

House Bill 807

By: Representatives Porter of the 143<sup>rd</sup> and Coleman of the 142<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To create the Laurens County Public Facilities Authority; to provide for a short title and  
2 definitions; to confer powers and impose duties on the Authority; to provide for the  
3 membership and the appointment of members of the Authority and their terms of office,  
4 qualifications, duties, powers, and expenses; to provide for vacancies, organization,  
5 meetings, and quorum; to provide for revenue bonds and their form, denominations,  
6 signatures thereon, negotiability, sale, and use of proceeds from such sales; to provide for  
7 interim documents and for lost or mutilated documents; to provide conditions for issuance;  
8 to prohibit the pledge of credit for the payment of bonds; to provide for intergovernmental  
9 contracts; to provide for trust indentures and sinking fund; to provide for payment of bond  
10 proceeds; to provide for bondholder remedies and protection; to provide for refunding bonds;  
11 to provide for bond validation; to provide for venue and jurisdiction; to provide for trust  
12 funds; to provide for Authority purpose; to provide for charges; to provide for rules and  
13 regulations; to provide for tort immunity; to provide for tax exemptions; to provide for  
14 supplemental powers; to provide for effect on other governments; to provide for liberal  
15 construction; to provide for an effective date; to repeal conflicting laws; and for other  
16 purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

18 **SECTION 1.**

19 Short title.

20 This Act shall be known and may be cited as the "Laurens County Public Facilities Authority  
21 Act."

22 **SECTION 2.**

23 Laurens County Public Facilities Authority.

24 (a) There is created a public body corporate and politic to be known as the "Laurens County  
25 Public Facilities Authority," which shall be deemed to be a political subdivision of the state  
26 and a public corporation, and by that name, style, and title said body may contract and be  
27 contracted with, sue and be sued, implead and be impleaded, and complain and defend in all  
28 courts of law and equity. The Authority shall have perpetual existence.

1 (b) The Laurens County Board of Commissioners shall appoint seven members to the  
 2 Authority, two of whom shall be commissioners. With respect to the initial appointment by  
 3 the Laurens County Board of Commissioners, three members shall be appointed for a term  
 4 of three years, two members shall be appointed for a term of two years, and two members  
 5 shall be appointed for a term of one year. Thereafter, all appointments shall be made for  
 6 terms of three years. Immediately after such appointments, the members of the Authority  
 7 shall enter upon their duties. Members of the Authority shall serve the terms specified and  
 8 until their respective successors are appointed and qualified. Any vacancy on the Authority  
 9 shall be filled in the same manner as was the original appointment of the member whose  
 10 office has become vacant and the person so appointed shall serve for the remainder of the  
 11 unexpired term. To be eligible for appointment as a member of the Authority, a person shall  
 12 be at least 21 years of age, shall be a resident of Laurens County, Georgia, for at least two  
 13 years prior to the date of his or her appointment, and shall not have been convicted of a  
 14 felony. Any member of the Authority may be selected and appointed to succeed himself or  
 15 herself.

16 (c) The Laurens County Board of Commissioners may provide by resolution for the  
 17 reimbursement of Authority members for their actual expenses necessarily incurred in the  
 18 performance of their duties.

19 (d) The members of the Authority shall elect one of their number as chairperson and another  
 20 as a vice chairperson. The members of the Authority shall also elect a secretary, who need  
 21 not be a member of the Authority, and may also elect a treasurer, who need not be a member  
 22 of the Authority. The secretary may also serve as treasurer. If the secretary or treasurer is  
 23 not a member of the Authority, such officer shall have no voting rights. Each of such  
 24 officers shall serve for a period of one year and until their successors are duly elected and  
 25 qualified.

26 (e) Four members of the Authority shall constitute a quorum. No vacancy on the Authority  
 27 shall impair the right of the quorum to exercise all of the rights and perform all of the duties  
 28 of the Authority.

### 29 **SECTION 3.**

#### 30 **Definitions.**

31 As used in this Act, the term:

32 (1) "Authority" means the Laurens County Public Facilities Authority created by this  
 33 Act.

34 (2) "Costs of the project" means and embraces the cost of construction; the cost of all  
 35 lands, properties, rights, easements, and franchises acquired; the cost of all machinery and  
 36 equipment; financing charges; interest prior to and during construction and for six months  
 37 after completion of construction; the cost of engineering, architectural, fiscal agents and  
 38 legal expenses, plans and specifications, and other expenses necessary or incidental to  
 39 determining the feasibility or practicability of the project; administrative expenses and  
 40 such other expenses as may be necessary or incident to the financing authorized by this

1 Act; working capital; and all other costs necessary to acquire, construct, add to, extend,  
2 improve, equip, operate, and maintain the project.

3 (3) "Project" means:

4 (A) All buildings, facilities, and equipment necessary or convenient for the efficient  
5 operation of:

6 (i) Laurens County, Georgia, or any department, agency, division, or commission  
7 thereof; or

8 (ii) Any other political subdivision or municipality of the State of Georgia located  
9 within Laurens County, Georgia; and

10 (B) Any undertaking permitted by the Revenue Bond Law.

11 (4) "Revenue Bond Law" means Article 3 of Chapter 82 of Title 36 of the O.C.G.A., or  
12 any other similar law hereinafter enacted.

13 (5) "Revenue bonds" means revenue bonds authorized to be issued pursuant to this Act.

14 (6) "Self-liquidating" means any project from which the revenues and earnings to be  
15 derived by the Authority, including but not limited to any contractual payments with  
16 governmental or private entities, and all properties used, leased, and sold in connection  
17 with such project, together with any grants, will be sufficient to pay the costs of  
18 operating, maintaining, and repairing the project and to pay the principal and interest on  
19 the revenue bonds or other obligations which may be issued for the purpose of paying the  
20 costs of the project.

21 (7) "State" means the State of Georgia.

#### 22 SECTION 4.

#### 23 Powers.

24 The Authority shall have the power:

25 (1) To have a seal and alter the same at its pleasure;

26 (2) To acquire by purchase, lease, gift, condemnation, or otherwise, and to hold, operate,  
27 maintain, lease, and dispose of real and personal property of every kind and character for  
28 its corporate purposes;

29 (3) To acquire in its own name by purchase, on such terms and conditions and in such  
30 manner as it may deem proper, or by condemnation in accordance with the provisions of  
31 any and all existing laws applicable to the condemnation of property for public use, real  
32 property or rights or easements therein, or franchises necessary or convenient for its  
33 corporate purposes, and to use the same so long as its corporate existence shall continue,  
34 and to lease or make contracts with respect to the use of or dispose of the same in any  
35 manner it deems to the best advantage of the Authority, the Authority being under no  
36 obligation to accept and pay for any property condemned under this Act, except from the  
37 funds provided under the authority of this Act, and in any proceedings to condemn, such  
38 orders may be made by the court having jurisdiction of the suit, action, or proceedings  
39 as may be just to the Authority and to the owners of the property to be condemned, and  
40 no property shall be acquired under the provisions of this Act upon which any lien or  
41 encumbrance exists, unless at the time such property is so acquired a sufficient sum of

1 money is to be deposited in trust to pay and redeem the fair value of such lien or  
2 encumbrance;

3 (4) To appoint, select, and employ officers, agents, and employees, including  
4 engineering, architectural, and construction experts, fiscal agents, and attorneys, and fix  
5 their respective compensations;

6 (5) To execute contracts, leases, agreements, and instruments necessary or convenient  
7 in connection with the acquisition, construction, addition, extension, improvement,  
8 equipping, operation, or maintenance of a project, and any and all persons, firms, and  
9 corporations, Laurens County, Georgia, and any other political subdivision or  
10 municipality of the State of Georgia located in Laurens County, Georgia, are hereby  
11 authorized to enter into contracts, leases, agreements, or instruments with the Authority  
12 upon such terms and for such purposes as they deem advisable and as they are authorized  
13 by law;

14 (6) To acquire, construct, add to, extend, improve, equip, operate, and maintain projects;

15 (7) To pay the costs of the project with the proceeds of revenue bonds or other  
16 obligations issued by the Authority, from any grant or contribution from the United States  
17 of America or any agency or instrumentality thereof, from the state or any agency or  
18 instrumentality or other political subdivision thereof, or from any other source  
19 whatsoever;

20 (8) To accept loans or grants or loans and grants of money or materials or property of  
21 any kind from the United States of America or any agency or instrumentality thereof,  
22 upon such terms and conditions as the United States of America or such agency or  
23 instrumentality may require;

24 (9) To accept loans or grants or loans and grants of money or materials or property of  
25 any kind from the state or any agency, instrumentality, or political subdivision thereof,  
26 upon such terms and conditions as the state or such agency, instrumentality, or political  
27 subdivision may require;

28 (10) To borrow money for any of its corporate purposes and to issue revenue bonds, and  
29 to provide for the payment of the same and for the rights of the holders thereof;

30 (11) To exercise any power usually possessed by private corporations performing similar  
31 functions, including the power to incur short-term debt and to approve, execute, and  
32 deliver appropriate evidence of any such indebtedness; and

33 (12) To do all things necessary or convenient to carry out the powers expressly given in  
34 this Act.

## 35 **SECTION 5.**

### 36 Revenue bonds.

37 The Authority, or any authority or body which has or which may in the future succeed to the  
38 powers, duties, and liabilities vested in the Authority created hereby, shall have power and  
39 is hereby authorized to provide by resolution for the issuance of revenue bonds of the  
40 Authority for the purpose of paying all or any part of the costs of the project and for the  
41 purpose of refunding revenue bonds or other obligations previously issued. The principal of

1 and interest on such revenue bonds shall be payable solely from the special fund hereby  
 2 provided for such payment. The revenue bonds of each issue shall be dated, shall bear  
 3 interest at such rate or rates per annum, payable at such time or times, shall mature at such  
 4 time or times not exceeding 40 years from their date or dates, shall be payable in such  
 5 medium of payment as to both principal and interest as may be determined by the Authority  
 6 and may be redeemable before maturity, at the option of the Authority, at such price or prices  
 7 and under such terms and conditions as may be fixed by the Authority in the resolution for  
 8 the issuance of such revenue bonds.

9 **SECTION 6.**

10 Same; form; denomination; registration; place of payment.

11 The Authority shall determine the form of the revenue bonds and shall fix the denomination  
 12 or denominations of the revenue bonds. The revenue bonds may be issued in coupon or  
 13 registered form, or both, as the Authority may determine, and provision may be made for  
 14 registration and exchangeability privileges. The Authority shall fix the place or places of  
 15 payment of principal and interest thereon, which may be at any bank or trust company within  
 16 or outside the state.

17 **SECTION 7.**

18 Same; signatures; seal.

19 All such revenue bonds shall bear the manual or facsimile signature of the chairperson or  
 20 vice chairperson of the Authority and the attesting manual or facsimile signature of the  
 21 secretary, assistant secretary, or secretary-treasurer of the Authority, and the official seal of  
 22 the Authority shall be impressed or imprinted thereon. Any coupons attached thereto shall  
 23 bear the manual or facsimile signatures of the chairperson or vice chairperson and the  
 24 secretary, assistant secretary, or secretary treasurer of the Authority. Any revenue bonds or  
 25 coupons attached thereto may bear the manual or facsimile signature of such persons as at  
 26 the actual time of the execution of such revenue bonds or coupons shall be duly authorized  
 27 or hold the proper office, although at the date of issuance of such revenue bonds such person  
 28 may not have been so authorized or shall not have held such office. In case any officer  
 29 whose signature shall appear on any revenue bond or any coupon shall cease to be such  
 30 officer before the delivery of such revenue bond, such signature shall nevertheless be valid  
 31 and sufficient for all purposes, the same as if that person had remained in office until such  
 32 delivery.

33 **SECTION 8.**

34 Same; negotiability; exemption from taxation.

35 All revenue bonds shall have and are hereby declared to have all the qualities and incidents  
 36 of negotiable instruments under the laws of the state. All revenue bonds, their transfer, and  
 37 the income therefrom shall be exempt from all taxation within the state.

**SECTION 9.**

Same; sale; price; proceeds.

The Authority may sell revenue bonds in such manner and for such price as it may determine to be in the best interest of the Authority. The proceeds derived from the sale of revenue bonds shall be used solely for the purpose or purposes provided in the resolutions and proceedings authorizing the issuance of such revenue bonds.

**SECTION 10.**

Same; interim receipts and certificates or temporary bonds.

Prior to the preparation of any definitive revenue bonds, the Authority may, under like restrictions, issue interim receipts, interim certificates, or temporary revenue bonds, with or without coupons, exchangeable for definitive revenue bonds upon the issuance of the latter.

**SECTION 11.**

Same; replacement of lost or mutilated bonds.

The Authority may provide for the replacement of any revenue bonds or coupons which shall become mutilated or be destroyed or lost.

**SECTION 12.**

Same; conditions precedent to issuance.

The Authority shall adopt a resolution authorizing the issuance of the revenue bonds. In the resolution, the Authority shall determine that the project financed with the proceeds of the revenue bonds is self-liquidating. Revenue bonds may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions, and things which are specified or required by this Act. Any resolution providing for the issuance of revenue bonds under the provisions of this Act shall become effective immediately upon its passage and need not be published or posted, and any such resolution may be passed at any regular or special or adjourned meeting of the Authority by a majority of its members.

**SECTION 13.**

Credit not pledged.

Revenue bonds shall not be deemed to constitute a debt of Laurens County, Georgia, nor a pledge of the faith and credit of said county, but such revenue bonds shall be payable solely from the fund provided for in this Act. The issuance of such revenue bonds shall not directly, indirectly, or contingently obligate said county to levy or to pledge any form of taxation whatsoever for payment of such revenue bonds or to make any appropriation for their payment, and all such revenue bonds shall contain recitals on their face covering

1 substantially the provisions of this section. Notwithstanding the provisions of this section,  
 2 this Act shall not affect the ability of the Authority and said county to enter into an  
 3 intergovernmental contract pursuant to which said county agrees to pay amounts sufficient  
 4 to pay operating charges and other costs of the Authority or any project including, without  
 5 limitation, the principal of and interest on revenue bonds in consideration for services or  
 6 facilities of the Authority.

7 **SECTION 14.**

8 Trust indenture as security.

9 In the discretion of the Authority, any issuance of revenue bonds may be secured by a trust  
 10 indenture by and between the Authority and a corporate trustee, which may be any trust  
 11 company or bank having the powers of a trust company within or outside the state. Either  
 12 the resolution providing for the issuance of the revenue bonds or such trust indenture may  
 13 contain such provisions for protecting and enforcing the rights and remedies of the  
 14 bondholders as may be reasonable and proper and not in violation of law, including  
 15 covenants setting forth the duties of the Authority in relation to the acquisition and  
 16 construction of the project, the maintenance, operation, repair, and insuring of the project,  
 17 and the custody, safeguarding, and application of all moneys.

18 **SECTION 15.**

19 To whom proceeds of bonds shall be paid.

20 In the resolution providing for the issuance of revenue bonds or in the trust indenture, the  
 21 Authority shall provide for the payment of the proceeds of the sale of the revenue bonds to  
 22 any officer or person who, or any agency, bank, or trust company which, shall act as trustee  
 23 of such funds and shall hold and apply the same to the purposes thereof, subject to such  
 24 regulations as this Act and such resolution or trust indenture may provide.

25 **SECTION 16.**

26 Sinking fund.

27 The moneys received pursuant to an intergovernmental contract and the revenues, fees, tolls,  
 28 charges, and earnings derived from any particular project or projects, regardless of whether  
 29 or not such revenues, fees, tolls, fines, charges, and earnings were produced by a particular  
 30 project for which revenue bonds have been issued, unless otherwise pledged and allocated,  
 31 may be pledged and allocated by the Authority to the payment of the principal and interest  
 32 on revenue bonds of the Authority as the resolution authorizing the issuance of the revenue  
 33 bonds or in the trust indenture may provide, and such funds so pledged from whatever source  
 34 received shall be set aside at regular intervals, as may be provided in the resolution or trust  
 35 indenture, into a sinking fund, which said sinking fund shall be pledged to and charged with  
 36 the payment of:

37 (1) The interest upon such revenue bonds as such interest shall fall due;

- 1 (2) The principal or purchase price of such revenue bonds as the same shall fall due;
- 2 (3) Any premium upon such revenue bonds as the same shall fall due;
- 3 (4) The purchase of such revenue bonds in the open market; and
- 4 (5) The necessary charges of the paying agent for paying principal and interest.

5 The use and disposition of such sinking fund shall be subject to such regulations as may be  
6 provided in the resolution authorizing the issuance of the revenue bonds or in the trust  
7 indenture, but, except as may otherwise be provided in such resolution or trust indenture,  
8 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds  
9 without distinction or priority of one over another.

#### 10 **SECTION 17.**

##### 11 Remedies of bondholders.

12 Any holder of revenue bonds or any of the coupons appertaining thereto, and the trustee  
13 under the trust indenture, if any, except to the extent the rights herein given may be restricted  
14 by resolution passed before the issuance of the revenue bonds or by the trust indenture, may,  
15 either at law or in equity, by suit, action, mandamus, or other proceedings, protect and  
16 enforce any and all rights under the laws of the state, including specifically but without  
17 limitation the Revenue Bond Law, or granted hereunder or under such resolution or trust  
18 indenture, and may enforce and compel performance of all duties required by this Act or by  
19 such resolution or trust indenture to be performed by the Authority or any officer thereof,  
20 including the fixing, charging, and collecting of revenues, fees, tolls, fines, and other charges  
21 for the use of the facilities and services furnished.

#### 22 **SECTION 18.**

##### 23 Validation.

24 Revenue bonds and the security therefor shall be confirmed and validated in accordance with  
25 the procedure of the Revenue Bond Law. The petition for validation shall also make party  
26 defendant to such action the state, and any institution, department, or other agency thereof,  
27 and any county, municipality, school district, or other political subdivision or authority of the  
28 state which has contracted with the Authority for services or facilities relating to the project  
29 for which revenue bonds are to be issued and sought to be validated, and such defendant shall  
30 be required to show cause, if any exists, why such contract or contracts shall not be  
31 adjudicated as a part of the basis for the security for the payment of any such revenue bonds.  
32 The revenue bonds, when validated, and the judgment of validation shall be final and  
33 conclusive with respect to such revenue bonds and the security for the payment thereof and  
34 interest thereon and against the Authority and all other defendants.

**SECTION 19.**

Refunding bonds.

The Authority is authorized to provide by resolution for the issuance of bonds of the Authority for the purpose of funding or refunding any revenue bonds issued under the provisions of this Act and then outstanding, together with accrued interest thereon and premium, if any. The issuance of such funding or refunding bonds, the maturities and all other details thereof, the rights of the holders thereof, and the duties of the Authority in respect to the same shall be governed by the provisions of this Act insofar as the same may be applicable.

**SECTION 20.**

Venue and jurisdiction.

Any action to protect or enforce any rights under the provisions of this Act or any suit or action against such Authority shall be brought in the Superior Court of Laurens County, Georgia, and any action pertaining to validation of any revenue bonds issued under the provisions of this Act shall likewise be brought in said court which shall have exclusive, original jurisdiction of such actions.

**SECTION 21.**

Interest of bondholders protected.

While any of the revenue bonds issued by the Authority remain outstanding, the powers, duties, or existence of said Authority or its officers, employees, or agents shall not be diminished or impaired in any manner that will affect adversely the interests and rights of the holders of such revenue bonds, and no other entity, department, agency, or authority will be created which will compete with the Authority to such an extent as to affect adversely the interest and rights of the holders of such revenue bonds, nor will the state itself so compete with the Authority. The provisions of this Act shall be for the benefit of the Authority and the holders of any such revenue bonds, and upon the issuance of such revenue bonds under the provisions hereof, shall constitute a contract with the holders of such revenue bonds.

**SECTION 22.**

Moneys received considered trust funds.

All moneys received pursuant to the authority of this Act, whether as proceeds from the sale of revenue bonds, as grants or other contributions, or as revenue, income, fees, and earnings, shall be deemed to be trust funds to be held and applied solely as provided in this Act.

**SECTION 23.**

Purpose of the Authority.

Without limiting the generality of any provision of this Act, the general purpose of the Authority is declared to be that of providing buildings, facilities, and services for the citizens in Laurens County, Georgia.

**SECTION 24.**

Rates, charges, and revenues; use.

The Authority is hereby authorized to prescribe and fix rates and to revise same from time to time and to collect revenues, tolls, fees, and charges for the services, facilities, and commodities furnished, and in anticipation of the collection of the revenues, to issue revenue bonds or other types of obligations as provided in this Act to finance, in whole or in part, the costs of the project, and to pledge to the punctual payment of said revenue bonds or other obligations all or any part of the revenues.

**SECTION 25.**

Rules, regulations, service policies, and procedures for operation of projects.

It shall be the duty of the Authority to prescribe rules, regulations, service policies, and procedures for the operation of any project or projects constructed or acquired under the provisions of this Act. The Authority may adopt bylaws.

**SECTION 26.**

Tort immunity.

To the extent permitted by law, the Authority shall have the same immunity and exemption from liability for torts and negligence as Laurens County, Georgia; and the officers, agents, and employees of the Authority when in the performance of the work of the Authority shall have the same immunity and exemption from liability for torts and negligence as the officers, agents, and employees of Laurens County, Georgia, when in the performance of their public duties or work of the county.

**SECTION 27.**

Tax-exempt status of Authority.

The properties of the Authority, both real and personal, are declared to be public properties used for the benefit and welfare of the people of the state and not for purposes of private or corporate benefit and income, and such properties and the Authority shall be exempt from all taxes and special assessments of any municipality, county, or the state and any political subdivision thereof.

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**SECTION 28.**

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Effect on other governments.

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This Act shall not and does not in any way take from Laurens County, Georgia, or any

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county or municipality the authority to own, operate, and maintain recreational facilities or

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to issue revenue bonds as provided by the Revenue Bond Law.

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**SECTION 29.**

7

Liberal construction of Act.

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This Act, being for the welfare of various political subdivisions of the state and its

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inhabitants, shall be liberally construed to effect the purposes hereof.

10

**SECTION 30.**

11

Effective date.

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This Act shall become effective upon its approval by the Governor or upon its becoming law

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without such approval.

14

**SECTION 31.**

15

General repealer.

16

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