

House Bill 423

By: Representatives Howell of the 92nd, Lunsford of the 85th, Post 2 and Yates of the 85th,
Post 1

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 36-37-6 of the Official Code of Georgia Annotated, relating to the
2 disposition of municipal property generally, so as to provide that a municipal corporation
3 may lease municipal property for up to 20 years to a nonprofit corporation for certain
4 purposes related to recreation; to provide restrictions; to provide for insurance coverage and
5 indemnity; to provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 36-37-6 of the Official Code of Georgia Annotated, relating to the disposition
9 of municipal property generally, is amended by inserting at the end thereof the following:

10 "(j) Notwithstanding any provision of this Code section or any other law to the contrary,
11 the governing authority of any municipal corporation is authorized to lease or enter into a
12 contract for the operation and management, and renewals and extensions thereof, of any
13 real or personal property comprising fairgrounds, ballfields, golf courses, swimming pools,
14 or other like property used primarily for recreational purposes for a period not to exceed
15 20 years and for a valuable consideration, to a nonprofit corporation that will covenant to
16 use and operate the property for annual regional fair purposes or to continue the
17 recreational purpose to which the property was formerly used and intended, on a
18 nondiscriminatory basis for the use and benefit of all citizens of the community; provided,
19 however, that nothing in this subsection shall have the affect of authorizing alienation of
20 title to such property in derogation of rights, duties, and obligations imposed by prior deed,
21 contract, or like document of similar import or that would cause the divesting of title to
22 property dedicated to public use and not subsequently abandoned; and provided further,
23 that the lessee or contractee under a management contract shall not mortgage or pledge the
24 property as security for any debt or incur any encumbrance that could result in a lien or
25 claim of lien against the property. As a condition of any lease or management contract, the
26 lessee or contractee shall provide sufficient liability insurance, in an amount not less than

1 \$1 million per claim, no aggregate, naming the municipality as a named insured, shall
2 assume sole responsibility for or incur liability for any injury to person or property caused
3 by any act of omission of such person while on the property, and shall agree to indemnify
4 the municipality and hold it harmless from any claim, suit, or demand made by such
5 person. When the lessee or contractee charges any person to enter or go upon the land for
6 the purpose of attending the annual regional fair or for attending or participating in
7 recreational purposes, the consideration received by the municipal corporation for the lease
8 or management contract shall not be deemed a charge withing the meaning of Article 2 of
9 Title 51."

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SECTION 2.

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