

The Senate State and Local Governmental Operations Committee offered the following substitute to HB 1245:

A BILL TO BE ENTITLED
AN ACT

1 To amend an Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965,"
2 approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended, so as to change certain
3 provisions relating to use of proceeds of a sales and use tax for the Authority; to provide an
4 effective date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

6 An Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965," approved
7 March 10, 1965 (Ga. L. 1965, p. 2243), as amended, is amended by striking subsection (i)
8 of Section 25 and inserting in lieu thereof the following:

9 *"(i) Use of Proceeds.* The proceeds of the tax levied pursuant to this Act shall be used
10 solely by each local government to fulfill the obligations incurred in the contracts entered
11 into with the Metropolitan Atlanta Rapid Transit Authority as contemplated in the
12 Metropolitan Atlanta Rapid Transit Authority Act of 1965, as amended, provided, however,
13 that no more than fifty percent (50%) of the annual proceeds of the tax shall be used to
14 subsidize the operating costs of the system, exclusive of depreciation, amortization, and
15 other costs and charges as provided in this subsection, until ~~July 1, 2032, after which time~~
16 January 1, 2002. For the period beginning January 1, 2002, and ending June 30, 2002; each
17 fiscal year commencing thereafter until July 1, 2006; and the period beginning July 1,
18 2006, and ending December 31, 2006, no more than fifty-five percent (55%) of the
19 proceeds of the tax shall be used to subsidize the operating costs of the system, exclusive
20 of depreciation, amortization, and other costs and charges as provided in this subsection;
21 and for the period beginning January 1, 2007, and ending June 30, 2007, and each fiscal
22 year commencing thereafter until July 1, 2032, no more than fifty percent (50%) of the
23 proceeds of the tax shall be used to subsidize the operating costs of the system, exclusive
24 of depreciation, amortization, and other costs and charges as provided in this subsection;
25 except that if the Board of the Metropolitan Atlanta Rapid Transit Authority shall fail to
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1 file with the Metropolitan Atlanta Rapid Transit Overview Committee not later than
2 December 31, 2002, the original and 14 copies of a report of the findings of a completed
3 management performance audit of the authority's current operations, which audit was
4 performed under contract with and at the expense of the authority by the Georgia Regional
5 Transportation Authority pursuant to paragraph (16) of subsection (a) of Code Section
6 50-32-11 of the O.C.G.A., along with any auditor's recommendations based thereon and
7 the auditor's signed written verification that the Metropolitan Atlanta Rapid Transit
8 Authority fully cooperated with such audit and allowed access to all its books, records, and
9 documents to the extent the auditor deemed necessary, then for the period beginning
10 January 1, 2003, and ending June 30, 2003, and each fiscal year commencing thereafter
11 until July 1, 2032, no more than fifty percent (50%) of the proceeds of the tax shall be used
12 to subsidize the operating costs of the system, exclusive of depreciation, amortization, and
13 other costs and charges as provided in this subsection. For each fiscal year commencing
14 on or after July 1, 2032, no more than sixty percent (60%) of the annual proceeds of the tax
15 shall be used to subsidize the operating costs of the system, exclusive of depreciation,
16 amortization, and other costs and charges as provided in this subsection, ~~and that;~~ and
17 commencing with July 1, 2032, and for every year thereafter, the proceeds of the tax shall
18 not be used to subsidize operations of the transportation system to an extent greater than
19 fifty percent (50%) of the operating costs of the system, exclusive of depreciation,
20 amortization, and other costs and charges as provided in this subsection. In adopting its
21 annual budget, the Board of the Metropolitan Atlanta Rapid Transit Authority shall be
22 authorized to rely upon estimates of all revenues, operating costs, patronage and other
23 factors which may affect the amount of the fare required to limit the operating subsidy
24 herein provided for. If the results of any year's operations reflect that the proceeds of the
25 tax were used to subsidize operations to an extent greater than herein provided, the Board
26 shall adjust fares in order to make up the deficit in operations during a period of not to
27 exceed three (3) succeeding years. If the results of operations in the Authority's fiscal year
28 commencing July 1, 1980 or in any subsequent fiscal year reflect that the proceeds of the
29 tax were not used to subsidize operations to the maximum extent herein provided, the
30 Board may, in its sole discretion, reserve any amounts that could have been used to
31 subsidize operations in that fiscal year and later use said reserved amounts and any interest
32 earned on said reserved amounts to provide an additional subsidy for operations in any
33 future fiscal year or years. The words 'operating costs of the system' for purposes of this
34 subsection 25(i) are defined to include all of the costs of that division of the Authority
35 directly involved and that portion of the nonoperating administrative costs of those
36 divisions of the Authority indirectly involved, through the provision of support services,

1 in providing mass transportation services for the metropolitan area, but exclusive of the
 2 costs of the division or divisions directly involved and that portion of the nonoperating
 3 administrative costs of those divisions indirectly involved, in the planning, design,
 4 acquisition, construction, and improvement of the rapid transit system, according to
 5 accepted principles of accounting, and also exclusive of the following costs:

6 (1) Nonrecurring costs and charges incurred in order to comply with any statute or
 7 regulation concerning either the protection or cleaning up of the environment, or
 8 accessibility by handicapped or disabled persons, or occupational health or safety, or with
 9 any judgment, decree, or order of any court or regulatory agency in implementation of
 10 any such statute or regulation; and

11 (2) In the case of leases of equipment or facilities that, according to generally accepted
 12 principles of accounting, would not be classified as capital leases, payments of rent and
 13 other payments for the property subject to such leases or for the use thereof; provided that
 14 any costs for regular maintenance or repair of such equipment or facilities shall not be
 15 excluded; ~~and~~

16 ~~(3) Costs incurred before June 30, 2005, directly for the purposes of ensuring that the~~
 17 ~~Authority's computers and related technology do not malfunction because of the change~~
 18 ~~in dates that will occur at the beginning of the year 2000, or for correcting any such~~
 19 ~~malfunction.~~

20 If any proceeds of the tax levied pursuant to this Act are held for the purpose of planning,
 21 designing, acquiring, or constructing additional facilities or equipment for or improvements
 22 to the rapid transit system and are invested, then all interest earned from such investments
 23 shall be used only for such purposes or for paying the principal of or interest on bonds or
 24 certificates issued for such purposes. Commencing July 1, 1988, and until June 30, 2003,
 25 and only if expressly authorized by the board, interest earned on reserve funds set aside for
 26 rebuilding, repairing, or renovating facilities of the rapid transit system; for replacing,
 27 repairing, or renovating equipment or other capital assets thereof; or from the sale or other
 28 disposition of real property, may, without regard to the original source of the funds so
 29 reserved, be used to pay the operating costs of the system as such costs are defined in this
 30 subsection."

31 SECTION 2.

32 This Act shall become effective upon its approval by the Governor or upon its becoming law
 33 without such approval.

34 SECTION 3.

- 1 All laws and parts of laws in conflict with this Act are repealed.