of the authority; meetings with other governmental entities
24 and authorities or their designated representatives and any combination thereof regarding
25 official authority business; meetings with industrial prospects, realtors, developers, utility
26 representatives, consultants, other representatives, and any combination thereof regarding
27 official authority business; meetings of agencies and organizations promoting industrial
28 development, such as the Atlanta Regional Commission, Metro South, or other such
29 groups; and any similar meetings regarding official authority business.

30 (4) In order for any authority member to receive compensation for services performed
31 pursuant to paragraph (3) of this subsection, the authority must first approve the proposed
32 services and the compensation by a majority vote. Said approval must be made without
33 the participation of the member to be compensated. The amount of compensation shall
34 be determined by the members of the authority, but in no case shall the compensation
35 exceed \$12.50 per hour with a maximum compensation of \$100.00 per day.

1 (f) Prior to taking office, the members of the authority shall subscribe to the following
 2 oath: 'I do solemnly swear that I will fully and fairly perform the duties as a member of the
 3 Henry County Development Authority, so help me God.'

4 (g) No action taken by the authority prior to the effective date of this Act shall be invalid
 5 or otherwise affected by the prior provisions of this section, relating to members of the
 6 authority holding other offices. All actions taken by the authority prior to the effective date
 7 of this Act are ratified and confirmed to be valid and binding.

8 SECTION 5.

9 Property; obligations.

10 The income, property, obligations, and the interest on the obligations of the authority shall
 11 have the same immunity from taxation as the income, property, obligations, and interest
 12 on the obligations of Henry County. The exemptions from taxation provided in this section
 13 shall not include exemptions from sales and use taxes on property purchased by the
 14 authority.

15 SECTION 6.

16 Powers.

17 (a) The powers of the authority shall include, but not be limited to, the power:
 18 (1) To receive and administer gifts, grants, and donations and to administer trusts;
 19 (2) To borrow or lend money, to issue notes, bonds, and revenue bonds, to execute trust
 20 agreements or indentures, and to sell, convey, mortgage, pledge, and assign any and all
 21 of its funds, property, and income as security therefor;
 22 (3) To contract with political subdivisions of the State of Georgia and with private
 23 persons and corporations and to sue and be sued in its corporate name;
 24 (4) To have and exercise usual powers of private corporations except such as are
 25 inconsistent with the provisions of this Act, including the power to appoint and hire
 26 agents and employees and to provide for their duties and compensation. Such agents and
 27 employees shall serve at the pleasure of the authority; however, the authority shall adopt
 28 as a guideline the personnel policies of equal employment opportunity and affirmative
 29 action presently used by the Board of Commissioners of Henry County. The authority
 30 shall also have the power to adopt and amend a corporate seal and bylaws and regulations
 31 for the conduct and management of the authority. The authority shall also have all of the
 32 powers, and may finance and carry out all of the projects, that may now or hereafter be
 33 authorized for any development authority under Chapter 62 of Title 36 of the O.C.G.A.,

1 the 'Development Authorities Law,' or for any other development authority or public
2 corporation or authority carrying out a governmental mission similar to that of this
3 authority, to the full extent allowed by the amendment to Article V, Section IX,
4 Paragraph I of the Constitution of the State of Georgia of 1945 that created this authority
5 and which has been continued in effect, regardless of whether or not any such power or
6 project is specifically set forth in this Act;

7 (5) To promote industry, agriculture, commerce, natural resources, and vocational
8 training in Henry County, and to provide facilities in Henry County for industrial,
9 agricultural, commercial, and educational purposes and facilities relating to natural
10 resources, so as to promote the public good and general welfare and to relieve, insofar
11 as possible, unemployment in Henry County, and to that end, without limitation:

12 (A) To acquire by purchase, gift, or construction any real or personal property desired
13 to be acquired as part of any project or for the purpose of improving, extending, adding
14 to, reconstructing, renovating, or remodeling any project or part thereof already
15 acquired, or for the purpose of demolition to make room for such project or any part
16 thereof;

17 (B) To sell, lease, exchange, transfer, assign, pledge, mortgage, or dispose of, or grant
18 options for any such purposes, any real or personal property or interest therein;

19 (C) To mortgage, convey, pledge, or assign any properties, revenues, income, tolls,
20 charges, or fees owned or received by the authority;

21 (D) To extend credit or make loans to any person, firm, corporation, or other form of
22 business organization for the planning, design, construction, acquisition, or carrying out
23 of any project, which credit or loans shall be secured by loan agreements, mortgages,
24 security agreements, contracts, and all other instruments or fees or charges, upon such
25 terms and conditions as the authority shall determine to be reasonable in connection
26 with such loans, including provision for the establishment and maintenance of reserves
27 and insurance funds and, in the exercise of powers granted by this section in connection
28 with a project for such person, firm, corporation, or other form of business organization,
29 to require the inclusion in any contract, loan agreement, security for guaranty,
30 insurance, construction, use, operation, maintenance, and financing of a project of such
31 provisions as the authority may deem necessary or desirable;

32 (E) To acquire, accept, or retain equitable interests, security interests, or other interest
33 in any property, real or personal, by mortgage, assignment, security agreement, pledge,
34 conveyance, contract, lien, loan agreement, or other transfer in order to secure the
35 repayment of any moneys loaned or credit extended by the authority;

36 (F) To construct, acquire, own, repair, remodel, maintain, extend, improve, and equip
37 projects located on land owned or leased by the authority or land owned or leased by

1 others and to pay all or part of the cost of any such project from the proceeds of revenue
2 bonds of the authority or from any contribution or loans by persons, firms, or
3 corporations or any other contribution, all of which the authority is authorized to
4 receive, accept, and use;

5 (G) To borrow money and issue its revenue bonds, revenue notes, bond anticipation
6 notes, other notes, and other obligations from time to time and use the proceeds thereof
7 for the purpose of paying all or part of the cost of any project, including the cost of
8 extending, adding to, or improving such project, or for the purpose of refunding any
9 obligations of the authority theretofore issued or incurred, and to otherwise carry out
10 the purposes of this Act, and to pay all other costs of the authority incident to, or
11 necessary and appropriate to, such purposes, including the providing of moneys to be
12 paid into any fund or funds to secure such obligations, provided that all such obligations
13 shall be issued in accordance with the procedures and subject to the limitations set forth
14 in this Act; and

15 (H) As security for repayment of the authority's obligations, to pledge, mortgage,
16 convey, assign, hypothecate, or otherwise encumber any property, real or personal, of
17 the authority and to execute any trust agreement, indenture, or security agreement
18 containing any provisions not in conflict with law; which trust agreement, indenture,
19 or security agreement may provide for foreclosure or forced sale of any property of the
20 authority upon default on such obligations either in payment of principal or interest or
21 in the performance of any term or condition contained in such agreement or indenture.
22 The State of Georgia on behalf of itself and each county, municipal corporation,
23 political subdivision, or taxing district therein waives any right it or such county,
24 municipal corporation, political subdivision, or taxing district may have to prevent the
25 forced sale or foreclosure of any property of the authority so mortgaged or encumbered,
26 and any such mortgage or encumbrance may be foreclosed in accordance with law and
27 the terms thereof;

28 (6) To receive and administer gifts, own, improve, expand, develop, maintain, sell,
29 donate, lease as lessor or lessee, mortgage, pledge, convey to secure debt, or otherwise
30 encumber or dispose of land, buildings, equipment, furnishings, or property of all kinds,
31 real or personal, within Henry County, Georgia, and to make a contract or contracts and
32 to execute any instrument or document for the accomplishment thereof or other purposes.
33 Any such transaction may be on such terms and conditions as the authority may
34 determine to be appropriate. In that connection, the authority may make an express
35 determination that the benefits to be received by the residents of Henry County as a result
36 thereof are of sufficient value to prevent the same from violating Article III, Section VI,
37 Paragraph VI of the Constitution of the State of Georgia. Any such determination shall

1 be presumed to be correct and shall not judicially be set aside unless the court finds such
2 determination to be clearly erroneous;

3 (7) To accumulate its funds from year to year and to invest accumulated funds in any
4 manner that public funds of the State of Georgia or any of its political subdivisions may
5 be invested;

6 (8) To designate officers to sign and act for the authority generally or in any specific
7 matter; and

8 (9) To do any and all acts and things necessary or convenient to accomplish the purpose
9 and powers of the authority as stated in this Act.

10 (b) No project acquired by the authority shall be operated by the authority but shall be
11 leased or sold to one or more persons, firms, or corporations or be held by the authority for
12 such purposes and, while so held, may be maintained by the authority. If sold, the purchase
13 price may be paid at one time or in installments falling due over a period of not more than
14 30 years from the date of transfer or possession. If leased, the rent may be paid at one time
15 or in installments falling due over a period of not more than 30 years from the date of
16 transfer or possession. The lessee or purchaser of a project shall be required to pay all costs
17 of operating and maintaining the project and to pay rentals or installment payments
18 sufficient, together with other revenues which may be pledged for the purpose, to retire all
19 obligations, both as to principal and interest, which the authority may have incurred in
20 connection with the undertaking. The authority may also loan proceeds of its obligations
21 to one or more persons, firms, or corporations to provide financing for any project; in
22 which case, the borrower shall make loan payments sufficient, together with other revenues
23 which may be pledged for the purpose, to retire all obligations, both as to principal and
24 interest, which the authority may have incurred in connection with the undertaking.

25 SECTION 7.

26 Debts not created.

27 The authority shall not be authorized to create in any manner any debt, liability, or
28 obligation against the State of Georgia or Henry County.

29 SECTION 8.

30 Obligations; remedies; limitations and procedures.

31 (a) *Financial obligations; provisions.* Subject to the limitations and procedures provided
32 by this section, the financial obligations of the authority, as evidenced by bonds, notes,
33 bond anticipation notes, or other debt instruments, which may be, but are not required to

1 be, secured by trust indentures, deeds to secure obligations, security agreements, or
2 mortgages executed in connection therewith, may contain such provisions not inconsistent
3 with law as shall be determined by the members of the authority acting as its board of
4 directors; and the authority may provide in such instruments for the pledging of all or any
5 part of its revenues, income, or charges and for the mortgaging, encumbering, or conveying
6 of all or any part of its real or personal property, may covenant against pledging any or all
7 of its revenues, income, or charges, and may further provide for the disposition of proceeds
8 realized from the sale of any such debt obligations, for the replacement of lost, destroyed,
9 stolen, or mutilated debt instruments, and for the payment and redemption of such debt
10 instruments. Similarly, subject to the limitations and procedures of this section,
11 undertakings of the authority may prescribe the procedure by which holders of such debt
12 instruments may enforce rights against the authority and provide for rights upon breach of
13 any covenant, condition, or obligation of the authority under any debt instruments or
14 security documents executed by the authority, which may contain such provisions as are
15 not otherwise contrary to law as the authority shall deem necessary or desirable. The
16 authority may sell its debt instruments at public or private sale.

17 (b) *Use of proceeds.* The proceeds derived from the sale of debt obligations issued by the
18 authority shall be held and used for the ultimate purpose of paying, directly or indirectly
19 as permitted in this Act, all or part of the cost of any project, including the cost of
20 extending, financing, adding to, or improving such project, or for the purpose of refunding
21 any debt obligations previously issued by the authority, or for the general corporate
22 purposes of the authority.

23 (c) *Revenue obligations.* Debt obligations issued by the authority may be revenue
24 obligations of the authority and may be made payable out of any revenues or other receipts,
25 funds, or moneys of the authority, subject only to any agreements with the holders of other
26 debt obligations of the authority or to particular security agreements pledging any
27 particular revenues, receipts, funds, or moneys.

28 (d) *Subsequent series of obligations.* The issuance by the authority of one or more series
29 of debt obligations for one or more purposes shall not preclude it from issuing other debt
30 obligations in connection with the same project or in connection with any other projects,
31 but the proceeding wherein any subsequent debt obligations shall be issued shall recognize
32 and protect any prior pledge, lien, or security interest made to secure any prior issue of debt
33 obligations, unless in the resolution authorizing such prior issue the right is expressly
34 reserved to the authority to issue subsequent debt obligations on a parity with such prior
35 issue.

36 (e) *Bond anticipation notes.* The authority shall have the power and is authorized,
37 whenever revenue bonds of the authority shall have been validated as provided in this Act,

1 to issue, from time to time, its bond anticipation notes in anticipation of the issuance of
2 such revenue bonds as validated and to renew from time to time any such bond anticipation
3 notes by the issuance of new bond anticipation notes, whether the bond anticipation notes
4 to be renewed have or have not matured. The authority may issue bond anticipation notes
5 only to provide funds which would otherwise be provided by the issuance of the bonds as
6 validated. The bond anticipation notes may be authorized, sold, executed, and delivered
7 in the same manner as other debt instruments of the authority. Any resolution or
8 resolutions authorizing bond anticipation notes of the authority or any issue thereof may
9 contain any provisions which the authority is authorized to include in any resolution or
10 resolutions authorizing debt instruments of the authority or any issue thereof, and the
11 authority may include in bond anticipation notes any terms, covenants, or conditions which
12 it is authorized to include in debt instruments. Validation of such bonds shall be a
13 condition precedent to the issuance of such bond anticipation notes, but it shall not be
14 required that such bond anticipation notes be judicially validated. Bond anticipation notes
15 shall not be issued in an amount exceeding the par value of the bonds in anticipation of
16 which they are to be issued. Such power to issue bond anticipation notes shall not limit the
17 power of the authority to issue promissory notes as otherwise provided in this Act.

18 (f) *Interest rates on obligations of the authority.* The interest rate on or rates to be borne
19 by any bonds, notes, or other obligations issued by the authority shall be fixed by the
20 members of the authority and any limitations with respect to interest rates found in Article
21 3 of Chapter 82 of Title 36 of the O.C.G.A., the 'Revenue Bond Law,' as amended, or the
22 usury laws of the State of Georgia shall not apply to obligations issued under this Act.

23 (g) *Validation and issuance of revenue bonds.* All revenue bonds issued by the authority
24 under this Act shall be issued and validated under and in accordance with Article 3 of
25 Chapter 82 of Title 36 of the O.C.G.A., the 'Revenue Bond Law,' of the State of Georgia,
26 as heretofore and hereafter amended, except as provided in subsection (f) of this section
27 and except as specifically set forth below in this subsection:

28 (1) Revenue bonds issued by the authority may be in such form, either coupon or fully
29 registered, or both coupon and fully registered, and may be subject to such
30 exchangeability and transferability provisions as the bond resolution authorizing the
31 issuance of such bonds or any indenture or trust agreement may provide;

32 (2) Revenue bonds shall bear a certificate of validation. The signature of the clerk of the
33 Superior Court of Henry County may be made on the certificate of validation of such
34 bonds by facsimile or by manual execution stating the date on which such bonds were
35 validated and such entry shall be received as original evidence in any court of this State;

36 (3) In lieu of specifying the rate or rates of interest which revenue bonds to be issued by
37 the authority are to bear, the notice to the district attorney or Attorney General and the

1 notice to the public of the time, place, and date of the validation hearing may state that
2 the bonds when issued will bear interest at a rate not exceeding a maximum per annum
3 rate of interest specified in such notices or that in the event the bonds are to bear different
4 rates of interest for different maturity dates that none of such rates will exceed the
5 maximum rate specified in the notices; provided, however, that nothing contained in this
6 paragraph shall be construed as prohibiting or restricting the right of the authority to sell
7 such bonds at a discount, even if in so doing, the effective interest cost resulting
8 therefrom would exceed the maximum per annum interest rate specified in such notices;
9 and

10 (4) The term 'cost of project' shall have the meaning prescribed in paragraph (4) of
11 Section 2 of this Act whenever referred to in bond resolutions of the authority, bonds and
12 bond anticipation notes issued by the authority, or notices and proceedings to validate
13 such bonds.

14 (h) *Other obligations.* In addition to revenue bonds and bond anticipation notes, the
15 authority may also issue revenue notes and other debt instruments that may be made
16 payable only from pledged revenues or other pledged security or may represent the general
17 obligation of the authority, which other debt instruments may be, at the election of the
18 authority, but are not required to be, validated.

19 SECTION 9.

20 Finding and declaration by authority.

21 No bonds except refunding bonds shall be issued under this Act unless the authority shall
22 have found and declared that the undertaking for which the bonds are to be issued is
23 expected to preserve or increase employment in Henry County.

24 SECTION 10.

25 Expenses.

26 (a) As used in this section, the term 'promotional and entertainment expenses' means
27 expenses incurred to solicit, attract, obtain, and complete projects, including expenses
28 incurred for entertainment of industrial and commercial representatives. The authority
29 may, unless prohibited by law or by the conditions of any grant or intergovernmental
30 contract, expend funds received from any source as it deems necessary for the payment of
31 promotional and entertainment expenses.

32 (b) Office expenses, employee salaries, food, lodging, and transportation expenses, and
33 the cost of attending seminars, conferences, and meetings incurred by authority members

1 or employees traveling in furtherance of the purposes of the authority shall not be
2 considered promotional or entertainment expenses, but shall be considered expenditures
3 in the normal course of business; and such expenditures shall be considered as authorized
4 by this Act.

5 (c) The authority shall keep records of all promotional and entertainment expenses
6 incurred and shall account for all such expenses in the annual audit.

7 (d) The powers granted by this section shall not be deemed to restrict other powers of the
8 authority, but shall be considered cumulative in their effect.

9 SECTION 11.

10 Title to property.

11 Should the authority for any reason be dissolved, title to all property of every kind and
12 nature, real and personal, held by the authority at the time of such dissolution shall revert
13 to Henry County subject to any mortgages, liens, leases, or other encumbrances outstanding
14 against or in respect to said property at that time.

15 SECTION 12.

16 Audits.

17 The books and records of the authority shall be audited at least annually by a competent,
18 independent auditor. The audit and a summary of the audit shall be filed with the clerk of
19 the Board of Commissioners of Henry County and shall be available for public inspection
20 during regular office hours.

21 SECTION 13.

22 Purpose.

23 This Act is enacted and the authority is created for the purpose of promoting and
24 expanding, for the public good and general welfare, industry, agriculture, commerce,
25 natural resources, and vocational training and the provisions of this Act shall be liberally
26 construed to effect the purposes hereof. In interpreting this Act, the courts are not to apply
27 'Dillon's Rule.' The authority, in performing any of the public activities permitted in this
28 Act and in the constitutional amendment, is declared to be performing an essential
29 governmental function.

