

Senate Bill 446

By: Senator Thomas of the 10th

AS PASSED SENATE

**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:**

6 **SECTION 1.**

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

10 *"(i) Use of Proceeds.* The proceeds of the tax levied pursuant to this Act shall be used
11 solely by each local government to fulfill the obligations incurred in the contracts entered
12 into with the Metropolitan Atlanta Rapid Transit Authority as contemplated in the
13 Metropolitan Atlanta Rapid Transit Authority Act of 1965, as amended, provided, however,
14 that no more than fifty percent (50%) of the annual proceeds of the tax shall be used to
15 subsidize the operating costs of the system, exclusive of depreciation, amortization, and
16 other costs and charges as provided in this subsection, until ~~July 1, 2032, after which time~~
17 ~~no more than sixty percent (60%) of the annual proceeds of the tax shall be used to~~
18 ~~subsidize the operating costs of the system, exclusive of depreciation, amortization, and~~
19 ~~other costs and charges as provided in this subsection, and that commencing with July 1,~~
20 ~~2032, and for every year thereafter, the proceeds of the tax shall not be used to subsidize~~
21 ~~operations of the transportation system to an extent greater than fifty percent (50%) of the~~
22 ~~operating costs of the system, exclusive of depreciation, amortization, and other costs and~~
23 ~~charges as provided in this subsection. January 1, 2002. From January 1, 2002, until~~
24 ~~December 31, 2006, no more than fifty-five (55%) of the annual proceeds of the tax shall~~
25 ~~be used to subsidize the operating costs of the system, exclusive of depreciation,~~
26 ~~amortization, and other costs and charges as provided in this subsection; and from January~~

1 1, 2007, until July 1, 2032, no more than fifty percent (50%) of the proceeds of the tax shall
2 be used to subsidize the operating costs of the system, exclusive of depreciation,
3 amortization, and other costs and charges as provided in this subsection, after which time
4 no more than sixty percent (60%) of the proceeds of the tax shall be used to subsidize the
5 operating costs of the system, exclusive of depreciation, amortization, and other costs and
6 charges as provided in this subsection. And provided further, that after July 1, 2032, and
7 for every year thereafter, the proceeds of the tax shall not be used to subsidize operations
8 of the transportation system to an extent greater than fifty percent (50%) of the operating
9 costs of the system, exclusive of depreciation, amortization, and other costs and charges
10 as provided in this subsection. In adopting its annual budget, the Board of the Metropolitan
11 Atlanta Rapid Transit Authority shall be authorized to rely upon estimates of all revenues,
12 operating costs, patronage and other factors which may affect the amount of the fare
13 required to limit the operating subsidy herein provided for. If the results of any year's
14 operations reflect that the proceeds of the tax were used to subsidize operations to an extent
15 greater than herein provided, the Board shall adjust fares in order to make up the deficit in
16 operations during a period of not to exceed three (3) succeeding years. If the results of
17 operations in the Authority's fiscal year commencing July 1, 1980 or in any subsequent
18 fiscal year reflect that the proceeds of the tax were not used to subsidize operations to the
19 maximum extent herein provided, the Board may, in its sole discretion, reserve any
20 amounts that could have been used to subsidize operations in that fiscal year and later use
21 said reserved amounts and any interest earned on said reserved amounts to provide an
22 additional subsidy for operations in any future fiscal year or years. The words 'operating
23 costs of the system' for purposes of this subsection 25(i) are defined to include all of the
24 costs of that division of the Authority directly involved and that portion of the nonoperating
25 administrative costs of those divisions of the Authority indirectly involved, through the
26 provision of support services, in providing mass transportation services for the
27 metropolitan area, but exclusive of the costs of the division or divisions directly involved
28 and that portion of the nonoperating administrative costs of those divisions indirectly
29 involved, in the planning, design, acquisition, construction, and improvement of the rapid
30 transit system, according to accepted principles of accounting, and also exclusive of the
31 following costs:

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

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

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

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

21 SECTION 2.

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

24 SECTION 3.

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